1

Establish Robust Governance

Material Issues of the Year

Economic Performance

Annual Goals

Maintain positive profitability every year

2025 Actual Performance

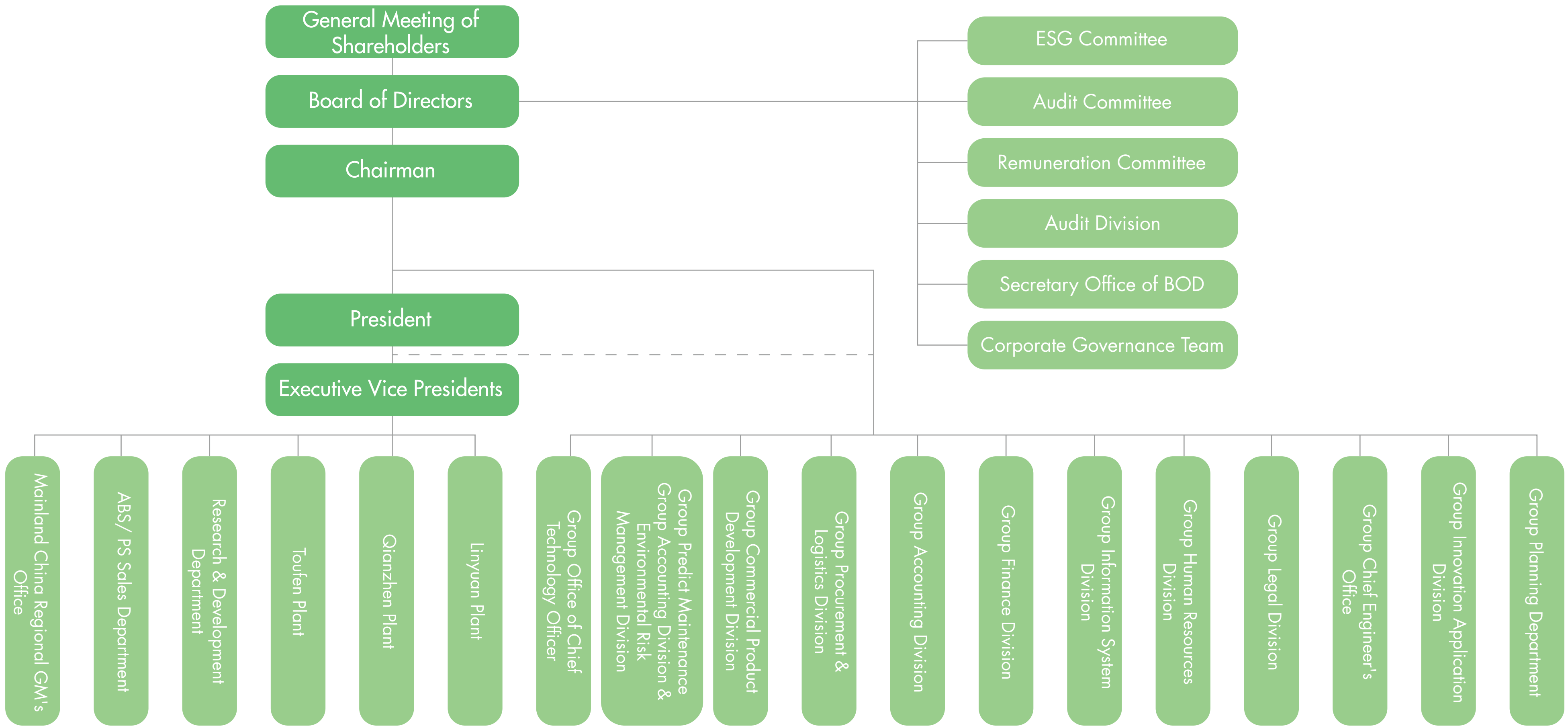
Did not achieve positive profitability

1.1 Corporate Governance

1.1.1 Governance Structure

In the 12th annual 2025 corporate governance evaluation for listed companies, ranked in the top 1% of listed companies with a market capitalization of less than NT$5 billion.

TTC will continue to dedicate itself to protecting shareholders' equity, treating shareholders equally, strengthening the structure and operation of the Board of Directors, enhancing information transparency, and implementing sustainable development, as well as assisting investors and enterprises in understanding the implementation effectiveness of the Company's governance.



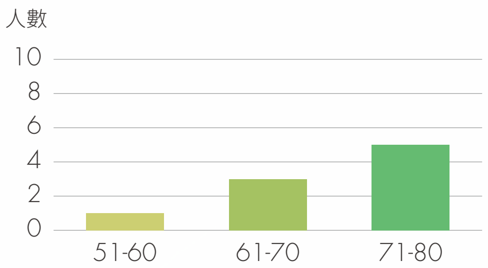
1.1.2 Board of Directors Election Information and Operations GRI 2-9 ~ GRI 2-21

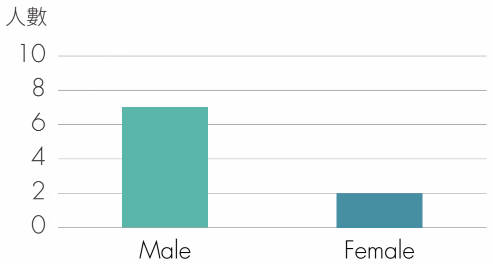
The Board of Directors is the highest governance body of the Company. The Company strictly requires Board members to comply with laws and regulations, and acting in accordance with the law is the highest operational guideline. (GRI 2-17)

The election of the Company's directors (including independent directors) adopts a candidate nomination system. Shareholders holding 1% or more of the total number of issued shares and the Board of Directors may propose a roster of director candidates. After the Board of Directors approves that they meet the required qualifications for directors, the roster is proposed to the Shareholders' Meeting, and the shareholders shall elect directors from the roster of candidates.

The Board of Directors underwent a comprehensive re-election in 2024 and is composed of 9 senior directors with rich experience from various professional fields. Female directors account for 22%, and 4 independent directors are established within the director quota, bringing the ratio of independent director seats to 44% of the Board.The term of office for the Company's directors is 3 years, and they may be eligible for re-election. (Procedures for Election of Directors)

Please refer to the table below for information on Board members.





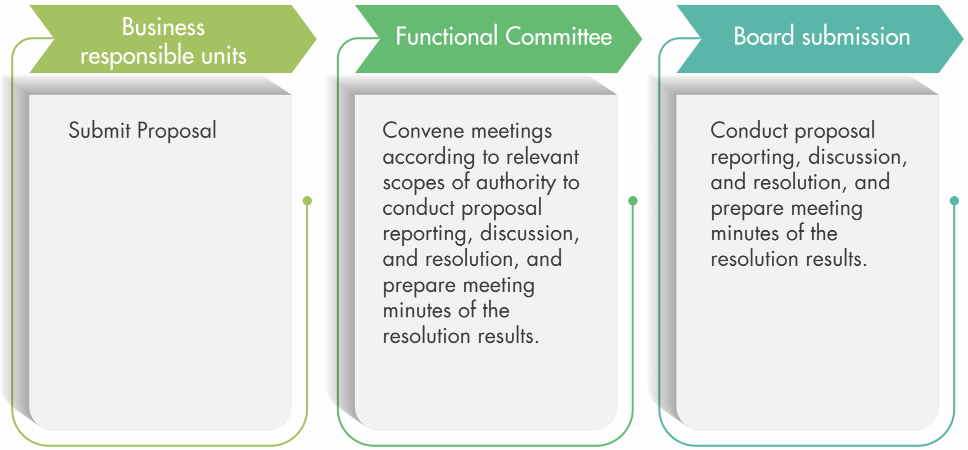
Current Term May 31, 2024 to May 30, 2027

Members
※ Directors: Quintin Wu (Chairman), Yi-Kung Ma, Pei-Ji Wu (President), Pao-Lo Ying, Shu-Chien Pi
※ Independent Directors: Tien-Wen Chen, Yung-Tu Wei, Kuo-Hsiang Li, Piao-Chun Chen

The Company held a total of 4 Board meetings in 2025. The in-person attendance rate of all directors (including independent directors) reached 94.44% (100% including attendance by proxy).The Board of Directors is led by the Chairman. For details on its operations, please refer to page 20 of the Company's Annual Report.

» Flowchart of Board of Directors Proposal Submission GRI 2-9、2-10、2-11、2-12、2-13、2-16

Proposals are submitted by the responsible business units to the respective functional committees for reporting, discussion, and resolution, and then presented to the Board of Directors for reporting, discussion, and resolution. After the meetings, the functional committees and the Board's administrative units shall respectively prepare meeting minutes of the discussion process and resolution results.



For important Board resolutions of 2025, please refer to the Annual Report and the Company's website.GRI 2-16

Additionally, we have established the Secretary's Office under the Board to plan and prepare matters relating to the Board meeting so as to enhance the efficiency of board meetings and help implement Board resolutions.

» Implementation Status of the Board Member Diversity Policy GRI 2-10

I. Board Member Diversity Policy

According to Article 20 of the Company's "Corporate Governance Regulations," the composition of the Board of Directors should be diversified. In addition to the knowledge, skills and experience required for performing their duties

To achieve the ideal goal of corporate governance, the Board of Directors as a whole shall possess the following abilities:

In addition to the above eight required abilities, considering the growing global emphasis on corporate governance and environmental protection issues, it is expected that board member diversity will include professional abilities in "Law" or "Environmental Protection."

The current members all possess the knowledge, skills, and literacy necessary to perform their duties, and respectively have expertise in accounting and finance, international markets, and environmental protection.

II. Specific Management Goals for Board Member Diversity GRI 2-17

The current directors were elected on May 31, 2024. Each director possesses the abilities required for the diversified development of the Company's business. In addition to the abilities of the Board as a whole, all directors possess operational judgment, business management, crisis management, and decision-making abilities. Among them, 2 possess environmental protection abilities, having implemented the policy stipulated in the Company's Corporate Governance Best Practice Principles that the composition of the Board members should consider diversity.

The goal of board member diversity is to respond to the global trend of increasingly valuing corporate sustainable development. The Company plans to add board members who are familiar with and specialize in relevant fields to enhance the Company's sustainability competitiveness and perfect the functions of the Company's Board of Directors.

III. Implementation Status of the Board Member Diversity Policy GRI 2-17

For the diversity status of Board members, please refer to the table below:

Name of Director	Gender	Diversity of Core Competence									
		Operational Judgments	Accounting & Finance	Business Management	Crisis Management	Industry Knowledge	International Market Perspective	Leadership	Decision-making	Law	Eco-friendly
Quintin Wu	Male	V	V	V	V	V	V	V	V		
Yi-Kung Ma	Female	V	V		V				V		V
Pei-Ji Wu	Male	V		V	V	V	V	V	V		
Pao-Lo Ying	Male	V		V	V	V	V	V	V		V
Shu-Chien Pi	Female	V	V	V	V	V	V	V	V		
Tien-Wen Chen	Male	V	V	V	V		V	V	V		
Yung-Tu Wei	Male	V	V	V	V	V	V	V	V		
Kuo-Hsiang Li	Male	V	V	V	V		V	V	V		
Piao-Chun Chen	Male	V	V	V	V			V	V		

» Implementation Status of Enhancing Directors' Professional Competencies GRI 2-17

To strengthen and enhance the professional competencies of directors (including independent directors), the Company regularly provides relevant continuing education course information to directors and assists them in ongoing training.In addition, a total of 6 hours of internal training courses were planned. On July 29, 2025, a 3-hour course titled "Industry Verification of Smart Manufacturing and Digital Decision-Making" was delivered by Professor Chien Chen-Fu, Vice President of Tsing Hua University and President of Zhen Ding Technology Group; and on October 16, 2025, a 3-hour course titled "U.S.-China Economy and Taiwan Industry Outlook After the U.S. Election" was delivered by Wang Jiann-Chyuan, Vice President of the Chung-Hua Institution for Economic Research.To enhance directors' professional competencies, the Company annually arranges various training courses and hours for directors. In 2025, internal training courses totaled 6 hours, and external training courses totaled 50 hours, resulting in a combined 56 hours of internal and external training. Sustainability-related courses accounted for over 57.14% (a total of 32 hours).The training hours of all directors complied with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEx Listed Companies." For detailed training courses and hours, please refer to pages 23-24 of TTC's 2025 Annual Report.

On July 29, 2025, a 3-hour training course titled "Industry Verification of Smart Manufacturing and Digital Decision-Making" was delivered by Professor Chien Chen-Fu, former Vice President of Tsing Hua University and President of Zhen Ding Technology Group.

On October 16, 2025, a 3-hour training course titled "U.S.-China Economy and Taiwan Industry Outlook After the U.S. Election" was delivered by Wang Jiann-Chyuan, Vice President of the Chung-Hua Institution for Economic Research.

» Status of Recusal from Conflicts of Interest by Directors GRI 2-11、GRI 2-15

The Company attaches great importance to corporate governance. To ensure the independence and objectivity of the Board's decision-making, a comprehensive conflict of interest recusal mechanism has been established, as explained below:

1. **Institutional Regulations:** The Company has formulated the Rules of Procedure for Board of Directors Meetings, Codes of Ethical Conduct for Directors and Managers, Ethical Corporate Management Best Practice Principles, and Procedures for Ethical Management and Guidelines for Conduct, which explicitly specify the recusal measures directors should take when facing conflicts of interest.
2. **Meeting Procedures:**When the Board discusses proposals in which a director has a conflict of interest, recusal procedures will be strictly enforced. The meeting chair will remind the relevant director to leave the meeting, and if the chair has a conflict of interest, another director will be designated to act as the chair.
3. **Information Disclosure:** The Board Secretarial Department records in detail the recusal status of directors in each meeting and includes relevant information in the meeting minutes.
4. **Annual Report:**In 2025, the Company legally completed the Board's conflict of interest recusal procedures. For relevant details, please refer to the Company's Annual Report - Operations of the Board of Directors. For the Board members' responses to conflicts of interest related to stakeholders, please refer to "Member Information of the Board of Directors," "Shareholders Among the Top Ten in Shareholding Ratio" in the 2025 Annual Report, and "Related Party Transactions" in the 2025 Financial Report.
5. **Continuous Improvement:** The Company will continuously review and perfect the conflict of interest recusal mechanism to ensure the transparency and fairness of corporate governance.

» Implementation Status of Performance Evaluation for the Board of Directors and Functional Committees GRI 2-18、GRI 2-19

To continuously strengthen the operational efficiency and functional exertion of the Board of Directors, the Company revised the "Board of Directors Performance Evaluation Guidelines" in 2025, specifying that a Board performance evaluation should be commissioned to an external professional independent institution or expert team every three years.The Company immediately appointed the "Taiwan Institute for Ethical Corporate Management" to conduct the 2025 external evaluation of Board performance, and submitted the evaluation results to the Board of Directors in November of the same year.Based on the evaluation recommendations, the Company has planned improvement measures to refine the Board's decision-making quality and enhance the Company's overall operational resilience and risk response capabilities, dedicating itself to promoting the Company's long-term sound operation and sustainable development.

In addition to periodic external evaluations, the Company conducts internal self-evaluations annually for the Board as a whole, individual Board members, and functional committees.The internal performance evaluation for 2025 was completed in early 2026. After self-evaluation by Board members, the evaluation results showed that the Board operates well, its operational efficiency is highly recognized, and it confirmed that the Board demonstrates high performance. In the future, the Company will continue to build on this foundation and strive for a higher benchmark of corporate governance performance.

The operational process of external Board performance evaluation includes: (I) Planning and Commissioning, (II) Data Preparation and Questionnaire Completion, (III) Written Review, (IV) Interview and Verification, and (V) Compilation of Report and Feedback for Improvement.

For the complete operational process, description, implementation status, and evaluation results, please refer to the Company's website (Board Performance Evaluation).

» Functional Committees GRI 2-9

Under the Board of Directors, the Company has established three functional committees according to functions: Audit Committee, Remuneration Committee, and Sustainability Development Committee, which are responsible for formulating and reviewing policies related to their respective areas of responsibility to strengthen corporate governance.

Title	Name	Audit Committee	Remuneration Committee	Sustainability Development Committee
Chairman	Quintin Wu	—	—	Member
Director and President	Pei-Ji Wu	—	—	Deputy Chief
Independent Director	Tien-Wen Chen	Convener	Member	Member
Independent Director	Yung-Tu Wei	Member	Convener	—
Independent Director	Kuo-Hsiang Li	Member	Member	Chief
Independent Director	Piao-Chun Chen	Member	—	Member

» Chief corporate governance officer (CCGO)

To protect shareholders' equity and strengthen the functions of the Board, the Company, via a Board resolution on May 9, 2019, appointed Chen Yung-Chih, Head of the Legal Division, to concurrently serve as the Chief corporate governance officer (CCGO), the highest-ranking officer responsible for corporate governance-related affairs.

Director Chen Yung-Chih possesses over 20 years of experience as a practicing lawyer and over 10 years as a legal head of a listed company. His main responsibilities include handling matters related to Board and Shareholders' meetings in accordance with the law, preparing meeting minutes for Board and Shareholders' meetings, assisting directors in assuming office and continuing education, providing materials required for directors to execute businesses, assisting directors in complying with laws, reporting to the Board the review results of whether the qualifications of independent directors during nomination, election, and their term of office comply with relevant laws and regulations, and handling matters related to director changes.

In 2025, Director Chen Yung-Chih completed 50 hours of training as the Corporate Governance Officer. For details on key business execution priorities and training in 2025, please refer to the Company's website (Corporate Governance).

» Shareholder Equity and Information Transparency

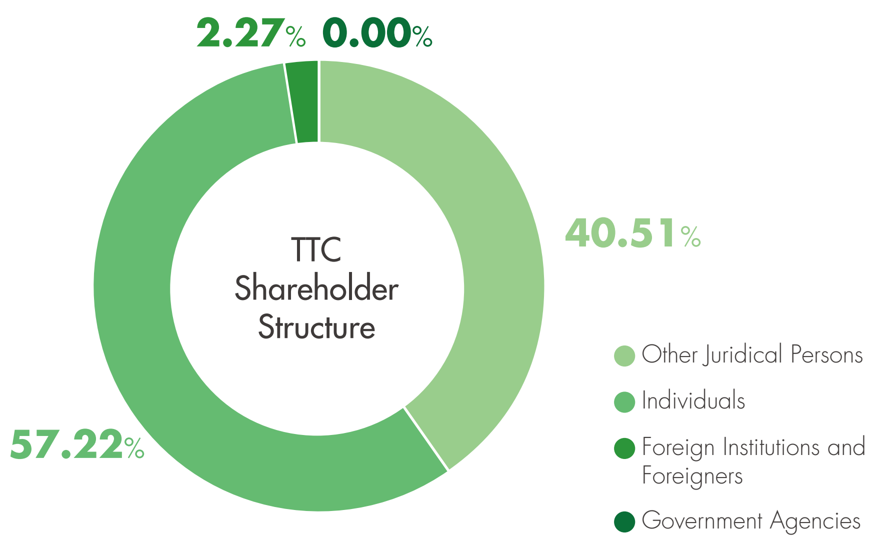
As of March 30, 2026, TTC's shareholder structure primarily consists of individuals and other legal entities. For the shareholder structure and major shareholder list, please refer to the Company's website (Shareholder Structure).

The Company is committed to providing shareholders with transparent and real-time corporate information. It regularly holds institutional investor conferences and Shareholders' Meetings annually, publishes Annual Reports and Sustainability Reports, and uploads information such as operational performance, financial data, and material information on the Market Observation Post System (MOPS) of the Taiwan Stock Exchange. It also has a bilingual "Investor Services" webpage to instantly disclose corporate governance status, business announcements, financial statements, institutional investor conferences, Group dynamic news, and other relevant information. It continuously collects shareholder opinions to feed back to the management team as a reference for decision-making.

In addition, the Company values the rights of foreign investors and the trend of corporate internationalization. Since 2018, it has strengthened the disclosure of various English information through channels such as the Annual Report, MOPS, and the Company website. It actively establishes good two-way communication channels with shareholders through various means to implement the protection of shareholders' equity.

*Note: Shareholders holding 5% or more of the shares or those ranking among the top ten shareholders by shareholding proportion.

Shareholder Structure Chart



» ESG Committee GRI 2-13、GRI 2-14、GRI 2-16

To strengthen corporate governance, TTC passed a Board resolution on December 22, 2017, elevating the Corporate Social Responsibility Committee to a functional committee of the Board. On March 9, 2022, the Board resolved to change the name of the "Corporate Social Responsibility Committee" to the "Sustainability Development Committee" (referred to as the ESG Committee). The Committee is composed of the Chairman, the President, and at least 2 independent directors, with an independent director serving as the Chairperson. Under the ESG Committee, three working groups are established: "Corporate Governance," "Environmental Protection," and "Social Relations," along with one Project Secretary.

Organizational Chart of the Sustainability Development Committee

The ESG Committee holds at least 2 meetings annually. Executing units provide sustainability-related information (including stakeholder identification results, issues of concern and responses, material issues, ESG plans, and execution results) to the ESG group leaders for compilation. The Project Secretary then reports to the ESG Committee and submits it to the Board of Directors for record.

The Board of Directors supervises and reviews the management, strategies, and goal setting across the three dimensions of governance, environment, and social. It reviews progress and performance, reviews and approves the Sustainability Report, and directs strategies and promotion directions for key material issues.

The Board's supervision of sustainability performance-related actions, Organizational Regulations of the Sustainability Development Committee, Operational Status of the Sustainability Development Committee, and Summary Table of Professional Backgrounds and Diversity of the Sustainability Development Committee.

» Key Annual Work Implementation Points of the Sustainability Development Committee's Working Groups and Work Plan for the Following Year:

Presentation of 2025 Sustainability Development Execution Results to the Board of Directors

1. Complete GHG inventory and verification operations for Linyuan Plant, Qianzhen Plant, Toufen Plant, Zhongshan Plant, and Tianjin Plant.
2. Promote energy saving and carbon reduction plans for the Company's Linyuan, Qianzhen, and Toufen plants.
3. Awards: Won the Platinum Award for Sustainability Reporting and Top 100 Sustainability Model Enterprises Award in the 18th TCSA, the "Net Zero Industry Competitiveness - Excellence Award" in the 4th 21st Century Foundation Net Zero Industry Competitiveness Awards, and the "Carbon Management Award" at the 2025 3rd SGS Green Sustainability Outcomes Presentation.
4. Publish the Chinese version of the 2024 Sustainability Report in August 2025.
5. Publish the 2024 TCFD Report in August 2025.
6. Publish the English version of the 2024 Sustainability Report in September 2025.

2025

2026 Work Plan

1. Continue promoting energy saving and carbon reduction plans at the Company's plants.
2. Continue participating in corporate sustainability-related evaluation activities.
3. Continue participating in social welfare activities.
4. Continue promoting various ISO system operations.
5. Promote the content disclosure operations for IFRS S1/S2.
6. Scheduled to publish the Chinese version of the 2025 Sustainability Report in August 2026.
7. Scheduled to publish the English version of the 2025 Sustainability Report in September 2026.
8. Scheduled to publish the 2025 TCFD Report in August 2026.
9. Promote internal control operations related to sustainability information.

2026

» Remuneration Committee GRI 2-19、GRI 2-20、GRI 2-21

1. Current Term: June 5, 2024 to May 30, 2027. There are a total of 3 members, all of whom are independent directors.
2. The Committee holds at least 2 meetings annually. In 2025, a total of 3 meetings were held, with a 100% in-person attendance rate by members. For detailed operations of this Committee, please refer to the Company's website, Annual Report, or the Market Observation Post System.
3. The Committee regularly reviews the (1) policies, systems, standards, and structures of remuneration and (2) performance evaluations for directors and senior managers. It references the median payment levels in the same industry, the time invested by individuals, responsibilities assumed, achievement of personal goals, remuneration of peers in equivalent positions, achievement of the Company's short-term and long-term performance goals, and the Company's financial status to determine and evaluate the remuneration of directors and senior managers, subject to Board approval.(GRI 2-20)

» Remuneration

- Director remuneration includes compensation, director remuneration, and business execution expenses. Senior manager remuneration includes monthly salary, fixed bonuses, year-end bonuses, employee compensation, annual special bonuses, legally contributed pensions, and welfare funds. Among them, director remuneration and employee compensation are handled in accordance with Article 25 of the Company's Articles of Incorporation. (GRI 2-19)
- In 2025, the annual total compensation ratio was 4.41:1, and the ratio of the percentage increase in annual total compensation was 713.45%. (GRI 2-21)

» Performance Evaluation

1. Director performance evaluation dimensions cover the grasp of company goals and missions, awareness of duties, degree of participation in company operations, management and communication of internal relations, professionalism and continuing education, and internal control. There is also a separate performance evaluation for the Sustainability Development Committee.
2. Performance evaluations for senior managers cover financial aspects (operating revenue, operating profit, and net income before tax), customer aspects (customer satisfaction, service quality, key market development...), product aspects (brand management, quality innovation...), talent aspects (talent cultivation, potential development...), safety aspects (zero pollution, zero emissions, zero occupational injuries, zero accidents, zero malfunctions), and project aspects (digital transformation, energy saving and carbon reduction, circular economy, net zero emissions...), etc.
3. For indicators linked to sustainability performance, the President must plan a weight of at least 40%, including at least 15% for climate-related items. Other senior managers should plan relevant sustainability performance indicators with a weight of no less than 5%.

Target	Performance Indicators	Execution Method (Weight)
President	Financial Performance (30%)	-
	Market and Customers (30%)	-
	Sustainability Performance (40%)	• Talent Development Plan (15%) • Energy Saving and Carbon Reduction Effectiveness (15%) • Occupational Health and Safety (10%)
Senior Managers	Sustainability Performance (20%)	• Talent Development Plan (5%) • Energy Saving and Carbon Reduction Effectiveness (15%)

* Note 1: Annual total compensation ratio: Annual total compensation for the organization's highest-paid individual / median annual total compensation for all employees (excluding the highest-paid individual).
* Note 2: Ratio of the percentage increase in annual total compensation: Percentage increase in annual total compensation for the organization's highest-paid individual / percentage increase in median annual total compensation for all employees (excluding the highest-paid individual).

» Audit Committee

1. The Committee is composed of 4 independent directors appointed by Board resolution, one of whom serves as the convener.It held 4 meetings in 2025 with an actual attendance rate of 100%. For the operations of this Committee, please refer to the Company's website, Annual Report, or the Market Observation Post System.
2. Powers:
   (1) Adoption or amendment of an internal control system pursuant to Article 14-1.
   (2) Assessment of the effectiveness of the internal control system.
   (3) Adoption or amendment, pursuant to Article 36-1, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
   (4) A matter bearing on the personal interest of a director.
   (5) A material asset or derivatives transaction.
   (6) A material monetary loan, endorsement, or provision of guarantee.
   (7) The offering, issuance, or private placement of any equity-type securities.
   (8) The hiring or dismissal of an attesting CPA, or the compensation given thereto.
   (9) The appointment or discharge of a financial, accounting, or internal auditing officer.
   (10) Review of the annual financial report signed or sealed by the Chairman, managerial officer, and accounting officer.
   (11) Other material matters as required by the Company or the competent authority.
3. Major Review Items:
   (1) Assess the effectiveness of the internal control system.
   (2) Annual accounting statements and earnings distribution.
   (3) Lifting the non-competition restriction on directors.
   (4) Assess CPA independence and appoint CPA.
   (5) Establish pre-approval guidelines for non-assurance services provided by the attesting CPA.
   (6) Amendment of the internal control system.
   (7) Endorsements and guarantees.
   (8) Interim financial reports.
   (9) Change of accounting officer.
   (10) CPA compensation.
   (11) Amend the operating procedures for transactions with related parties, specific companies, and group enterprises.
   (12) Audit plans.
   (13) Supervise the implementation of risk management policies.

1.2 Economic Performance GRI 3-3、GRI 201、201-1、201-4

Material Issue

Economic Performance

Reason for Materiality

Company operational performance is a critical factor supporting the sustainable operational development of the enterprise.

Impact Boundary

Directly impacts the Company and employees, and indirectly impacts investors and suppliers.

Corresponding Sustainability Principles and SDGs

Establish Robust Governance / SDG 8 Decent Work and Economic Growth

Management Approach

Purpose of the Approach	Enhance market competitiveness and sustain profitability to ensure corporate sustainable development.
Goals	Maintain positive profitability every year.
Management Plans	1. Full production and sales of all products, develop advantageous markets, adjust sales strategies, and strengthen sales of advantageous products. 2. Based on product functions and characteristics, carry out quality improvement, performance enhancement, new product development and verification, and develop high value-added products. 3. Establish long-term strategic cooperative relationships with major raw material suppliers, and establish safety stock based on the preparation schedule to ensure a smooth supply chain.
Approach Evaluation	Consolidated revenue budget target achievement rate
Evaluation Mechanism	1. Management Meeting; 2. Production and Sales Coordination Meeting; 3. Quality Meeting
Evaluation Results	1. Operating net loss in 2025 was NT$430 million. The Company continued to strengthen sales volume, striving for a level of full production and sales. Sales volume increased, so the overall gross margin increased compared to the previous year.
Remediation and Preventive Measures for Negative Impacts	1. Soaring energy costs, electricity rate hikes, carbon fee collection - higher production costs: Coordinate with the Group's Energy and Resource Management Department to review internal energy saving and carbon reduction plans. 2. Regulations restricting industry development, factory closures: Compliance with relevant laws is implemented and continuously improved, and new regulatory information is irregularly reviewed to ensure legal compliance. 3. Water consumption fee collection - higher production costs: Coordinate with the Group's Energy and Resource Management Department to review internal water resource management plans.
Grievance Mechanism	1. Shareholders' Meeting 2. "Investor Services / Contact Window" on the Company's website.

In 2025, total assets were NT$8.57 billion, of which current assets accounted for NT$5.3 billion, representing approximately 62% of total assets, and non-current assets accounted for NT$3.27 billion, representing approximately 38% of total assets.

The total asset turnover ratio in 2025 was 1.57 times.

The operating revenue in 2025 was NT$14.5 billion, of which the operating revenue of the plastic raw materials department was NT$13.9 billion, accounting for approximately 96% of the total operating revenue; the net loss after tax was NT$430 million, failing to achieve the goal of maintaining sustained positive profitability every year.

Consolidated Financial Information for the Past Three Years

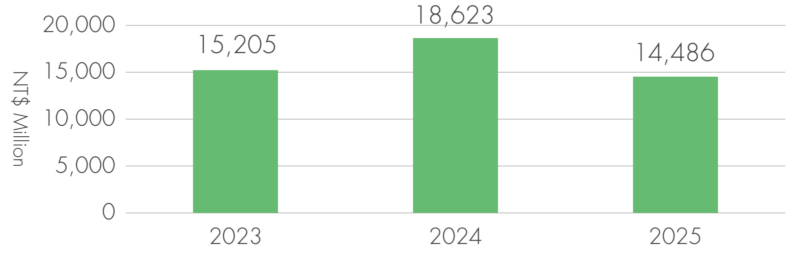
Unit: NT$ Million

Item	Basic Element	2023	2024	2025
Direct Economic Value Generated	Sales revenue	15,205	18,623	14,486
	Financial investment income	1,115	0	0
	Asset sales income	0	0	0
	Subtotal	16,320	18,623	14,486
Economic Value Distributed	Operating costs	15,904	18,278	14,375
	Employee wages and benefits	541	559	528
	Payments to providers of capital	119	80	60
	Payments to government	147	7	6
	Community investments	2	2	4
	Subtotal	16,713	18,926	14,973
Economic Value Retained		-393	-303	-487

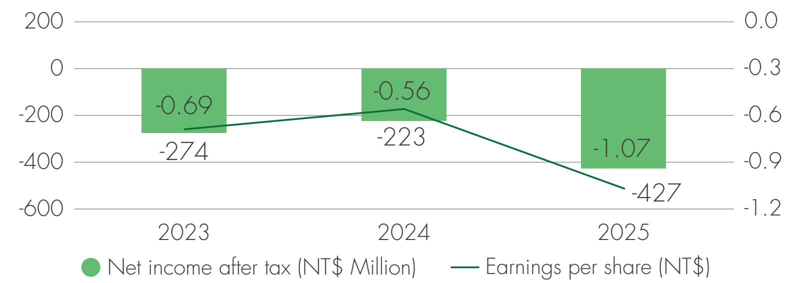
In 2025, the cost of goods sold was NT$13.9 billion, accounting for approximately 96% of the operating revenue, of which raw material costs accounted for approximately 90% of the total manufacturing costs. TTC paid various taxes in accordance with the law, with a tax payment of NT$6 million, accounting for 0% of the total individual operating revenue.In 2025, employee benefit expenses (including post-employment benefits, salaries, insurance, and others) amounted to NT$530 million, accounting for approximately 4% of total costs and expenses.Financial assistance received from the government in 2025: NT$2.71 million.

For financial information, please refer to the Market Observation Post System (Stock Code: 1309) and the 2025 Consolidated Financial Report on the company's website.

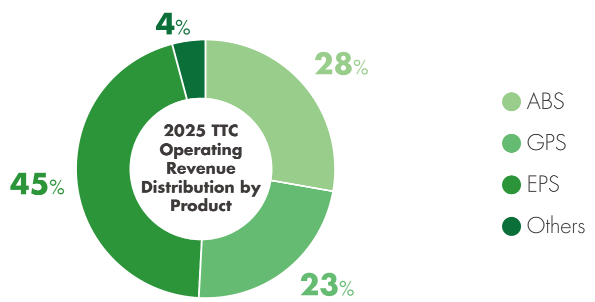
Operating Revenue



Net Income After Tax



2025 TTC Operating Revenue Distribution by Product



1.3 Risk Management

To strengthen corporate governance and reduce potential operational risks, ensuring the Company's steady operation and sustainable development, the "Risk Management Policy and SOP" was approved by the Audit Committee and the Board of Directors in December 2020. Its main contents include the risk management policy, risk management organization, risk management process, and risk management categories and mechanisms, thereby effectively controlling the risks generated by business activities, and reporting the risk management operations of the current year to the Audit Committee and the Board of Directors at least once a year.

To effectively implement the risk management mechanism, the Company promotes participation jointly through the Board of Directors, the Audit Committee, the highest direct supervisors in charge of daily affairs of each risk management unit, the Auditing Department, various risk management units, and subsidiaries.

We regularly identify, measure, and control risks for the work scope of each risk management unit every year.

The Auditing Department shall audit the Company's risk management, timely providing the management team with an understanding of existing or potential risk issues in internal control to ensure compliance with established regulations and control procedures.

1.3.1 Risk Management Process

The Company's risk management process includes: risk identification, risk measurement, risk monitoring, risk reporting and disclosure, and risk response.

1. Risk Identification: Discover risk factors that need to be managed, and design methods to identify risks based on the company's business characteristics and internal/external environments.
2. Risk Measurement: After identifying risk factors, each risk management unit sets appropriate measurement methods to serve as the basis for risk management.
3. Risk measurement includes the analysis and assessment of risks, evaluating the impact of risks on the Company through the analysis of the likelihood of risk events occurring and their negative impact if they occur, serving as a reference for subsequently establishing the priority of risk control and the selection of response measures.
4. Risk Reporting and Disclosure: To fully record the risk management process and its implementation results, the Company should regularly report the risk status to senior management for reference, ensuring the normal operation of the management structure and risk control functions.
5. Risk Response: After evaluating and compiling risks, each risk management unit should take appropriate response measures to the risks.

1.3.2 Control Mechanisms for Various Risks and Detailed Operational Status in 2025

All units of the Company manage risk assessments based on the current operational status, controlling risks at all times to protect the interests of the Company, employees, shareholders, and stakeholders, aiming to achieve the sustainability vision of "Creating Sustainable Value Together, Gathering for a Sustainable Society."

Operational Status of Various Risk Management Units

1.3.3 Internal Control and Internal Auditing Mechanism

The Company has established an independent internal auditing unit directly under the Board of Directors to evaluate the design and execution of internal controls, as well as to formulate and execute the annual audit plan.

The audit supervisor holds an international Certified Internal Auditor certification, executing audit operations adhering to principles of transcendence, independence, and integrity, and regularly attends the Board of Directors and the Audit Committee to report on major audit findings and track subsequent improvement situations.

The audit supervisor is also the dedicated receiving unit for the Audit Committee Email and the Whistleblowing Hotline, executing the handling of whistleblowing matters.

In 2025, the internal auditing unit completed scheduled audits according to the plan, issuing 52 audit reports and 5 tracking reports. All audit recommendations have been fully improved.

1.3.4 Reasons for Fines Due to Regulatory Violations and Improvements

In 2025, TTC had no incidents or fines related to product labeling regulations or laws and regulations in the social and economic fields, 1 incident of violating environmental laws and/or regulations, and no major regulatory violations.(Note: Material violations are based on the provisions of the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities.)

Plant	Penalty Authority	Reason for Penalty	Fine Amount (NT$10,000)	Improvement Description
Qianzhen Plant	Environmental Protection Bureau, Kaohsiung City Government	The Environmental Protection Bureau of Kaohsiung City Government dispatched personnel to the plant on March 11 to conduct an inspection of equipment components. The test results found that a total of 1 equipment component had a leakage concentration exceeding the 2000ppm stipulated in the "Kaohsiung City Equipment Component Volatile Organic Compounds Control and Emission Standards," in violation of Article 20, Paragraph 1 of the Air Pollution Control Act.	16.3	The opening below the R1 reaction tank (AC-201) exceeded VOCs standards. Immediate improvements were made on March 12, and a testing company was commissioned for re-inspection, meeting the standard. The results were reported to the Environmental Protection Bureau, completing the improvement. Furthermore, the maintenance operation standards were redefined. If there are items such as maintenance, pipe dismantling, or upkeep, blind sealing must be applied immediately after dismantling, and self-testing must be conducted to ensure compliance with VOCs control standards.

* Note: Disclosure items regarding regulatory violations mainly focus on cases with fines exceeding NT$100,000.

1.4 Cybersecurity management

Strategy and framework of cybersecurity risk management

1. Framework of cybersecurity risk management:
   (1) Information security governance organization:
   The "Information Security Management Review Meeting" is held regularly every year to determine the 6 major input items of the information security management system (status of past management review proposals, changes in internal and external issues related to the information security management system, information security performance feedback, stakeholder feedback, risk assessment results and the status of risk treatment plans, and opportunities for continuous improvement) and to agree on the 2 major output items of the information security management system (decisions related to continuous improvement opportunities, any need for changes to the information security management system), to achieve the goals of the information security management system.
   (2) Information security organizational structure:
   In accordance with the Company's internal standard operating procedure "Information Security Implementation Organization Regulations," an "Information Security Implementation Team" was established to supervise the operation of the Group's information security management and clearly stipulate the roles and responsibilities of each implementing organization.Meetings are held regularly once a year, and can be convened immediately when the Group experiences major information security incidents.The Director of the Information Department serves as the convener of the team, responsible for convening the Information Security Implementation Team meetings and making decisions and arbitrations on meeting opinions; department supervisors under the Information Department are members of the team.For major information security incidents, the Director of the Information Department will report to the President or relevant department supervisors.
2. Cybersecurity policy
   (1) ISO/IEC 27001 Information Security Management Systems:
   We have established the ISO/IEC 27001:2013 Information Security Management System since 2014 and continuously promoted its operation, employing the external impartial unit BSI to conduct reviews. In 2025, we passed the validation for the updated ISO/IEC 27001:2022 version.To date, we have consecutively passed certification audits for 11 years (the current certificate's validity period is: July 4, 2023, to July 3, 2026).
   (2) NISTCSF cybersecurity management framework:
   Incorporating the Cybersecurity Framework (CSF) developed by the National Institute of Standards and Technology (NIST) of the United States.
   (3) Taking the ISO/IEC 27001 Information Security Management System as the core, supplemented by the NISTCSF cybersecurity management framework, to strengthen risk control, enhance cybersecurity resilience, and equip the capability to endure, contain, and rapidly recover from cybersecurity incidents, to continuously provide critical operational services.
3. For specific management plans and cybersecurity risk responses, please refer to the link: Risk Management / Cybersecurity Risk.
4. Resources invested in cybersecurity management:
   (1) Dedicated personnel: Establishing the "Information Security Network Section," a dedicated corporate organization with designated information security supervisors and personnel, responsible for the Company's information security planning, technology implementation, and related auditing matters, to maintain and continuously strengthen information security.
   (2) Certification: Consecutively passing the ISO/IEC 27001 information security certification for 11 years, with no major deficiencies in related information security audits.
   (3) Customer satisfaction: No major cybersecurity incidents, and no complaint cases violating the loss of customer data.
   (4) Education and training: All information personnel have completed two annual cybersecurity education training sessions and assessments.All Group employees undergo one social engineering phishing email drill annually, totaling 201 person-times.
   (5) Cybersecurity investment funds: A total of approximately NT$981,000.
   (6) Cybersecurity announcements: A total of 8 notices were issued.
5. Personal Data Protection Management

The Company attaches extreme importance to the privacy rights of customers, employees, and suppliers, strictly abiding by the Personal Data Protection Act, with its scope of application covering all plant areas, operational sites, employees, suppliers, and customers of the Company.All collection, processing, and utilization of personal data are strictly limited to the scope of specific statutory purposes and are never sold or exchanged with third parties without authorization. We have also designated the Human Resources Division of the Group and the Information Department as dedicated units for personal data protection, regularly holding education, training, and promotional activities.

   (1) Implementation Status and Effectiveness in 2025:

- Personal data breach incidents: A total of 0 incidents involving violations of the Personal Data Protection Act or customer data leaks occurred in 2025.
- Education and training: To strengthen employees' awareness of personal data protection, the 2025 Personal Data Protection Act course trained 307 employees, with a total course hours reaching 307 hours, and a 100% test pass rate.
- Auditing operations: Perform at least one internal cybersecurity audit regularly every year to ensure the effectiveness of personal data protection technology.

1.5 Integrity Management

1.5.1 Code of Conduct

» Ethical Corporate Management Best Practice Principles

To instill in all employees the Company's culture of integrity and to enhance their professional ethics and conduct, we adopted the "Integrity Management Guidelines" and "Procedures and Behavior Guidelines for Integrity Management" based on the "Listed Company Integrity Management Guidelines" issued by the Taiwan Stock Exchange. These guidelines prohibit dishonest behaviors and apply to directors, managers, employees, and those with significant control over the Company.

» Training for the Ethical Corporate Management Best Practice Principles

To ensure that colleagues understand ethical standards, new employees must sign a pledge on their first day, which clearly outlines the Company's integrity policies, and commit to adhering to them. Apart from making integrity-related regulations available on the website for employees, we also invite external scholars and experts to conduct annual integrity lectures and internal training, emphasizing the commitment, policy, preventive measures, and potential repercussions of breaches. The Company held education and training related to integrity management in 2025, with a total of 691 participating employees, totaling 754 training hours. The details are as follows:

Overview of Integrity Management Related Educational Training Programs

Course Name	Course Hours	Total Person-Times	Total Training Hours
【Integrity Lecture】 AI Trends and Legal Risk Guide	2	63	126
【Integrity Lecture】 Code of Conduct for Employees (Part 1)	1	314	314
【Integrity Lecture】 Code of Conduct for Employees (Part 2)	1	314	314
Total		691	754

Ethical Corporate Management Best Practice Principles

» Code of Ethical Conduct for Directors and Managerial Personnel

To provide a guideline for the ethical conduct of the Company's directors and managers when engaging in business activities for the Company based on their authority, this code is specifically established to prevent unethical behaviors and actions detrimental to the interests of the Company and shareholders.

The subjects applied to this code include: all directors and managers of the Company (including the President, Vice Presidents, Executive Vice Presidents, Finance/Accounting Supervisors, and others who manage company affairs and have signature authority).

The contents regulated by the code include: maintaining trade secrets, engaging in fair trade, complying with laws and regulations, and protecting and properly using company assets.

» Workplace Ethics and Professional Morality Regulations

To maintain the Company's reputation for integrity and upright management, we include workplace ethics and professional morality as training items for all employees. Any violations will be included in personal performance evaluations, and severe cases will be punished according to work rules.

In 2025, there were no illegal or unethical incidents, nor were any related reports received.

» Internal Compliance Checks GRI 2-27

In addition to implementing integrity management, the Company also values relevant regulatory compliance. Besides inviting well-known scholars, experts, and lawyers to hold educational courses on relevant regulations, we also promote the latest regulatory information through routine functional meetings, enabling employees to obtain real-time information such as new additions and amendments to regulations to facilitate compliance.

The Chief corporate governance officer (CCGO) complies with regulations to regularly (at least once a year) report to the Board of Directors. Most recently, on November 7, 2025, a report was made to the Board on the annual execution status of integrity management, including the following:

1. Establish relevant regulations implementing the integrity management policy in accordance with the legal system, and thoroughly execute them.
2. Regularly analyze and evaluate the risk of dishonest behavior within the business scope - evaluate the risk of dishonest behavior within the business scope based on the "Unethical Behavior Risk Assessment Checklist".
3. Plan the internal organizational structure and install monitoring mechanisms for business activities with a higher risk of dishonest behavior within the business scope.
4. Promotion and coordination of integrity policy advocacy training.
5. Plan a whistleblowing system and ensure the effectiveness of execution - according to statistics, no reports of illegal incidents were received this year.
6. Assist directors and the President in evaluating whether the preventive measures established for implementing integrity management operate effectively, and regularly evaluate compliance situations regarding relevant business processes to create a report.

» Whistleblowing Channels GRI 2-26

The Company has formulated the "Procedure for Handling Reports on Illegal, Unethical, or Untrustworthy Behaviors," explicitly specifying the Company's internal and external whistleblowing channels and processing systems, to thoroughly execute the ethical conduct guidelines and integrity management codes formulated by the Company, and to ensure the legal rights of whistleblowers and related personnel. Whistleblowing channels:

1. Personal report (Face-to-face explanation)
2. Whistleblowing Hotline: 02-26503783
3. Written report: Auditing Department, 7F, No. 37, Jihu Rd., Neihu Dist., Taipei City

For reports submitted verbally through Personal report or Whistleblowing Hotline, the responsible personnel of the receiving unit shall create a written record based on the described content and mark it as "Confidential."

The Company makes every effort to keep confidential and protect the whistleblower, the personnel participating in the investigation, and the content thereof, saving them from unfair treatment or retaliation.