
TONG HSING
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TONG HSING ELECTRONIC
2024
Sustainability
Report

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About the Report

Report Summary GRI 2-3

The Report is prepared in accordance with the Sustainability Reporting Standards issued by the Global Reporting Initiative (GRI) Standards. It provides a detailed account of Tong Hsing Electronic Industries, Ltd. (hereinafter referred to as Tong Hsing, the Company, or We) in fulfilling its corporate citizenship responsibilities, particularly in the areas of sustainability management, corporate governance, ethical business practices, operational strategy and performance, customer relationship, product innovation and quality management, sustainable supply chain management, environmental sustainability, building a happy workplace, a safe and healthy working environment, and shared prosperity with society.

In consideration of issues that concern investors, the Company provides reliable and transparent information to the public through various disclosures on its official website, thereby promoting two-way communication with both internal and external stakeholders. Tong Hsing anticipates growing stakeholder demand for non-financial information disclosure. As such, we are committed to presenting a comprehensive view of our sustainability management measures and performance data, ensuring both transparency and credibility in our corporate sustainability practices. The Report can be read and downloaded on the Company's official website.https://www.theil.com/en

Reporting Period GRI 2-3

This 2024 ESG Sustainability Report (covering the period from January 1, 2024 to December 31, 2024) discloses Tong Hsing Electronic Industries, Ltd.'s sustainability management practices across various ESG dimensions. The Report covers stakeholder identification and engagement, communication and analysis of material issues, materiality assessment and responses, evaluation of sustainability impacts and material risk factors, alignment with the SDGs, and performance information related to the management measures and actions for material ESG topics. Some content is included to enhance readers' understanding of the information presented in the Report.

Reporting Boundary GRI 1

The reporting boundary includes five production plants, Tong Hsing Taipei Plant, Bade Plant, Longtan Plant, Zhubei Plant, and the subsidiary in the Philippines, as well as one administrative office at the Chang-Yih Hi-Tech Industrial Park. The reporting boundary is consistent with that of the consolidated financial statements for the same year. The Company's consolidated financial statements have been verified by KPMG.

Principles Followed in Report Preparation GRI 2-4

This Report is disclosed in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies". The content structure is based on the GRI Sustainability Reporting Standards (GRI 2021) issued by the Global Reporting Initiative, and also refers to the SDGs, SASB standards for the semiconductor industry, and the Task Force on Climate-related Financial Disclosures (TCFD 2017) recommendations. The Report has been independently verified by Taiwan TUV NORD Technical Supervision Consultants Co., Ltd., a third-party assurance provider, in accordance with the AA1000 Assurance Standard (AA1000AS v3), Type 1 with a moderate level of assurance, and in compliance with the requirements of the GRI Standards: 2021. Independent third-party assurance statement

Restatements of information GRI 2-3

The unit conversion of the 2023 energy consumption table has been corrected. For the detailed information on the corrected energy consumption figures, please refer to the Sustainability Environment section.

Publication Frequency

Tong Hsing Electronic Industries Ltd. publishes a sustainability report on an annual basis. In support of energy saving, carbon reduction, and environmental protection, the Report is made available in electronic format on the Company's official website for readers' access.

Reporting Period	From January 1, 2024, to December 31, 2024
Date of Previous Report	August 2024
Date of Current Report	August 2025
Estimated Date of Next Report	August 2026
Reporting Frequency	Publish Annually

Contact Information GRI 2-3

The Report is published in electronic format and published at the Company's website. We welcome all stakeholders to browse and download it online. If you have any comments or suggestions regarding the content of this report, please feel free to contact us using the methods provided below.

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Sustainable Development Division:
Associate Vice President, Shih-Chien (Austin) Chiu
Phone: 03-5535888
Email: austin.chiu@theil.com

Message from President GRI 2-22

Greetings to all stakeholders,

In 2024, Tong Hsing delivered an outstanding performance, achieving consolidated annual revenue of NT$12.09 billion, representing slight growth compared to 2023. As a leading manufacturer in the fields of high-power LED products and image sensor IC packaging, we continue to expand our footprint in high-frequency wireless communication and hybrid integrated circuit modules. At the same time, we uphold the core value of "growth with shared prosperity," striving for a harmonious coexistence between business operations and the ecological environment.

Sustainable Carbon Reduction from Goals to Actions

In response to the global net-zero transition, Tong Hsing took the lead in 2022 by pledging a concrete quantitative target of reducing carbon emissions by 30% by 2030. The Company proactively launched greenhouse gas inventories covering Scope 1 to Scope 3 emissions across all domestic and overseas plants, all of which have obtained third-party verification in accordance with ISO 14064-1:2018. This demonstrates our commitment to carbon issues and our determination to gradually achieve carbon reduction through concrete actions.

In terms of energy transition, we not only installed rooftop solar power systems at our Longtan and Bade plants, but also continuously carried out energy-saving initiatives across all facilities. In 2024, we implemented 18 electricity-saving measures and 14 water-saving measures, including lighting system optimization, replacement of outdated equipment, upgrades to variable-frequency drive systems, operational parameter adjustments, and increased secondary water recycling. These efforts resulted in a total annual electricity savings of 1.66 million kWh. In addition, through the expansion and optimization of wastewater recycling systems, we achieved a total annual water recovery volume of 5.67 million tons—tangible outcomes that reflect Tong Hsing's commitment to the sustainable use of energy and resources.

Protecting the Environment Begins at the Source

Tong Hsing complies with international environmental protection standards such as RoHS and REACH. Through our hazardous substance management mechanism, we reduce the environmental impact of manufacturing processes. At the same time, we embrace circular economy practices by fully reusing silicon sludge generated during production. We also optimized packaging by switching from pallet packaging to stackable packaging, reducing packaging volume by 72% and decreasing pallet usage by approximately 12,395 units.

Rooting Education Illuminating the Future

As a member of society, Tong Hsing has long been committed to local community care. In 2024, we continued our support for elementary and junior high schools in New Taipei City, Taoyuan City, and Hsinchu County, where our plants are located. Our LED installation teams visited campuses to help replace lighting equipment in classrooms and hallways. A total of 672 outdated light fixtures were replaced, improving students' visual learning environments while also helping schools reduce electricity costs. Through these actions, we not only responded to government policies but also conveyed the warmth of technology giving back to society.

Advancing Human Rights Together with Our Supply Chain

We uphold international human rights standards by following the five pillars of the Responsible Business Alliance (RBA). We have established the Commitment to Compliance Procedures and Supplier Code of Conduct to ensure joint compliance with our supply chain partners, thereby building a resilient and sustainable supply chain. These efforts not only respond to brand customer requirements but also demonstrate our determination and actions in jointly shouldering corporate social responsibility.

The journey of corporate sustainability is a long and steadfast path. Tong Hsing will continue to unite internal and external strengths, promoting transformation through integrity and innovation, realizing a vision of harmonious coexistence between people and nature, and working hand in hand to create a better future.

President

Sustainability Highlights and Achievements

SDGs x ESG Action Achievements

Aspects	SDGs Indicators	SDGs Action Initiative
E Environmental		• All plants (including Bade Plant) have completed the ISO 14064-1:2018 organizational-level carbon inventory and obtained third-party verification. • Building on the "30% carbon reduction by 2030" target, Tong Hsing continues to advance annual carbon reduction initiatives. • A total of 18 energy-saving projects were implemented, resulting in annual electricity savings of 1.66 million kWh. • Rooftop solar power systems were installed at the Longtan and Bade Plants, and grid connection procedures were carried out. • An annual total of 5.67 million tons of water was recycled through the expansion of the water recovery system and the implementation of wastewater diversion and reclamation measures. • In 2024, the precious metal recovery rate increased by 120%. • Packaging optimization was implemented by shifting from pallet packaging to stackable tray packaging, reducing packaging volume by 72% and cutting the use of pallets by approximately 12,395 units.
S Social		• The average training hours per employee reached 30.14 hours, alongside the comprehensive promotion of management trainings. • [LED Lighting Upgrade Program for Schools in Plant-Host Cities] A total of 672 outdated light fixtures were replaced in five schools across New Taipei City, Taoyuan, and Hsinchu as part of our support for local elementary and junior high schools. • In collaboration with the Ju Ming's Works, we brought arts education into elementary schools near our plants by introducing art-based craft courses. These programs aim to inspire children's creativity, boost their confidence, and encourage emotional expression, helping them discover their self-worth through the power of art. At the same time, the natural setting of the Ju Ming's Works was utilized for ecological pond research and education. Students were guided to engage in ecological observation and habitat restoration activities, benefiting a total of 6,116 participants. • In 2024, more than 10 public welfare activities were conducted, including blood donations, volunteer services, health seminars, and first aid training. A total of over 180 bags of blood were collected. • We continue to promote industry-academia collaboration with partners including National Central University, National Tsing Hua University, National Taipei University of Technology, and the Industrial Technology Research Institute.
G Governance		• 100% of new employees completed training courses on ethical corporate management and anti-corruption. • No major legal violations were recorded throughout the year. • The Board of Directors comprises 44% female members, exceeding the market average. • We have signed the RBA Code of Conduct commitment with our suppliers, incorporating the five pillars of human rights requirements. • No major information security incidents occurred throughout the year. The Longtan and Bade Plants obtained ISO 27001 certification for their information security management systems. • To strengthen sustainable management and link managerial performance, external ESG evaluations and environmental energy-saving indicators are incorporated into assessments. Rewards are determined based on KPI achievement, with ESG accounting for a 10% weighting.

About Tong Hsing

GRI 2-1, 2-2

Tong Hsing was established in 1974 and specializes in electronic components and semiconductor packaging. The Company employs 3,449 people and reported revenue of NT$12.09 billion in 2024. The Company's core technologies encompass ceramic circuit board processes, image product reassembly and packaging, and miniaturized packaging of polycrystalline modules. Our products include multi-chip modules, thick-film hybrid integrated circuit modules, printed circuit board assemblies, high-frequency modules, power semiconductor modules, wafer-level reassembly and packaging, as well as automotive image sensor IC packaging. Our products and services are primarily sold and delivered in Europe and the Americas.

Guided by the principles of Steadiness and Practicality, Integrity and Honesty, and Customer First, the Company remains firmly rooted in Taiwan while pursuing steady operations. We continue to introduce innovative thinking and automated systems to enhance process efficiency and product quality, delivering differentiated and competitive one-stop solutions to strengthen our global service capabilities. Our vision is to build a "Happy Enterprise" by enhancing product and service quality, continuously improving customer satisfaction, and establishing long-term partnerships with global industry leaders and key suppliers. Through joint development of new materials, equipment, and technologies, we aim to stay aligned with industry trends and technological advancements.

To realize the Company's business vision, Tong Hsing will continue to deepen its product lines, invest in R&D innovation, and expand its global operational footprint. We are committed to becoming a leading brand in customized packaging and testing services for ceramic circuit boards, automotive image sensor IC packaging, RF modules, and miniaturized polycrystalline module packaging, advancing our goal of sustainable growth.

Tong Hsing focuses on high value-added electronic components and packaging and testing services. Our products are applied across diverse fields, including automotive electronics, communications, biomedical, and semiconductors, providing customers with one-stop integrated solutions. The main products and services can be categorized into four major types:

1 Ceramic Substrate

To meet the demands of high power and high thermal dissipation, Tong Hsing offers a diverse range of ceramic substrate technologies, including Direct Plated Copper (DPC), Direct Bonded Copper (DBC), Active Metal Brazing (AMB), and Thick Film Printed Circuit Boards (Thick Film PCBs). These technologies are widely applied in electric vehicles, industrial control, and the energy sector.

2 Imaging Products

Provides comprehensive image sensor manufacturing services from wafer probing testing, wafer reconstruction, packaging, to final testing. These services are particularly suitable for automotive imaging systems and intelligent surveillance devices.

3 Module Packaging

Our offerings include high-frequency wireless communication modules (RF packages) and power semiconductor modules, supporting the demands of high-speed computing and high-efficiency power management. These solutions feature excellent thermal performance and packaging reliability.

4 Customized Packaging and Testing

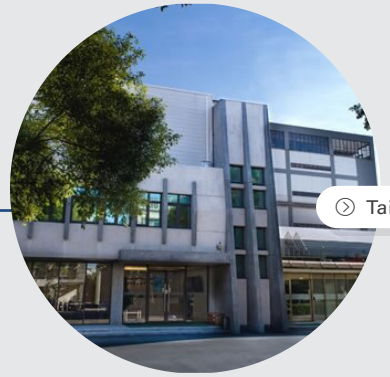
We provide packaging and testing services for Hybrid IC Modules and Bio Medical products, meeting the high reliability and precision demands of specialized application markets. This reflects our strong potential in cross-industry integration and diverse application development.

Company Basic Information

Company name	Tong Hsing Electronic Industries Ltd.	Industry Category	Semiconductor Industry	Global Number of Employees	A total of 3,449 people
Stock Code	6271	Listing Date	November 16, 2007	Paid-in capital	NT$2.09 billion
Date of Establishment	1974	Headquarters Location	No. 88, Ln. 1125, Heping Rd., Bade Dist., Taoyuan City	Main Business Activities	Imaging products, hybrid integrated circuit modules, ceramic circuit boardsceramic circuit boards

Operational Sites

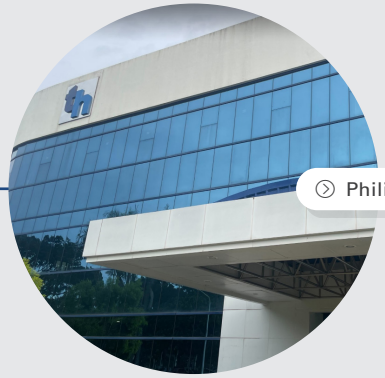
Bade Plant



Taipei Plant

Longtan Plant

Zhubei Plant



Philippines Plant

For global operational sites, please refer to the Company's official website

- Taipei Plant: No. 55, Ln. 365, Yingtao Rd., Yingge Dist., New Taipei City
- Bade Plant: No. 88, Ln. 1125, Heping Rd., Bade Dist., Taoyuan City
- Longtan Plant: No. 21, Longyuan 5th Rd., Longtan Dist., Taoyuan City (Longtan Science Park)
- Zhubei Plant: No. 84, Taihe Rd., Zhubei City, Hsinchu County
- 昌益辦公室:新竹縣竹北市環科一路8號之一
- Philippines Plant: 103 Prosperity Ave, Calamba, 4037 Laguna

Sustainable Management

Sustainability Strategy and Policy GRI 2-23, 2-24

Tong Hsing adheres to the principles of integrity and sustainable development by establishing comprehensive internal regulations in accordance with the "Corporate Governance Best Practice Principles" and "Sustainable Development Best Practice Principles". The Company actively engages with stakeholders to understand external concerns, continuously optimizes its sustainability strategies and practices, enhances transparency, and demonstrates its full commitment to corporate governance, as well as economic, environmental, and social responsibilities. We also follow domestic and international sustainability trends and standards, including the International Covenant on Economic, Social and Cultural Rights (ICESCR), the International Covenant on Civil and Political Rights (ICCPR), and the United Nations Guiding Principles on Business and Human Rights (UNGPs). Based on these key international human rights frameworks, we have established a "Corporate Social Responsibility Policy", under which we are committed to legal compliance, protecting employee rights, prioritizing environmental protection and workplace safety, upholding ethical standards, and pursuing continuous improvement. Through these efforts, we actively demonstrate a positive impact on society and embody the core values of sustainable corporate management.

Sustainable Vision

Rooted in integrity and driven by innovation, we are committed to building a sustainable value chain where people and nature coexist in harmony, striving to become the world's leading sustainable brand in high value-added electronic components and packaging.

Sustainable Strategy Pillars

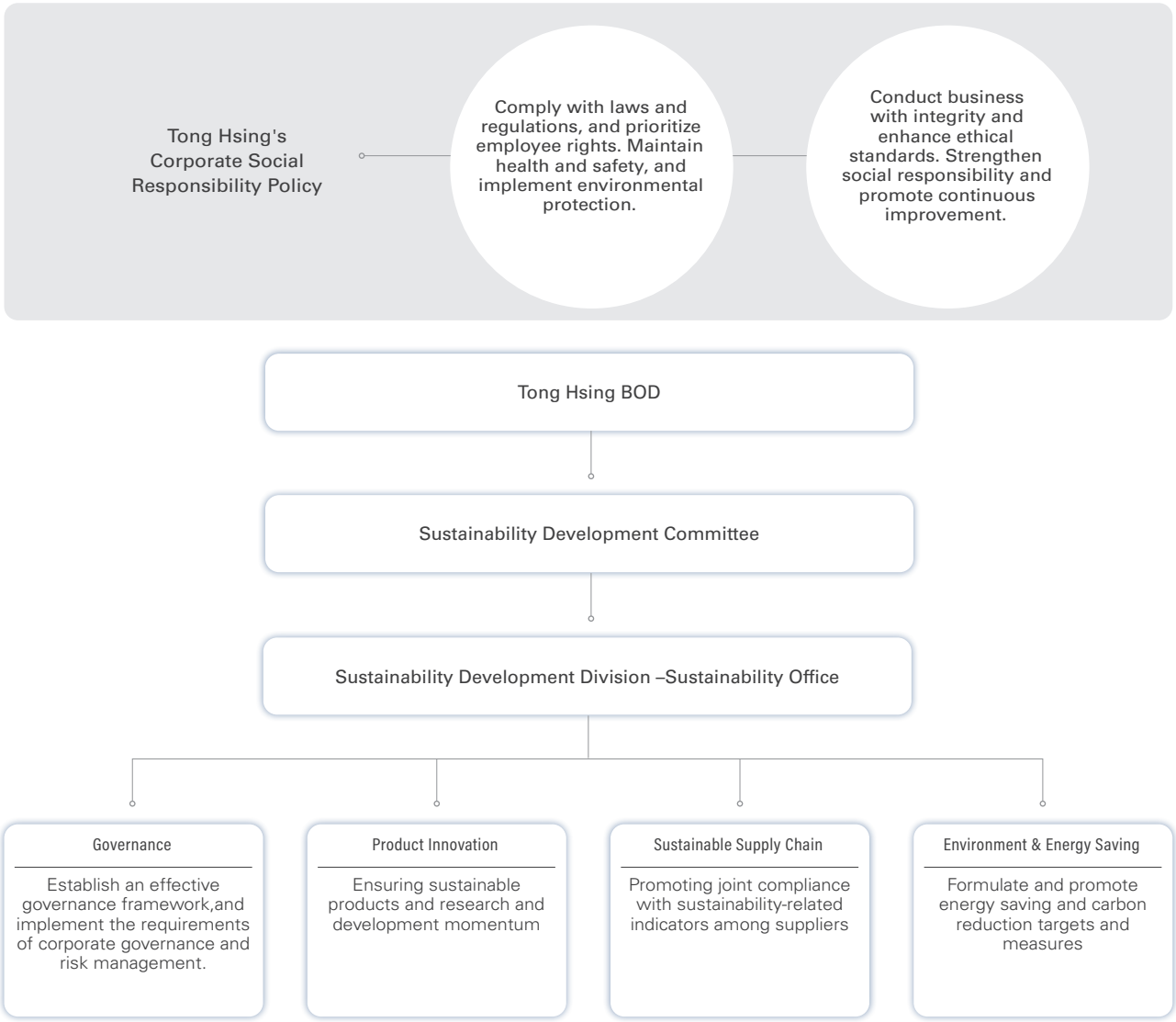
Low-Carbon Manufacturing and Green Transition	Quality Innovation and Application Deepening	Inclusive Workplace and Sustainable Talent	Responsible Supply Chain and Ethical Governance	Local Co-prosperity and Social Participation
Focusing on energy saving and carbon reduction, with the integration of renewable energy and low-carbon technologies	Enhancing packaging technologies and innovating sustainable application fields	Implementing a safe, inclusive, and diverse talent development system	Strictly selecting suppliers, enforcing RBA standards and ethical business practices to mitigate operational risks	Deepening local engagement and giving back to the community

ESG Implementation Organization GRI 2-13,2-14

To strengthen our sustainability governance framework, the Company established the Sustainable Development Committee in 2022, chaired by the President, who oversees all sustainability initiatives, demonstrating the strong commitment and attention of senior management. The Committee is supported by the Sustainable Development Division and Sustainability Office, which are responsible for planning and implementing various ESG initiatives. Cross-functional task forces on corporate governance and risk, product innovation, environmental energy efficiency, and sustainable supply chain have also been established to integrate resources and ensure concrete actions are effectively carried out. The Sustainable Development Division is responsible for identifying the Company's material sustainability topics and preparing the sustainability report. After being reviewed by the Sustainability Committee, the Report is submitted to the Board of Directors for approval to ensure the completeness and accuracy of the disclosed information. Since 2022, the Chairperson of the Sustainable Development Committee has reported the progress of sustainability initiatives to the Board of Directors on a quarterly basis and regularly reviewed key performance indicators, including the 2030 carbon reduction target, to drive the Company's continued progress toward sustainable operations.

Responsibilities of the Sustainable Development Committee

1. Formulation of the Company's sustainable development policy.
2. Formulation of the Company's sustainable development, including sustainable governance, ethical business practices, and environmental and social targets, strategies, and implementation plans.
3. The Company reviews, monitors, and amends the implementation and effectiveness of its sustainable development, and regularly reports to the Board of Directors.
4. Address issues of concern to all stakeholders, including shareholders, customers, suppliers, employees, government, non-profit organizations, communities, and the media, and oversee communication plans.



Decisions on Material Topics GRI 2-12,2-13

When identifying material sustainability topics, Tong Hsing references multiple frameworks, including the GRI Standards (2021 Universal Standards), SASB Standards, and the TCFD Climate Disclosure Framework, while also considering sustainability issues prioritized by upstream and downstream peers both domestically and internationally. This approach enables the Company to establish a diverse and forward-looking foundation for issue identification. Further, Tong Hsing conducts systematic identification and prioritization of issues based on the four core principles of the AA1000 Accountability Principles (2018 edition): Inclusivity, Materiality, Responsiveness, and Impact.

The Company gathers a broad range of internal feedback and external stakeholder perspectives through departmental interviews and surveys. The Sustainability Office consolidates a list of potential topics, which are then jointly evaluated with departmental heads to assess their potential or actual impact on the Company's operations, the environment, and society. The evaluation results are disclosed in accordance with GRI Standards, detailing the impacts of each material topic on the Company, along with corresponding management strategies and practices. These outcomes serve as a critical reference for adjusting the Company's sustainability goals and business strategies, thereby enhancing transparency and the effectiveness of external communications.

In defining and managing significant impacts, the Company follows the GRI Standards and considers incidents involving fines exceeding NT$1 million or those related to personal safety accidents as significant impacts. For the management of such issues, the Board of Directors serves as the highest governance unit, responsible for oversight and decision-making. The Risk Management Committee is tasked with establishing and maintaining risk management processes. Based on the type of incident and the responsible department, relevant unit supervisors are assigned to initiate investigation and response mechanisms, ensuring the implementation of preventive measures and continuous improvement. Through this institutionalized process, Tong Hsing is able to systematically identify and manage significant sustainability impacts, thereby strengthening its corporate risk control capabilities and deepening its commitment to stakeholder responsibility, continuously advancing toward stable and sustainable operations.

Materiality Analysis Process GRI 3-1a.

We referred to the GRI 2021 Universal Standards requirements and took the following steps to conduct the identification of material topics and the assessment of significant impact:

Steps	Step 1 →	Step 2 →	Step 3 →	Step 4
Contents	Understanding of organizational context	Identification of actual and potential impacts	Assessment of significant impact	Determination of material topics for reporting
Purposes	Internal and external analysis and identification of impact	Management completed material topics impact assessments	Confirmation of material topics	Confirmation of the management indicators for material topics and corresponding SDGs.
Summary of Implementation Process	• Through the following channels, 18 sustainability-related issues were identified as the scope for material topics identification in the report. • Employees from each department list sustainability issues of concern to stakeholders based on their daily work experience. • Review the material topics of leading domestic and international peers as well as the development of global sustainability trends. • To ensure the objectivity, completeness, and inclusiveness of material topics, the matrix of material topics from the previous version of the report was also reviewed.	• The prioritization of key sustainability issues is determined as follows: • The significance of each ESG issue is assessed based on two key aspects: the extent of its impact on the economy, environment, and human rights, and the level of concern it raises among stakeholders. • In 2024, the internal ESG Committee convened to gather stakeholders' opinions and assess the impact of key issues on internal operations. • Internal Senior Executive Impact Survey: Distributed 10 questionnaires to mid-to-senior level executives (100% response rate). External experts and consultants provided feedback to analyze the significant impact on various issues. • External Stakeholder Concern Survey: Collected 114 responses through an online questionnaire to gather stakeholder feedback. • Through statistical analysis of their direct and indirect impacts, a quantitative assessment was conducted to identify the level of influence of each issue, resulting in a preliminary materiality matrix.	• To ensure alignment with the GRI standards of completeness and stakeholder inclusiveness, and to strengthen the connection between annual material topics and core functions, the preliminary materiality assessment results were reviewed and finalized by ESG committee members. • Five material topics were ultimately selected as the scope of materiality disclosures for the Report. Based on the content of each material topic, corresponding GRI disclosure topics were identified and addressed in the Report.	We will continue to review the materiality matrix. In accordance with the corporate governance evaluation requirements set by the Taiwan Stock Exchange, listed companies are required to assess risks related to environmental, social, and corporate governance (ESG) issues relevant to their operations based on the principle of materiality, and to establish corresponding risk management policies or strategies. The severity and likelihood of risks associated with material topics, along with related risk considerations and assessments, are analyzed and explained in the table below. A summary of management actions and corresponding measures following the risk assessment is also provided.

(1) Stakeholders Identification GRI 2-29a.i

Tong Hsing values stakeholder feedback and actively seeks input from various stakeholders through multiple communication channels. With the promotion of the sustainability unit, Tong Hsing has re-identified stakeholder groups and their key concerns as a reference for formulating future sustainability policies.

Tong Hsing is committed to fostering an open and accountable communication environment, actively listening to and responding to stakeholder concerns and expectations as a core foundation for advancing sustainability and corporate responsibility. To enhance the quality of engagement and decision-making transparency, we identify and categorize stakeholders based on the nature of our operations and industry characteristics, referencing the five key principles of the AA1000 Stakeholder Engagement Standard (SES 2015): Dependency, Responsibility, Tension, Influence, and Diverse Perspectives.

Through systematic assessment and internal consensus building, we have identified eight key stakeholder categories:

1. **Company Employees:** As the core drivers of our operations, employees' work environment, occupational safety, welfare, and career development are key areas we continuously invest in.
2. **Shareholders/Investors:** Focused on corporate governance, business performance, and financial transparency, they are the primary audience for our sound management and information disclosure.
3. **Government Agencies:** As policymakers and regulators, the Company must ensure compliance with relevant laws and align its development with policy directions.
4. **Customers:** As the source of the Company's revenue, they have high expectations for product quality, delivery schedules, innovation capabilities, and information security.
5. **Suppliers/Contractors:** As indispensable partners in the production and service processes, they must work together to maintain the stability, responsibility, and environmental management of the supply chain.
6. **Society/Public:** Including local communities, media, and civic groups, they are concerned with the Company's performance on environmental, social, and ethical issues.
7. **Academic/Research Institutions:** Play a key role in promoting industry-academia collaboration, technological innovation, and forward-looking research, which are crucial to the Company's R&D capabilities and technological advancement.
8. **Financial Institutions:** Provide funding support and assess the Company's ESG risks and creditworthiness, making them key stakeholders in the Company's sustainable financing strategy.

We engage in two-way communication with the aforementioned stakeholders through various channels, including regular interviews, surveys, meetings, and regulatory disclosures. This ensures that we can promptly understand their concerns and adjust our business strategies and sustainability actions accordingly, thereby fulfilling our commitment to transparent governance and responsible management.

Through systematic assessment and internal consensus building, we have identified eight key stakeholder categories:

(2)Communication and Analysis of Stakeholder Concerns GRI 2-29

When engaging with stakeholders, Tong Hsing adopts the most appropriate communication methods based on their inherent characteristics, key concerns, and interaction purposes. We proactively and extensively collect feedback to ensure stakeholders' needs and expectations are fully understood and addressed. In addition to internal daily communication and coordination mechanisms, the Company also conducts regular surveys through the "Stakeholder Concern Issues Questionnaire" to systematically identify stakeholders' key concerns regarding economic, environmental, and social issues.

When identifying material topics for sustainable development, the Company first referenced national policy trends, international standards (such as SASB standards and the TCFD climate disclosure framework), sustainability rating agencies (such as EcoVadis), and global initiatives (such as the SDGs, UNGC, and RBA). Based on the Company's operational characteristics, 18 sustainability topics highly relevant to the Company were selected through a focused screening process.

To identify key areas of concern, the Company collected feedback through the Stakeholder Concern Issues Questionnaire. The results were compiled and analyzed by the Sustainability Office, which then proposed a preliminary assessment direction by integrating the Company's overall development strategy, industry trends, value chain practices, and recommendations from external experts and consultants. The subsequent assessment process involves a comprehensive review of the potential or actual impacts of each topic on the economy/governance, environment, society, and human rights. Based on this review, the Company identifies and prioritizes the key material topics for the year. These material topics serve as the core content of the Company's sustainability disclosures, helping stakeholders understand the Company's management approach and actual impact on key issues. To enhance governance transparency and stakeholder communication, the Company reports at least once a year to the Board of Directors on the stakeholder engagement process and the identification results of material topics. The annual report was completed on October 29, 2024.

Through the Stakeholder Concern Issues Questionnaire, and based on the SDGs, industry norms and standards, organizational annual targets, and the impacts arising from company operations, a total of 18 stakeholder concerns have been compiled as listed in the table below:

Stakeholder Communication and Achievements

Stakeholder	Concerned Issues	Communication Channels or Methods	Frequency	Actual Actions in 2024
 Employees	• Labor Relations	Labor Management Meeting	Quarterly	• Quarterly labor management meetings • Provide gifts for holidays and festivals, staff travel, employee's internal and external training courses, and employee's physical examination • Provide on-site medical services and banking services
	• Salary and Welfare Benefits/Employment	Employee Welfare Committee	Quarterly	
	• Training and Development	Intranets and Training Courses	Ad hoc	
	• Occupational Safety and Health	Ad hoc Communication Meetings/Advocating Meetings Occupational Safety and Health Committee	Ad hoc	
	• Company Policy and Strategies	Employee Suggestion Box/Monthly Meetings	Ad hoc	
	• Relationship with Employees	Employee Achievements/Health Center/Employee Cafeteria/Lounge	Ad hoc	
 Shareholders/ Investors	• Company Policy and Strategies	Annual Shareholders' Meeting	Annually	• Held 1 Annual Shareholders' Meeting • Ad hoc updates of the Company's website • Active Communication with Investors: Held 48 physical meetings, 52 conference calls, and 4 quarterly investor conferences, totaling 104 communication events.
	• Corporate Governance	Company Website/Major Announcements/Market Observation Post System	Ad hoc	
	• Company Risk Management	Questioning by phone, and collection of feedback	Ad hoc	
	• Business Performance/Operational Status	Investor Conferences/Visits by Investors or Analysts	Annually	
	• Dividend Policy	Company Website/Annual Report/Quarterly Financial Reports	Annually	
 Customers	• Process Technology	Customer Visits/Communication Seminars	Ad hoc	• Achieved customer annual audits • Conducted customer satisfaction surveys
	• Product Quality and Responsibility • Customer Service/Customer Relations • Product Delivery and Capacity	Customer Audit/Surveys	Ad hoc	
	• Ethical Corporate Management and Business Ethics • Information Security • Conflict-Free Minerals Survey • Confidential Information Protection	Surveys/Declarations	Ad hoc	

Stakeholder	Concerned Issues	Communication Channels or Methods	Frequency	Actual Actions in 2024
 Suppliers (Contractors)	• Supply Chain Management	Annual Supplier Visits or Supplier Visits to Company	Ad hoc	• Regular supplier visits
	• Raw Material Delivery and Availability			• Audited supplier product quality
	• Occupational Safety and Health	On-Site Audits of Contractors	Ad hoc	• Evaluated waste disposal providers
	• Compliance with Legal Regulations	On-Site Quality Audits of Suppliers	Ad hoc	
 Government Agencies	• Compliance with Various Regulations	Greenhouse Gas Reduction	Ad hoc	• Submitted reports regularly as required by law • Attended government briefings • Conducted 90 labor law advocacy sessions • Conducted 90 disaster prevention law advocacy sessions
		Water Resource Management		
		Water and Electricity Conservation Correspondence		
		On-Site Audits		
	• Labor Relations • Policy Advocacy and Risk Management	Labor Relations Advocacy	Ad hoc	
		Disaster Prevention Advocacy		
		Dormitory Fire Safety Advocacy		
		Safety and Health Management Advocacy		
 Banks	• Business Performance/Operational Status, Innovative Product Services	Telephone or Written Inquiries, Regular Feedback CollectionInterviews	Ad hoc	• Communicated with banks regarding sustainable finance and investment • Company profit performance data
 Society/Public	• Compliance with Environmental Regulations	Regular Audits	Ad hoc	• Conducted 3 blood donation events • Establish Complaint Channels • Complaint phone number: 02-26790122#1051 • Complaint email: hr@theil.com.
	• Environment and Occupational Safety and Health	Suggestion box/complaint channels		
	• Public Welfare Activities	Public Service Ads/Blood Donation		
 Academic Institutions	• Corporate Social Responsibility and Social Participation	Industry-Academia Collaboration	Ad hoc	• 2024 partners included:Natonal Central University, National Tsing Hua University, National Taipei University of Technology, Industrial Technology Research Institute

(3)Identification and prioritization of material topics GRI 3-1 a.

After completing stakeholder engagement, the process moves into the operational impact assessment and material topic identification stage, with material topics to be re-identified every two years in the future. We conduct a standardized and quantitative internal assessment through the Sustainability Issues Materiality Assessment Questionnaire, ranking and identifying a total of 18 sustainability issues across the three major aspects of economic/governance, environmental, and social. These include 6 environmental issues, 5 social issues, and 7 economic/governance issues, which serve as the primary focus for disclosure in the Report.

The assessment process is led by the Sustainable Development Division, in collaboration with external consultants and experts to review the appropriateness of the overall process and evaluation criteria, ensuring that the identification results are free from omissions and bias.

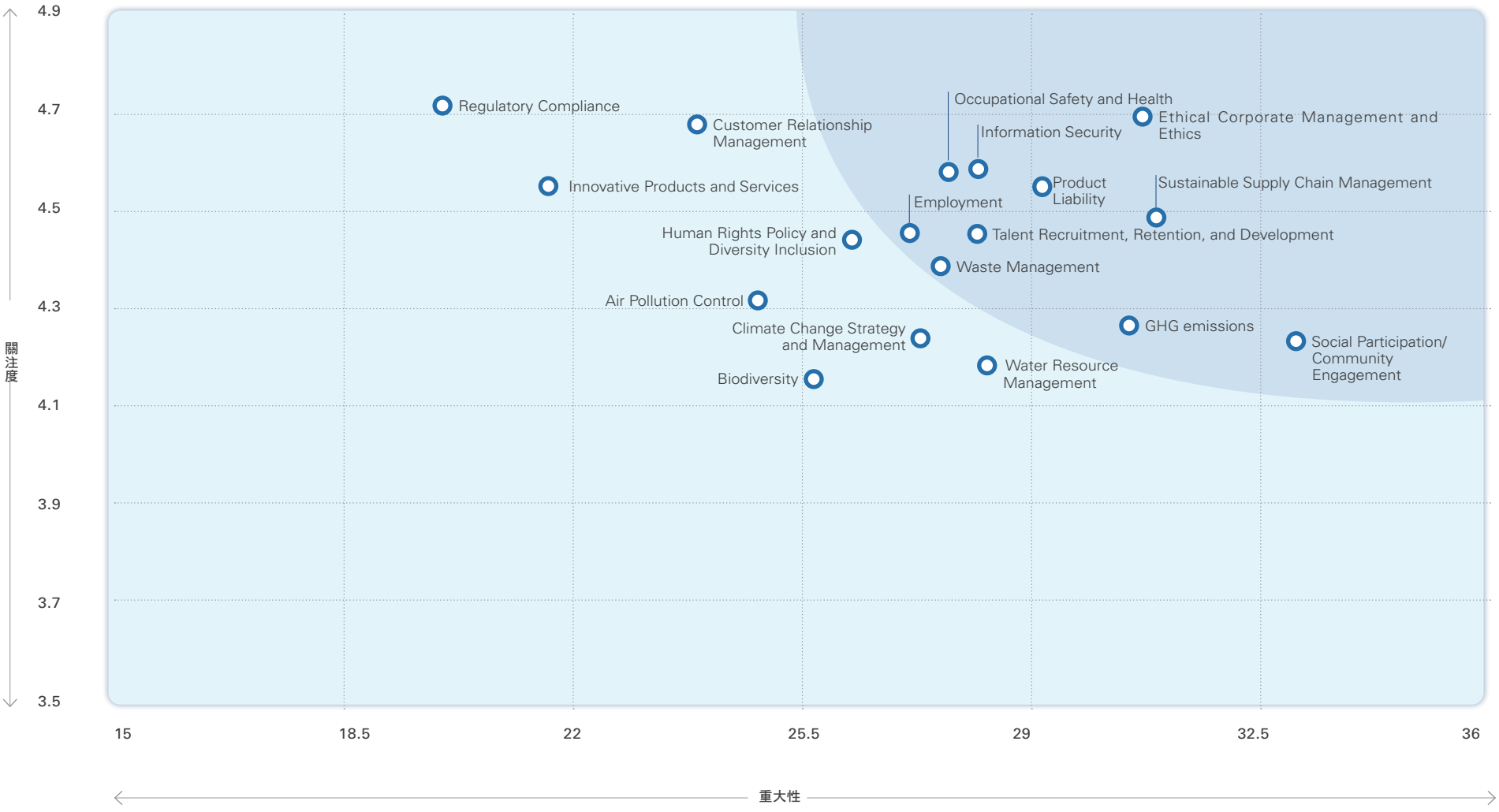
To enhance communication efficiency with stakeholders, the Company has also established a "Stakeholder Section" on the official website, providing a dedicated contact channel (thdiscipline@theil.com). Stakeholders may use this email address to raise questions, provide suggestions, or file complaints regarding material topics or the report's content, ensuring information transparency and smooth communication, and further enhancing external engagement and the company's commitment to corporate responsibility.

List of Material Topics GRI 3-2 a.

Preface	Material Topics	Positive and negative actual and potential impacts	Significance and Importance to Tong Hsing	Value Chain Impact			Corresponding Chapter
				Upstream	Tong Hsing	Downstream	
1	Corporate Governance and Ethical Corporate Management	Positive Impact: Adhering to the Ethical Corporate Management Best Practice Principles can reduce legal and compliance risks, attract partners who value corporate ethics, further enhance the Company's reputation and brand image, and strengthen external trust and market competitiveness. Negative Impact: Engaging in improper business practices may lead to increased management costs and operational risks, damage the Company's image and stakeholder trust, and adversely affect orders and revenue performance.,	Corporate compliance is not only a fundamental requirement for sustainable governance but also a concrete expression of a company's responsibility to society, contributing to stable operations and long-term development.	☑	☑	☑	Chapter 1 Corporate Governance and Ethical Corporate Management
2	GHG emissions	Positive Impact: Proactive carbon reduction efforts help minimize environmental impacts and legal compliance pressures, reduce potential carbon tax and carbon fee costs, and enhance the Company's resilience to climate risks. Negative Impact: Ignoring greenhouse gas management may result in penalties from regulatory authorities and environmental pressure, while also increasing operational costs and reducing corporate resilience and sustainability ratings.	Carbon emissions are one of the main causes of climate change. Their long-term accumulation leads to increased risks of extreme weather events, which in turn affect the stability of corporate supply chains and operations.	☑	☑	☑	Chapter 4 Sustainable Environment
3	Social Participation/ Community Engagement	Positive Impact: Actively participating in local communities and public welfare activities helps promote social well-being, build a positive corporate image, and enhance stakeholder recognition and support. Negative Impact: Neglecting social contributions may result in missed opportunities to shape brand value and establish local connections, thereby weakening the Company's positive social influence.	When a company fulfills its social responsibilities, it not only practices the philosophy of "taking from society and giving back to society", but also builds long-term reputation and trust capital.		☑		Chapter 6 Social Inclusion
4	Sustainable Value Chain	Positive Impact: Implementing sustainable procurement and supply chain management by partnering with suppliers who demonstrate strong ESG performance can not only improve product quality and reduce risks but also help lower costs and enhance corporate reputation. Negative Impact: Partnering with suppliers lacking sustainability awareness may lead to quality or compliance risks, which can damage corporate reputation and customer trust, ultimately affecting revenue and market performance.	Building a sustainable value chain can strengthen the sustainability capabilities of upstream and downstream partners, while promoting overall supply chain resilience and responsible management.	☑	☑	☑	Chapter 3 Sustainable Supply Chain Management
5	Human Resource Management	Positive Impact: Offering competitive salaries and benefits, comprehensive training programs, and career development opportunities can effectively motivate employee engagement and retention, thereby enhancing overall productivity and corporate competitiveness. Negative Impact: Failure to provide good career development and fair treatment may lead to increased employee turnover, affecting organizational stability and productivity performance.	Sound human resource policies are key to attracting and retaining top talent, helping to build a sustainable and efficient organizational culture.		☑		Chapter 5 Friendly Workplace

*Note: The blue background in the table represents economic governance issues: green represents environmental issues: and orange represents social issues.

Matrix of Material Topics



(4)Changes in Material Topics for 2024 GRI 3-2 b.

In 2024, our assessment of material topic categories not only referenced GRI sustainability topics but also considered disclosure requirements for Tong Hsing's industry under the SASB standards. To better focus on key and emerging issues, some topics were slightly adjusted and renamed.

Changes in Material Topics for 2024

2023 Material Topics	2024 Material Topics	Description of Changes
Corporate Governance Information Security Management	Corporate Governance and Ethical Corporate Management	Information security management has been incorporated into the corporate governance material topic
Climate Change Response and Management	GHG emissions	• Climate change response and management strategies focus on carbon reduction, emphasizing greenhouse gas emissions. • Waste management incorporated
-	Social Participation/ Community Engagement	Add
-	Sustainable Value Chain	Add (Incorporated Topic: Sustainable supply chain management + Product responsibility)
-	Human Resource Management	Addition (Incorporated Topics: Employment + Talent Recruitment, Retention, and Development)
Customer Relationship Management		Did not become one of the top five material topics and is disclosed as a general topic.
Occupational Safety and Health		Did not become one of the top five material topics and is disclosed as a general topic.

Material Topic Management Policy

For each material topic, Tong Hsing has established corresponding policies, goals, monitoring measures, and action achievements. Short-term goals are expected to be achieved between 2025 and 2026, mid-term goals are set for 2027 to 2030, and long-term goals cover the period from 2031 to 2050. The execution direction is reviewed and adjusted annually to effectively manage sustainable development policies.

Management status of the material topic "Ethical Corporate Management and Ethics GRI 3-3

Material Topics	Corporate Governance and Ethical Corporate Management
Corresponding to GRI Indicators	GRI 205-3,GRI 206-1,GRI 418-1
Linked SDGs	8 16
Policy or Commitment GRI 3-3 c.	Tong Hsing has established an "Integrity Management Policy" to foster a corporate culture of integrity and a sound business operation model. This policy clearly prohibits all employees from directly or indirectly offering, promising, requesting, or accepting any form of improper benefits during business activities. Employees are also prohibited from engaging in any actions that violate integrity, laws, or fiduciary duties.
Indicators and Goals GRI 3-3 e.ii.	Short-term Goals: • The corporate governance evaluation ranking falls within the 21–35% range among all listed companies. • Independent directors and directors of each gender accounts for one-third of the board. • There have been zero violations of the Company Act, Securities Act, or integrity-related regulations. • Zero major information security incidents (as defined by the company's four-level information security incident management procedure). • Obtained ISO 27001 Information Security Management System. Mid- to Long-term Goals: • Strengthen the frequency of internal audits and compliance training programs. • No significant violations have been recorded to become a trusted benchmark for integrity in business.
Effectiveness Tracking Mechanism GRI 3-3 e.i.e.iii. iv.	• The audit unit conducts regular audits and internal control reviews. • Any violations are reported promptly and reviewed for corrective action.
Annual Actions and Measures GRI 3-3 d.	• All goals set for 2024 were fully achieved. • Continue to promote internal awareness of the "Integrity Management Policy." • 100% of employees in Taiwan have completed anti-corruption and integrity management training courses. • Regular internal audits and compliance reviews are conducted, with no major violations recorded.

Management status of the material topic "Greenhouse Gas Emission" GRI 3-3

Material Topics	GHG emissions
Corresponding to GRI Indicators	GRI 302-1,GRI 302-3,GRI 302-4,GRI 305-1,GRI 305-2,GRI 305-3,GRI 305-5,GRI 306-1,GRI 306-2,GRI 306-3,GRI 306-4,GRI 306-5
Linked SDGs	7, 13
Policy or Commitment GRI 3-3 c.	Following ISO 14064-1 and national greenhouse gas inventory standards, carbon reduction targets are set, accompanied by energy efficiency management and low-carbon transition in alignment with government policies.
Indicators and Goals GRI 3-3 e.ii.	**Short-term Goals:** The base year is 2024, with a target to reduce Scope 1 and Scope 2 emissions by 2% annually from 2024 to 2026. **Mid-term Goals:** From 2027 to 2030, Scope 1 and Scope 2 emissions are set to be reduced by 4% to 8% annually. **Long-term Goals:** Develop green manufacturing processes and renewable energy solutions.
Effectiveness Tracking Mechanism GRI 3-3 e.i.e.iii. iv.	• Greenhouse Gas Inventory Report • Compile and compare carbon emission data annually.
Annual Actions and Measures GRI 3-3 d.	• Considering consistency in the inventory boundary period, the base year has been adjusted to 2024. • All plants, including the Bade new plant, have completed third-party carbon inventory verification in accordance with ISO 14064-1. • Implemented 18 energy-saving improvement projects, achieving a total electricity savings of 1.66 million kWh and a carbon reduction of 787.802 metric tons CO_2e. • Expanded the solar rooftop system projects at the Longtan and Bade plants. • The total annual volume of recycled water reached 5.67 million tons. • Promoted the reuse of waste sludge, with a total reuse volume of 6.20 tons.

Management status of the material topic "Social Participation/Community Engagement" GRI 3-3

Material Topics	Social Participation/Community Engagement
Corresponding to GRI Indicators	GRI 203-1
Linked SDGs	1, 2, 3, 4, 11
Policy or Commitment GRI 3-3 c.	Upholding the commitment of "taking from society and giving back to society", the Company supports local initiatives in public welfare, education, and environmental protection, encourages employee volunteer participation, and continues to maintain good interaction and communication with the community.
Indicators and Goals GRI 3-3 e.ii.	**Short-term Goals:** Organize or participate in at least 3 public welfare activities each year. **Mid- to Long-term Goals:** • Develop long-term public welfare partnership programs. • Employee participation rate increases year by year. • Become a key partner in local social sustainability initiatives.
Effectiveness Tracking Mechanism GRI 3-3 e.i.e.iii. iv.	• Include annual achievements in the sustainability report for disclosure. • The Sustainable Development Division collects, consolidates, and analyzes implementation results from each unit.
Annual Actions and Measures GRI 3-3 d.	• In 2024, more than 10 public welfare activities were conducted, including blood donations, volunteer services, health seminars, and first aid training. A total of over 180 bags of blood were collected. • In 2024, the [LED Lighting Upgrade Program for Schools in Plant-Host Cities] supported five schools across New Taipei, Taoyuan, and Hsinchu counties by replacing 672 outdated light fixtures. • In 2024, Tong Hsing partnered with the Ju Ming's Works to launch the "Tong Hsing · Childlike Heart · Love the Environment Aesthetic Rooting Collaboration Program", holding 49 sessions and benefiting a total of 6,116 participants. • In 2024, the "Your Old Computer, Their New Hope" campaign donated a total of 50 fully functional second-hand desktops, laptops, monitors, printers, and servers to underprivileged students nationwide.

Management status of the material topic "Sustainable Value Chain" GRI 3-3

Material Topics	Sustainable Value Chain
Corresponding to GRI Indicators	GRI 308-1,GRI 414-1
Linked SDGs	9, 12
Policy or Commitment GRI 3-3 c.	Committed to green innovation and sustainable supply chain management, developing miniaturized, high-performance, and low-energy products and processes, utilizing eco-friendly materials, and strengthening patent portfolios to enhance competitiveness. Through sustainable procurement policies and supplier management mechanisms, partners are required to comply with sustainability standards and requirements, conduct sustainability risk assessments and audits, and jointly realize sustainable value.
Indicators and Goals GRI 3-3 e.ii.	Short-term Goals: • Increase the signing rate of the "Supplier Code of Conduct Commitment" among suppliers • Establish a sustainable supplier evaluation system Mid- to Long-term Goals: • Collaborate with upstream and downstream partners to enhance ESG maturity, creating a transparent and trustworthy sustainable supply chain system.
Effectiveness Tracking Mechanism GRI 3-3 e.i.e.iii. iv.	• The procurement unit updates the supplier list and evaluation data annually • Arrange improvement plans and follow-up reviews for high-risk suppliers
Annual Actions and Measures GRI 3-3 d.	• In 2024, the signing rate of the "Supplier Code of Conduct Commitment" reached 62.81%. • Continue to conduct supplier ESG surveys and risk assessments. • Establish a sustainable supplier scoring and classification management system. • Encourage suppliers to adopt RBA standards through the "Supplier Code of Conduct Commitment": in 2024, 255 suppliers returned signed agreements. • The 3 newly added suppliers have all completed signing the "Supplier Code of Conduct Commitment", achieving a 100% signing rate.

Management status of the material topic "Human Resource Management" GRI 3-3

Material Topics	Human Resource Management
Corresponding to GRI Indicators	GRI 401-1,GRI 401-2,GRI 401-3,GRI 404-1,404-2,404-3,GRI 405-1
Linked SDGs	1, 8, 10
Policy or Commitment GRI 3-3 c.	Committed to creating a fair workplace by offering competitive remuneration, comprehensive promotion mechanisms, and continuous learning opportunities to promote employee development and organizational growth.
Indicators and Goals GRI 3-3 e.ii.	Short-term Goals: • The average employee training hours reached 20 hours/year. • Complete the managerial competency training program. • Enhance employee satisfaction. Mid-term Goals: • The average employee training hours reached 25 hours/year. Long-term Goals: • Establish a talent succession pipeline and leadership development system within the organization. • Foster a culture of gender equality and a learning-oriented organization.
Effectiveness Tracking Mechanism	• The human resources department consolidates training outcomes annually.
Annual Actions and Measures GRI 3-3 d.	• The average employee training hours reached 30.14 hours/year in 2024. • Completed the managerial competency training program in 2024. • The overall employee satisfaction rate in the 2024 survey was 89.88%.

01

Corporate Governance and Ethical Corporate Management

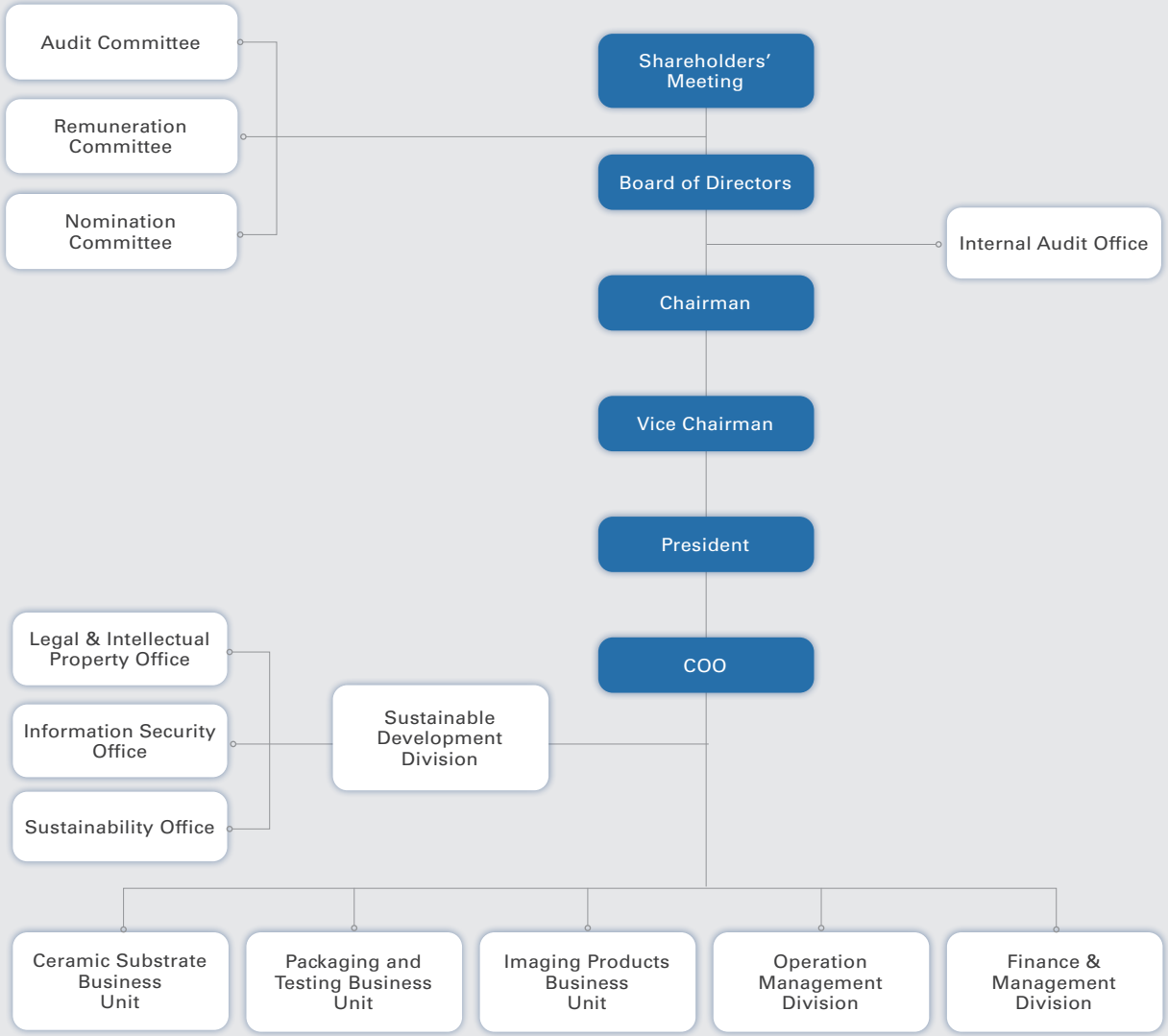
Material Topics

I Corporate Governance Structure GRI2-9

Tong Hsing upholds the principles of integrity and honesty in its business operations, strictly adhering to domestic and international laws and regulations as well as global corporate ethics standards, and is committed to building a sound and transparent governance framework. The Company's highest governance body is the Board of Directors, which is responsible for formulating business strategies, overseeing management, and evaluating the Company's significant impacts in the economic, environmental, and social aspects. In accordance with the Corporate Governance Best Practice Principles, the Company has appointed a spokesperson and a deputy spokesperson to coordinate external communications and information disclosure, enabling the prompt handling of shareholder suggestions, external inquiries, and legal disputes. This ensures active responses to the needs of stakeholders and demonstrates the Company's strong commitment to information transparency and responsible governance.

To enhance governance effectiveness and the division of responsibilities, the Board of Directors has established three functional committees: the Audit Committee, the Remuneration Committee, and the Nomination Committee. Each committee is led by independent directors in key roles and holds regular meetings to fulfill its supervisory and review duties. In addition, to strengthen sustainable governance, the Company established the Sustainable Development Committee in 2022, chaired by the President, to oversee the formulation and implementation of sustainability-related strategies, initiatives, and goal tracking. The committee reports the progress of sustainability implementation to the Board of Directors on a quarterly basis.

Organizational Chart of the Highest Decision-Making and Governance Unit



Board of Directors Diversity and Independence GRI 2-10

The Company's Board of Directors is the highest governance body, responsible for setting strategic directions, overseeing business performance, and managing the Company's significant impacts in the economic, environmental, and social (including human rights) aspects. According to the Company's Articles of Incorporation, the Board of Directors consists of 9 members, including 4 female directors, accounting for 44%, and 3 independent directors, with independent seats accounting for 33%. The current Board of Directors is the 18th term, serving from June 8, 2022, to June 7, 2025, with a total of 5 board meetings convened in 2024.

The Company values the diversity and professionalism of its Board of Directors members. Board members are selected according to the director nomination procedure, and a clear board diversity policy has been established, covering the following two key aspects:

1 Basic Qualifications and Values: Committed to gender balance and diversity of values, the current Board includes four female directors, accounting for 44%, which exceeds the market average and demonstrates the Company's commitment to gender equality.

2 Professional Background and Industry Experience: Board members possess professional knowledge and skills closely related to the Company's operations and development, covering areas such as accounting, finance, marketing, technology, and industry management. They also have practical experience in the semiconductor, financial, and high-tech industries, strengthening the board's decision-making and supervisory capabilities.

List of Board of Directors Members

Title	Names	Gander	On-board Date	Operation Judgment	Business Managemen	Crisis Processin	Leadership Decision-making	Industry Knowledge	International Outlook	Accounting Profession	Financial Management Profession	Finance Profession	Technology Profession	Marketing Profession	Employee Status
Chairman	Tie-Min Chen	Male	2022.06.08	☑	☑	☑	☑	☑	☑	☑	☑	☑	☑	☑	
Corporate Director	Hsi-Hu Lai	Male	2022.06.08	☑	☑	☑	☑	☑	☑	☑	☑	☑			
	Jia-Li Huang	Female	2022.06.08*Note	☑	☑	☑	☑	☑	☑	☑	☑	☑			☑
	Pen-Chi Chen	Female	2022.06.08	☑	☑	☑	☑	☑	☑	☑	☑				
	Shu-Hwei Chen	Female	2022.06.08	☑	☑	☑	☑	☑	☑	☑	☑				
	Shu-Chen Tsai	Female	2022.06.08	☑	☑	☑	☑	☑	☑		☑			☑	
Independent Director	Ta-Sheng Chiu	Male	2022.06.08	☑	☑	☑	☑	☑	☑		☑	☑			
	Yueh-Hsiang Tsai	Male	2022.06.08	☑	☑	☑	☑	☑	☑		☑	☑	☑		
	Chin-Tsai Chen	Male	2022.06.08	☑	☑	☑	☑	☑	☑	☑	☑	☑	☑	☑	

*Note: Starting from June 6, 2024, Jia-Li Huang has been appointed as the representative of the corporate director.

Operation of the Board of Directors GRI 2-16, 2-11

In 2024, the Board of Directors held a total of 5 meetings, averaging 1 meeting every 2.4 months, demonstrating the Board's proactive commitment to fulfilling its governance responsibilities. The annual average attendance rate of all directors reached **91%**, reflecting their strong commitment to corporate governance and supervisory duties. The Board meeting agenda covers the review of business performance, discussion of sustainable development strategies, and addressing key risk events.

The Board regularly reviews major ESG-related issues during meetings, including but not limited to the handling of significant whistleblowing cases, potential negative impacts arising from operations, and corporate reputation risks triggered by public opinion. For major decisions and events, the Board of Directors not only carefully assesses their potential risks and impacts but also clearly assigns and confirms the responsible units and scopes of duties for follow-up actions. Progress and outcomes are continuously tracked in subsequent meetings to enhance governance transparency and accountability, ensuring effective management and response to sustainability issues.

Key major events raised internally or by stakeholders—including legal compliance anomalies, occupational safety incidents, significant ESG negative risks, major reputation incidents, and stakeholder disputes—are all reported by relevant units to the Board of Directors or its subordinate Audit Committee and Sustainable Development Committee. Major key incidents are addressed through response reports submitted by the responsible units, reviewed and decided upon during regular or interim board meetings. Dedicated units are appointed to handle and improve the situations, and when necessary, the Board of Directors continuously monitors the progress to ensure proper risk control and response measures are in place. In 2024, the Company did not receive any major violations or significant ESG controversies requiring public disclosure: however, the Board of Directors continued to oversee and engage in communication on key issues such as corporate governance, information security, carbon emission risks, and supply chain management.

Fair Governance GRI 2-15

In accordance with the "Procedural Rules of Board Meetings", when a board agenda item involves a director or a director's representative from a related corporation having a conflict of interest, the Director must disclose the key details of the conflict during the meeting. If the conflict may affect the Company's interests, the Director shall recuse themselves from discussion and voting and is also prohibited from acting as a proxy for other directors to exercise voting rights. During the agenda review process, the Company verifies each director's concurrent positions and their related parties to identify any conflicts of interest requiring recusal, with the relevant details documented in the minutes of the board meeting.

To uphold the Company's principles of fair governance and to avoid governance risks associated with directors holding excessive concurrent executive positions, currently only one director also serves as a senior executive, accounting for 11% of the board seats. This is below the legally recommended limit of one-third, maintaining good independence and objectivity of the Board of Directors. For information regarding the educational and professional backgrounds of the Company's board members, as well as any related conflicts of interest, please refer to page 11 of the Company's 2024 Annual Report.

Reasonable Remuneration GRI 2-19,2-20

The Company's director remuneration is determined based on each director's responsibilities, professional capabilities, and actual contributions, while also referencing industry standards. The related disbursements are carried out in accordance with Article 19 of the Articles of Incorporation. According to the Articles of Incorporation, if the Company makes a profit in a given year, up to 3% may be allocated as director remuneration. This allocation must be approved by at least two-thirds of the directors present, with a majority of those present voting in favor, and is ultimately submitted to the shareholders' meeting for reporting. The Company evaluates the performance of its Directors and managers through the "Rules for Performance Evaluation of Board of Directors" and the "Employee Performance Management Procedure," respectively. The Company conducts an annual board performance evaluation and quarterly employee performance evaluation. To strengthen the linkage between the Company's sustainable environmental management indicators and Board of Directors' performance, the review of the sustainability report outcomes is used as a reference for the board's evaluation, enhancing the alignment between performance and sustainability goals.

Remuneration of major executives includes salary, bonuses, and employee remuneration.

Salary: Determined based on each executive's position responsibilities, professional expertise, and contributions, with reference to industry standards.

Bonuses and employee remuneration: Linked to the performance targets of business units, departments, and individuals, and determined with consideration of the executive's position responsibilities, job importance, and future risks.

To strengthen the linkage between the Company's sustainable environmental management indicators and managerial performance, the results of external ESG evaluations and environmental energy-saving indicators are incorporated as two major sub-KPIs for managerial performance assessments. The achievement of these KPIs serves as the basis for remuneration allocation, with the ESG indicator weighted at 10%. The KPI achievement rates are categorized into grade A, B, and C, which are linked to the managers' variable remuneration.

2024 Annual Total Compensation Ratio GRI 2-21

Year	Ratio of the highest individual annual total compensation in the organization to the median annual total compensation of other employees	Ratio of the percentage increase in the highest individual annual total compensation within the organization to the median percentage increase in annual total compensation of other employees.
2024	22.18	-6.59

Note1: Annual Total Compensation Ratio: Annual total compensation of the highest-paid individual in the organization/Median annual total compensation of all other employees (excluding the highest-paid individual).

Note2: Annual Total Compensation Change Ratio: the percentage increase in the annual total compensation of the highest-paid individual in the organization/Percentage increase in the median annual total compensation of all other employees (excluding the highest-paid individual).

Tong Hsing employee salary status over the past 2 years

(Unit: NT$)

Year	2023	2024	Description of Deviation
Average salary of full-time employees not holding managerial positions	947,741	901,351	-4.89%
Median salary of full-time employees not holding managerial positions	674,277	765,490	13.53%

Note: The definition of managerial positions follows the regulations specified in FSC No.1120384295.

Operation Status of Functional Committees GRI2-12 b.i.

To strengthen operational risk management and impact identification capabilities, the Company has established multiple functional committees under the Board of Directors, including the Audit Committee, Compensation Committee, and Nomination Committee. Each committee continuously collects feedback from stakeholders on the positive and negative impacts of the Company's operations through business communications, internal meetings, surveys, document signings, and grievance mechanisms, based on which they formulate and adjust relevant strategies and policies. The Board of Directors is responsible for overseeing the impact management processes and achievements of each committee, conducting performance reviews at least once a year to ensure the continuous effectiveness of the management mechanisms.

Audit Committee

The Audit Committee consists of three independent directors and is chaired by Mr. Chin-Tsai Chen, an independent director. It assists the Board of Directors in overseeing the Company's systems and quality in accounting, auditing, financial reporting processes, and internal controls, ensuring that financial information is appropriately presented, compliant, and maintains overall integrity. The Committee is also responsible for the appointment and removal of CPAs, as well as reviewing their independence and performance. Additionally, it oversees the Company's implementation of internal control systems, compliance with laws and regulations, and the identification and management of existing or potential risks.

Additionally, the Audit Committee plays a key role in the Company's overall risk management by regularly holding cross-departmental risk management meetings to coordinate and discuss responses to significant risk issues, and deciding whether to report these to the Board of Directors based on the severity of the risks. In 2024, the Audit Committee held a total of 4 meetings, with an average attendance rate of 92% among committee members, demonstrating strong participation and fulfillment of governance responsibilities.

Members of the Audit Committee of Tong Hsing

Names	Title	Gender	Term
Chin-Tsai Chen	Independent Director	Male	2022/06/08~2025/06/07
Ta-Sheng Chiu	Independent Director	Male	2022/06/08~2025/06/07
Yueh-Hsiang Tsai	Independent Director	Male	2022/06/08~2025/06/07

Remuneration Committee GRI 2-16

The Remuneration Committee consists of 3 independent directors and is chaired by Mr. Chin-Tsai Chen, an independent director. It is responsible for conducting professional and objective evaluations of the compensation policies and systems for directors and managers. The committee convenes at least twice a year and may hold ad hoc meetings as needed to provide recommendations to the Board of Directors. In 2024, the attendance rate of all committee members was 100%.

The committee is dedicated to establishing and regularly reviewing the annual and long-term performance goals of Directors and managers, along with the related compensation policies, systems, and structures, and using these as the basis for evaluating their performance achievements and the reasonableness of their compensation. The committee also reviews the allocation ratio of remuneration for senior management and employees, taking into account individual capabilities, contributions, and performance to reduce the risk of losing key talent and to support the Company's sustainable operations.

Members of the Remuneration Committee of Tong Hsing

Names	Title	Gender	Term
Chin-Tsai Chen	Independent Director	Male	2022/06/08~2025/06/08
Ta-Sheng Chiu	Independent Director	Male	2022/06/08~2025/06/08
Yueh-Hsiang Tsai	Independent Director	Male	2022/06/08~2025/06/08

Nomination Committee GRI 2-10

To strengthen corporate governance and oversight mechanisms, the company established the Nomination Committee in November 2021. The committee consists of three independent directors and is chaired by Mr. Chin-Tsai Chen, an independent director. The committee is responsible for establishing the selection criteria for members of the Board of Directors and senior managers, including professional background, technical expertise, industry experience, gender diversity, and independence, and, based on these criteria, carrying out the processes of candidate search, review, and nomination.

The Nomination Committee is responsible for organizational planning of the Board of Directors and functional committees, conducting performance evaluations of the Board, each committee, individual directors, and senior managers, and regularly reviewing the independence of independent directors. To implement sustainable governance, the committee also formulates and reviews director continuing education programs and succession plans, and promotes the establishment and enhancement of the Company's corporate governance best practice principles.

Members of the Nomination Committee of Tong Hsing

Names	Title	Gender	Term
Chin-Tsai Chen	Independent Director	Male	2022/06/08~2025/06/08
Ta-Sheng Chiu	Independent Director	Male	2022/06/08~2025/06/08
Yueh-Hsiang Tsai	Independent Director	Male	2022/06/08~2025/06/08

Board of Directors Performance Evaluation GRI 2-18

To enhance the operational efficiency and governance quality of the Board of Directors, the "Rules for Performance Evaluation of Board of Directors" were approved. The Company's Board conducts annual internal self-assessments, and the 2024 results show that the Board's overall average score was 4.86, individual directors scored an average of 4.98, while the Audit Committee, Remuneration Committee, and Nomination Committee scored averages of 4.95, 5.00, and 4.95, respectively (all on a 5-point scale). The overall evaluation results indicate that the governance mechanisms are operating in a stable and effective manner. In addition, the Company stipulates that an external professional independent organization or external experts and scholars must conduct an evaluation at least once every three years. The Board performance evaluation for 2025 will be conducted by an external agency.

Board of Directors Continuing Education and Collective Intelligence GRI 2-17

The Company values the continuous enhancement of Directors' professional knowledge and governance capabilities. It believes that, amid the rapidly changing industry environment and increasingly stringent sustainability disclosure requirements, Directors must continuously improve their expertise and strategic vision to effectively fulfill their supervisory duties and guide the Company's long-term development.

In 2024, the Company's re-elected Directors accumulated a total of 78 hours of continuing education throughout the year. The courses covered topics such as corporate governance practices, sustainability and human rights, climate change management, internal controls, and compliance issues, helping Directors gain a comprehensive understanding of global ESG trends and enhancing their decision-making quality and risk identification capabilities. For detailed information on the actual full continuing education activities of the Company's Board of Directors in 2024, please refer to the Company's official website

II Ethical Corporate Management

To establish a culture of ethical corporate management and strengthen the corporate governance framework, the Company, in 2016, adopted the "Ethical Corporate Management Best Practice Principles" approved by the Board of Directors. It clearly stipulates that Directors, managers, and all employees shall not directly or indirectly offer, receive, or promise any improper benefits in business dealings, nor engage in any actions that violate integrity or fiduciary duties. The regulations cover situations such as bribery, illegal political contributions, improper donations and entertainment, and conflicts of interest, and establish corresponding internal control mechanisms for high-risk operational activities.

The Company's corporate governance unit is responsible for promoting ethical business practices, with Ms. Jia-Li Huang, the Chief Financial Officer, serving as the dedicated officer. She regularly reports to the Board of Directors on the Company's ethical corporate management policies, implementation results, and the execution of preventive measures. To enhance all employees' awareness of ethical business practices and compliance requirements, all new hires are required to complete ethics training before starting their positions, with a 100% training completion rate in 2024. Additionally, the Company conducts an annual company-wide "Ethical Corporate Management and Insider Trading Prevention Training" to promote policy content, risk prevention, and the consequences of violations.

In addition, to prevent insider trading and the risk of improper information disclosure, the company has established the "Procedures for Major Information Processing and Prevention and Management of Insider Trading", which apply to Directors, managers, and all employees. The procedures clearly stipulate that anyone aware of non-public material information must not disclose it externally or make improper inquiries, ensuring consistency and legality in information disclosure while reducing the risk of violations. In 2024, the Company conducted ethical corporate management and insider trading prevention training and assessments for Directors, managers, and employees, totaling 1,885 participants and 943 training hours, aiming to strengthen awareness and compliance across the entire workforce.

The Company has established the "Ethical Corporate Management Best Practice Principles" and implemented the following preventive measures:

- Established the "Whistleblowing Management Procedures" to provide internal and external channels for reporting violations of ethical conduct, thereby implementing the policy.
- The Legal and Intellectual Property Office is responsible for managing and evaluating trade secrets, patents, and other intellectual property rights to enforce the Ethical Corporate Management Best Practice Principles.
- The corporate governance unit is responsible for conducting educational and promotional training, ensuring that employees do not engage in unfair competition and that the rights, health, and safety of other stakeholders are upheld.

Practical Measures Against Corruption GRI 206-1

Upholding the principle of ethical corporate management, the Company adheres to high moral standards in all business activities, adopts a zero-tolerance attitude toward corruption and bribery, and has established relevant policies and management mechanisms to set clear anti-corruption and anti-bribery guidelines. The Company also strengthens employees' and business partners' awareness and compliance with ethical standards through ongoing communication and training.

In 2024, no business activities were identified as involving corruption risks, and there were no incidents of corruption, anti-competitive behavior, antitrust violations, or monopolistic practices. In addition, to implement integrity management in the supply chain, all new suppliers in 2024 completed the signing of relevant integrity clauses, achieving a 100% signing rate, demonstrating the Company's commitment to and implementation of a culture of ethical corporate management.

Channels for Reporting Complaints and Appeals GRI 2-25, 2-26

In accordance with the "Whistleblowing Management Procedures", the Company has established a comprehensive reporting and complaint-handling process to ensure that all cases are handled fairly, confidentially, and in compliance with applicable laws and regulations. If a complaint involves a general employee, it will be reported to the department head: if it involves a director or senior executive, it will be reported to the Audit Committee. The responsible unit shall immediately initiate an investigation, and, if necessary, may seek assistance from relevant departments. It shall also ensure the right of the accused to present their statements. To ensure fairness in handling, if the case handler has a conflict of interest with the whistleblower or the accused, or if other circumstances may affect the impartiality of the case, they shall voluntarily recuse themselves: both the whistleblower and the accused may also request recusal.

If the investigation confirms a violation, the party involved will be immediately required to cease the related conduct, and disciplinary actions will be taken based on the severity of the case, such as job reassignment or submission to the Board of Directors for review. Major cases will also be handled in accordance with the requirements of the competent authorities. For substantiated cases, the Company will also require the relevant units to review the internal control systems and operating procedures and propose necessary improvement measures. If employees encounter unlawful acts in the workplace, the Company has established procedures for handling workplace misconduct. Employees may report incidents to the HR or Occupational Safety units, and upon receiving a report, the Company will form a Workplace Violence Response Team to investigate and address the matter. In 2024, internal review identified one substantiated workplace misconduct complaint, which was handled in accordance with the Company's relevant regulations. Additionally, there was one public environmental complaint, which, after inspection by the Environmental Protection Bureau, was found to have no violations.

The Company has established and announced the following independent reporting channels:

- Mail reporting: To be addressed to the Head of the Audit Office,No.88, Lane 1125, Heping Rd., Bade Dist., Taoyuan City 334, Taiwan
- Email reporting: thdiscipline@theil.com
- Workplace violence consultation and complaints: Complaint phone number: 02-26790122#1051 Complaint email: hr@theil.com.

Tong Hsing whistleblowing and complaint statistics for the most recent three years

Year		2022		2023		2024		
Case Type	Plant	Number of Cases	Case Closure Rate	Number of Cases	Case Closure Rate	Number of Cases	Case Closure Rate	Processing Results
Illegal Infringement	Taipei Plant	1 (Unsubstantiated)	100%	2 (1 Unsubstantiated)	100%	1	100%	The outcome addressed the complainant's concerns.
	Bade Plant	0	-	1	100%	1 (Unsubstantiated)	100%	
	Zhubei Plant	0	-	1	100%	1 (Unsubstantiated)	100%	
Environmental Protection Issues	Taipei Plant	0	-	0	-	1	100%	A public complaint was filed with the Environmental Protection Bureau, and after inspection, no violations were found.

Tong Hsing Whistleblowing and Complaint Channel Process

1. The Company has established an independent channel for internal and external personnel to report misconductthdiscipline@theil.com
2. Cases are received and logged by a dedicated unit, ensuring confidentiality and protection of the whistleblower.
3. Cases are reviewed to determine if they meet the criteria for investigation: those that do are formally filed.
4. Whistleblowing cases are reported to the appropriate supervisor or the Audit Committee based on the level of the subject involved.
5. The investigation unit promptly verifies the facts and takes appropriate action based on the findings. Cases of significant severity are reported to the Board of Directors or handled in accordance with legal requirements.
6. Upon completion of the investigation, the whistleblower is informed of the outcome, and all relevant records are maintained.
7. For verified cases, internal controls and operating procedures should be reviewed, and preventive measures proposed.

III Legal Compliance GRI 2-27, 205-3, 206-1

The Company's business philosophy is: "Steadiness and Practicality, Integrity and Honesty, and Customer First". With the pursuit of profit and earnings as the foremost goal, the company is committed to ensuring product innovation, enhancing added value and profitability, strengthening team professionalism and leadership capabilities, continuously improving operational performance, and fundamentally adhering to laws and regulations. The Company's 2024 legal compliance performance:

G In terms of corporate governance, the Company had no incidents of corruption, anti-competitive behavior, antitrust violations, or monopolistic practices in 2024, and did not incur any monetary or non-monetary penalties related to such events.

S In the social aspect, the Company had no monetary penalties for violations of the Labor Standards Act in 2024.

E In the environmental aspect, the Company had no penalties in 2024.

In the most recent year (2024), Tong Hsing had no legal violations. The relevant key laws, internal regulations, or procedural manuals related to corporate governance, environment, economic, and social legal compliance are disclosed as follows:

Category	Key relevant laws in Taiwan	Corresponding Company regulations or procedural manuals	Were there any legal violations in 2024?
Corporate Governance	• Company Act, Corporate Governance Best Practice Principles, Ethical Corporate Management and Guidelines for TWSE/TPEx Listed Companies, Audit Committee Charter, Remuneration Committee Regulations	• Articles of Incorporation, Ethical Corporate Management Best Practice Principles, Whistleblowing and Complaint Management Procedures	• The Company operates in accordance with the law and has not incurred any significant monetary penalties (exceeding NT$1 million) or other non-monetary sanctions.
Employees	• Labor Standards Act, Employment Service Act	• Filing of Work Rules • Filing of Labor-Management Meeting Representative Roster • Tong Hsing Responsible Business Alliance Compliance Management Procedures Manual	• The Company complies with relevant Labor Standards Act regulations and had no violations or labor-management disputes resulting in penalties. • No instances of forced labor were reported at the Company's operations or among key suppliers.
Labor Rights and Conditions	• Act of Gender Equality in Employment, Labor Insurance Act, Labor Pension Act, National Health Insurance Act, Employee Welfare Fund Act,		
Occupational Safety and Health	• Regulations of Leave-Taking of Workers, Law Source Retrieving System Labor Laws And Regulations, etc.	• Filing of Occupational Safety and Health Work Rules • Filing of Occupational Safety and Health Organization and Personnel • ISO 45001 Occupational Health and Safety Management System Procedures and Related Procedure Manuals	• No occupational accidents resulted in labor inspection penalties.
Environmental	• Basic Environment Act, Climate Change Response Act, Waste Disposal Act, Resource Recycling Act, Air Pollution Control Act, Noise Control Act, Drinking Water Management Regulations, Effluent Standards, Water Pollution Control Act and its Enforcement Rules, etc.	• ISO 14001 Environmental Management System and Related Procedural Manuals, including Waste Management Procedures, Wastewater Management Procedures, etc. • ISO 14064-1 Greenhouse Gas Inventory System and the preparation of Greenhouse Gas Inventory Reports	• The Company complies with environmental regulations and has had no violations resulting in penalties.
Economy	• Fair Trade Act, Patent Act, Copyright Act, Intellectual Property Rights Act, Trade Secrets Protection Act,	• Labor Contracts, Human Resources Management Regulations, Information Security Management Regulations	• The Company has no records of violations of economic or social regulations and has not incurred any fines.
Social	• Personal Data Protection Act, etc. • Civil Code, Sexual Harassment Prevention Act		
Product	• Fair Trade Act, Personal Data Protection Act • QC 080000 Hazardous Substances Process Management System	• ISO 9001 Quality Management System and related procedural manuals • QC 080000 or RoHS system, effectively controlling hazardous substances to comply with international standards	• The Company has not incurred any fines or compensation claims from customers due to breaches of customer privacy or violations related to hazardous substances. • The Company complies with marketing and communication laws, with no violations, and has not breached any product or service health and safety regulations.

Compliance Training

To provide timely legal and regulatory assistance and consultation to all departments, the Company has legal personnel who offer relevant information and educational materials. In addition, we provide training to ensure that relevant personnel are aware of and understand the latest regulations, enabling them to review and update their practices to avoid unintentional violations. At the same time, this training strengthens employees' compliance and ethical awareness, helping to fulfill the Company's fundamental social responsibilities.

Tong Hsing Compliance-Related Training Status

Year	2024
Training Course	Promotion of laws and regulations related to corporate governance, ethical business practices, and insider trading prevention
Course Objectives and Benefits	Aimed at strengthening employees' understanding of laws related to corporate governance, ethical corporate management, and insider trading prevention, enhancing overall compliance awareness and workplace ethics, and fostering correct values. Through promotion and education, this helps the Company strengthen internal control mechanisms, implement risk management, maintain market fairness, protect investors' rights, enhance corporate image, and advance toward sustainable business goals.
Training Participants	All Employees in the Taiwan Region
Number of Training Participants	**1,885**
Total Hours	**943**

*Note: The scope of compliance training does not include the Philippine subsidiary.

IV Risk Management GRI 2-13

Risk management is one of the core elements of corporate governance. Each year, the Company's corporate governance unit conducts a comprehensive risk assessment based on operational policies, covering the identification, measurement, monitoring, and control of key risks. Management policies and objectives are established and continuously reviewed and improved to mitigate potential operational impacts, ensuring stable and sustainable business operations.

The corporate governance unit is responsible for overseeing the operation of the risk management framework and regularly convenes risk meetings with heads of functional units to analyze potential risks and corresponding response strategies. Heads of each unit are also responsible for identifying and controlling risks within their departments, ensuring that frontline risks are promptly recognized and managed. In addition, the Audit Office incorporates risk assessments into the annual audit plan and regularly compiles the Company's overall risk management performance for submission to the Audit Committee and the Board of Directors for review. The Company provides the Board of Directors with an annual risk management report, with the most recent report dated October 29, 2024.

Risk Management Status

The Company systematically manages operational risks by following procedures for risk identification, assessment, monitoring, reporting and disclosure, and response. Appropriate management measures are implemented to mitigate potential impacts, ensuring operational stability and sound governance. Risk management covers a broad spectrum. In addition to financial, operational, compliance, and information security risks, it also includes sustainability-related risks, such as the impact of climate change on operating costs and supply chain stability, energy and resource efficiency, environmental regulatory compliance, human rights issues, and stakeholder concerns. Looking ahead, the Company will continue to strengthen the implementation of its risk management system, gradually improve the documentation and tracking of risk processes, and establish a systematic reporting mechanism for execution results. These efforts aim to enhance the transparency and effectiveness of risk management, further supporting the company's steady progress toward sustainable business objectives.

Risk Category	Scope Definition	Response Strategies and Actions	Responsible Unit
Market Risk	Risks arising from changes in domestic and international market demand or competition that may hinder the achievement of operational objectives.	Actively expand into diverse markets and broaden the customer base to reduce customer concentration risk: continuously strengthen R&D capabilities to enhance product performance and quality: simultaneously develop emerging application areas, such as low-earth orbit satellites, to diversify revenue streams.	Business Unit, Procurement Unit, and R&D Unit
Political Risk	Risks arising from geopolitical tensions or changes in national policies.	Adjust operational location layouts to enhance supply chain flexibility and resilience: implement a diversified supplier system and backup strategies to ensure uninterrupted operations.	Business Unit and Procurement Unit
Environmental Risk	External uncontrollable risks such as natural disasters, climate change, and infectious diseases	Establish disaster response plans and drill systems, enhance insurance coverage and recovery mechanisms: implement energy-saving and carbon reduction initiatives, as well as water and waste minimization policies: strengthen public health risk management, including personnel rotation and material reserves during pandemics.	Plant Operations and Environmental Safety
Legal Risks	Risks of penalties due to non-compliance in operational activities, or potential goodwill and financial losses arising from external litigation.	Closely monitor domestic and international regulatory and policy changes to ensure compliance at operational sites: strengthen internal audit and compliance review mechanisms to reduce the likelihood of legal risks.	Legal Unit
Financial Risk	Risks of incurring losses arising from various corporate financial activities. Including foreign exchange risk, etc.	Adopt diversified customer and market strategies to spread sources of financial risk: optimize product portfolio to enhance added value: continuously assess financial instruments and hedging strategies to mitigate the impact of market fluctuations.	Finance Unit
Operational Risk	Risks of personal injury, asset loss, and net profit reduction arising from internal control or internal management factors. Including information security management and intellectual property management, etc.	Enhance supply chain resilience through diversified operational sites and supplier strategies, and establish contingency plans and appropriate inventory levels to strengthen responsiveness to geopolitical and supply disruption risks.	Operations management, Information security, and Legal unit

V Information Security Management

In the digital era, we are committed to implementing information security governance and, by integrating organizational culture and employee awareness, jointly safeguarding the Company's digital trust and sustainable competitiveness. Information security has become a critical cornerstone for stable operations and sustainable development of the Company. To address the continuously evolving information security threats and compliance challenges, Tong Hsing actively promotes an information security management system, integrating information security into the overall risk governance framework. The Company, through the establishment of a dedicated information security unit, promotes cross-departmental collaboration and implements the ISO 27001 Information Security Management System to strengthen protection of operational systems, confidential information, and digital assets. Through mechanisms such as risk assessment, incident response, training programs, and internal audits, the Company continuously enhances information security resilience and protection capabilities.

Establish an Information Security Risk Management Framework

To meet the needs of digital transition and continuously strengthen cybersecurity governance, the Company established an Information Security Office in Q4 2021 and has been progressively improving the information security risk management framework and related policies. The Company has established multiple cybersecurity management procedures and built a systematic cybersecurity governance framework to ensure operational continuity and the integrity of confidential information.

The Company's information security management framework is as follows:

- Cyber Security Management Committee: Composed of senior management, responsible for formulating information security strategies and major decisions, and overseeing the effectiveness of information security initiatives.
- Chief Information Security Officer (CISO): The head of the Information Security Office, responsible for the overall planning and implementation of information security policies and strategies, and regularly reporting execution status to the Information Security Management Committee.
- Executive Secretary: Held by dedicated information security personnel, assisting the CISO in handling daily administrative and coordination tasks, and responsible for cross-departmental communication and coordination of information security operations.
- Cybersecurity Task Force: Responsible for implementing the Company's information security policies and technical protective measures, including system and network security, identity authentication management, and threat monitoring operations.
- Emergency Response Team: Responsible for real-time response to information security incidents and post-incident recovery, including incident reporting, investigation, tracking, and remediation activities.
- Internal Audit Team: Conducts independent review and supervision of the effectiveness of information security management systems, provides improvement recommendations, and enhances overall information security management.

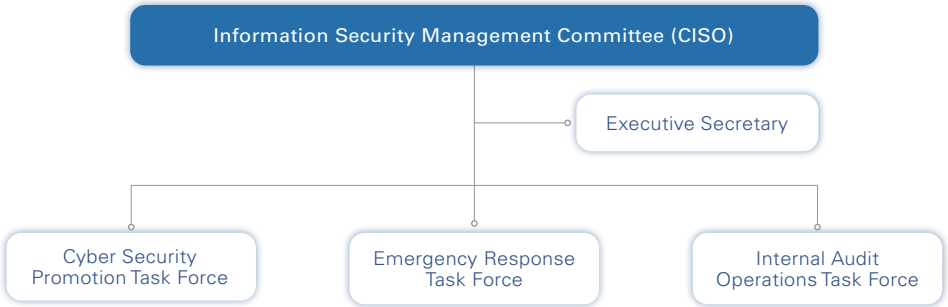
Our company has officially obtained the ISO/IEC 27001 Information Security Management System (ISMS) international certification. We passed the ISO 27001:2013 certification in 2023, and on this basis continue to make improvements. With the upgrade of the standard, in 2024 we further successfully completed the ISO 27001:2022 version certification, fully demonstrating our commitment to information security.

This certification scope covers "Maintenance of the server room and information system of the information center of Tong Hsing Electronic Longke Branch""Maintenance of the server room and information system of the information center of Tong Hsing Electronic Bade Plant", and in the future the scope of certification will be gradually expanded according to planning.

In terms of system execution, in addition to establishing information security control supporting equipment and security boundaries, the company also adopts a classified management system for confidential information, and strengthens company-wide information security training, in order to prevent the risks of unauthorized access, data tampering, leakage, or cyberattacks.

Since the establishment of the Information Security Office, the Company has continuously promoted the development and updating of the Information Security Management System (ISMS), progressing toward a highly resilient information security governance framework aligned with international standards. In 2024, the Company recorded zero major information security incidents (as defined as Level 4 by the Company's Cybersecurity Incident Management Procedure), effectively achieving its information security management objectives.

Information Security Management Organizational Chart



Information Security Incident Handling Process Description

When an information security incident occurs, it must be immediately reported to the Information Center, which will determine whether the incident meets the definition of a cybersecurity event. If it is not classified as a cybersecurity event, the reporting unit may handle it independently or seek assistance from the responsible authority. If it is determined to be a cybersecurity event, a "Cybersecurity Incident Report Form" must be completed, and incident handling and problem assessment should be conducted simultaneously.

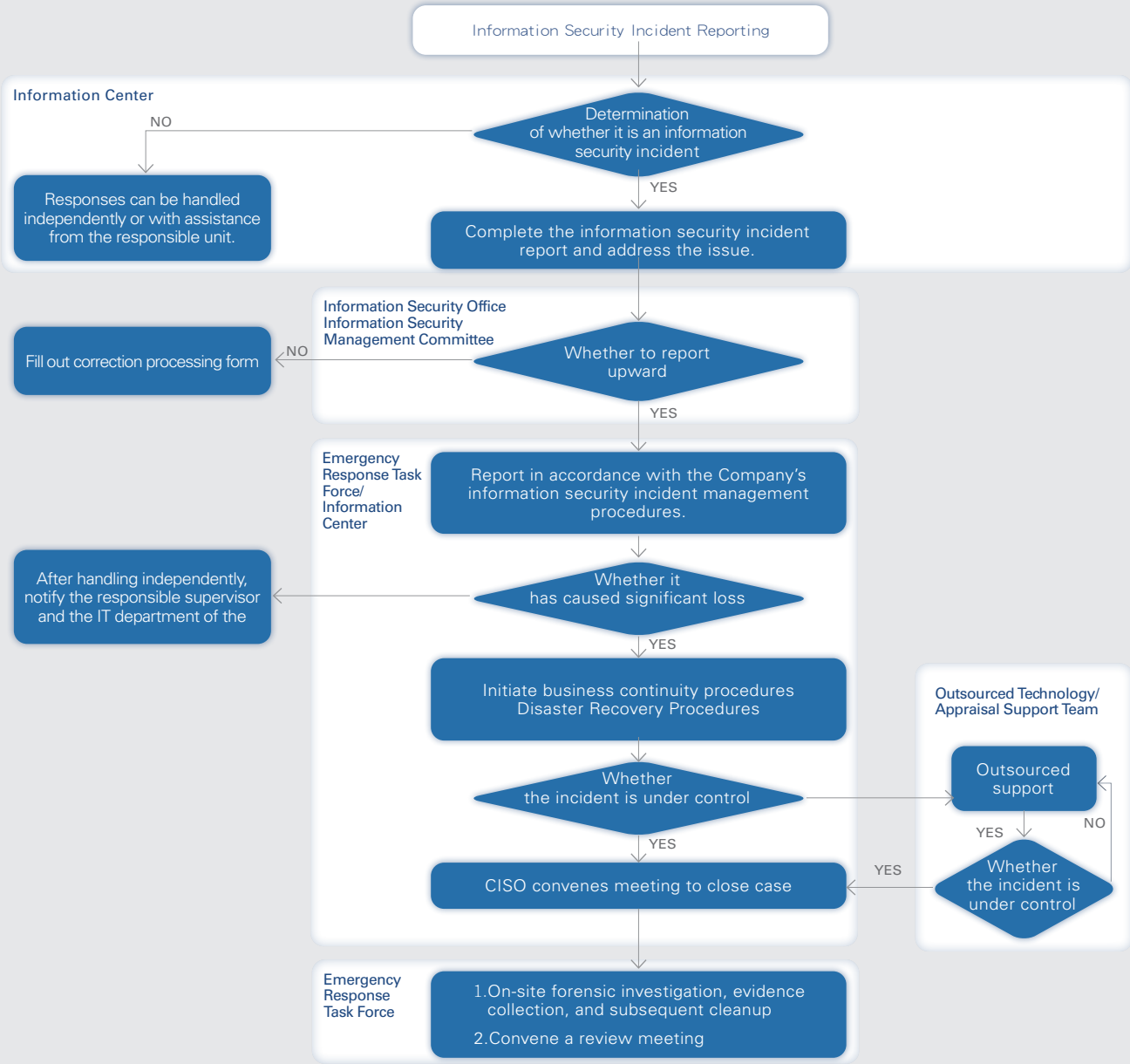
Subsequently, the Information Security Office or the Information Security Management Committee will review whether further escalation is required. If the report is decided, it must be reported step-by-step in accordance with internal procedures. Regardless of whether the report is submitted, the reporting unit is still required to complete the "Correction Action Form" to document the response measures and improvement plan.

The Information Center or the Emergency Response Team shall be responsible for notifying relevant units and initiating response operations in accordance with the Company's established cybersecurity incident response procedures. At this stage, further assessment will be conducted to determine whether the incident has caused significant losses. If there is no significant impact, the reporting unit will handle the matter independently and notify the supervisor and IT department: if serious losses occur, the Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) must be activated to ensure uninterrupted operations.

During the handling process, continuous monitoring is required to verify whether the incident has been brought under control. If it remains uncontrolled, an information security emergency response meeting will be convened to make decisions and implement countermeasures. If necessary, an external technical or assessment support team may be engaged to assist, and the incident status will be reassessed.

Finally, the Emergency Response Team is responsible for on-site handling and post-incident cleanup, while convening a review meeting to summarize the incident and compile improvement measures, serving as a reference for preventing similar incidents in the future.

Information Security Incident Handling Procedures

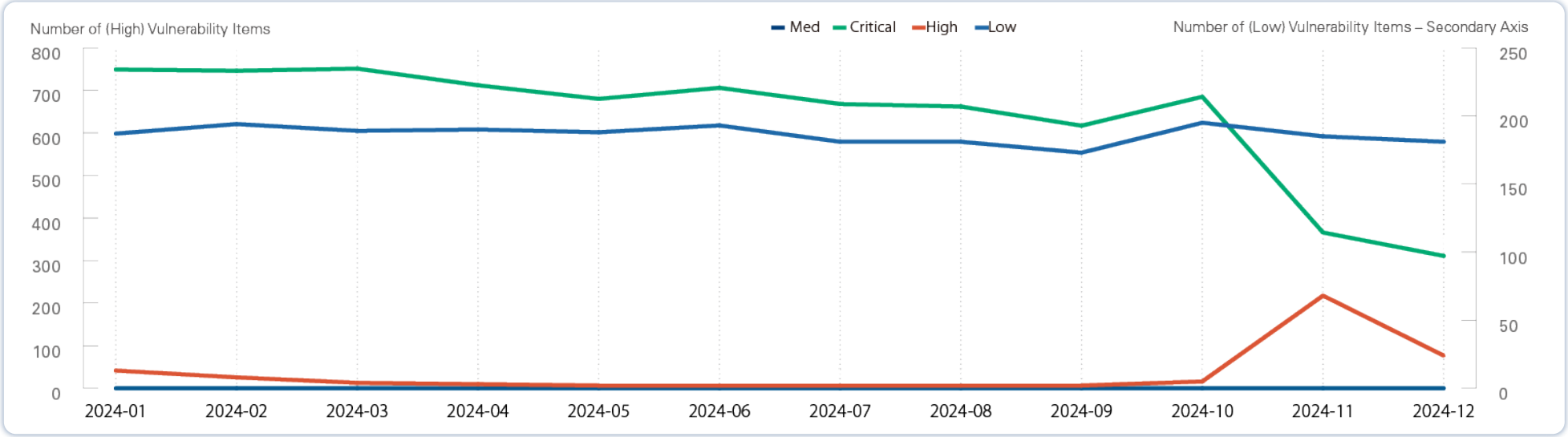


Information Security Specific Management Plan

Through firewalls and information zoning, security zones are established for internal, external, office, and production areas, with firewalls deployed to provide information security protection. Specific management measures include:

- Continuously implement advanced information security solutions to effectively protect and manage systems, hosts, and network activities.
- Regularly conduct employee training sessions to promote new information security knowledge and enhance staff awareness of information security.
- System and Network Security: Implement technologies such as gateway firewalls, intrusion detection systems (IDS), intrusion prevention systems (IPS), and zero-trust networks to prevent unauthorized access and attacks.
- Data Protection and Encryption: Use strong encryption technologies to safeguard sensitive data, including data at rest and data in transit, ensuring its confidentiality and integrity.
- Identity and Access Management: Implement multi-factor authentication (MFA) and granular access controls to ensure that only authorized personnel can access critical information assets, along with mobile device management systems to secure resource access control and protect company confidential information in the era of cloud services.
- Threat Intelligence Monitoring and Response: Use monitoring platforms to continuously track and analyze internal and external threat intelligence, taking timely measures to prevent attacks.
- Vulnerability Management: Conduct regular vulnerability scans and penetration tests on critical systems, and routinely patch security flaws in systems and applications. Perform daily full backups of company database systems such as SAP and MES, and periodically verify restoration capabilities as needed, serving as the final line of defense against ransomware attacks to ensure that databases and data can be safely restored to operation. 2024 Vulnerability Management Results (as shown in the figure below): By the end of 2024, there were zero critical risks and 24 high risks, all of which have been progressively remediated as of the reporting date.

2024 Vulnerability Trend Chart



Social Engineering Drill

Social engineering is one of the most common information security attack methods today, in which attackers often impersonate trusted individuals or organizations to trick users into disclosing sensitive information or performing improper actions, such as clicking malicious links or downloading harmful files. To enhance personnel's ability to defend against social engineering attacks, the Company conducts annual social engineering simulation drills for all employees with company email accounts. In 2024, a total of 1,559 employees participated: 949 actually opened the emails, of which 464 clicked on the test links, resulting in a click-through rate of 9.69%. To enhance preventive effectiveness, the Company has implemented mandatory "Phishing Email Identification" retraining for employees who clicked on the links, strengthening their ability to recognize suspicious emails and respond appropriately.

Information Security Self-Assessment

The Company places high importance on information security management. To ensure the stability of cybersecurity systems and the integrity of data protection, a comprehensive annual cybersecurity self-assessment is conducted each year. The assessment covers aspects such as information asset management, user access control, system vulnerability scanning, antivirus and anti-hacking measures, daily operational security, and abnormal incident handling procedures. This enables a systematic review of the implementation status and risk gaps of various policies and protective mechanisms, while providing concrete recommendations to address potential risks. The 2024 information security self-assessment result was rated as "Good", indicating that the Company possesses fundamental resilience and response capabilities in both technical protection and operational controls. The current management mechanisms effectively support the protection of information assets and the real-time handling of abnormal incidents. Improvement items identified during the assessment have been incorporated by relevant units into the subsequent annual information security enhancement plans, ensuring continuous correction and refinement.

Information Security Education and Trainingt

The Company, led by the Information Security Office, designs and implements a comprehensive information security education program, providing tiered and targeted training and assessments for all employees based on their job roles and risk levels, covering diverse topics. The course content covers basic information security awareness, internal data protection, and network security operation guidelines, ensuring that all employees possess sufficient information security awareness and response capabilities. In 2024, a total of 2,133 participants completed information security training and assessments, achieving a 100% pass rate, with a total of 1,374 training hours. This demonstrates the Company's strong commitment to and execution of an information security culture.

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Information Security Office 2024 Internal Training Courses

Online Course

ISO-PIP Tong Hsing Confidential Information

End Date	
2024-08-23	
Number of Training Participants	Pass Rate
2,092	100%
Course Hours	Total Course Hours
0.5	1,046

On-site Course

Information Asset Inventory and Risk Assessment

End Date	
2024-04-11	
Number of Training Participants	Pass Rate
41	100%
Course Hours	Total Course Hours
8	328

VI Intellectual Property Management

Patent Application and Reward System

In order to encourage employee innovation and strengthen technical R&D capabilities, Tong Hsing has established the Patent Application and Reward Management Measures as an important basis for intellectual property management. The measures clearly define the proposal process, review mechanisms, and reward system, encouraging employees to actively participate in product and technology innovation and to transform R&D outcomes into tangible assets.

Intellectual Property Patents Obtained by Tong Hsing as of December 31, 2024

Category	Patent Status	Taiwan	Abroad	Total
New Type	Application Pending	0	0	0
	Certified	1	2	3
Invention	Application Pending	43	202	245
	Certified	101	122	223

Patent Classification	Number of New Patents Approved in 2024	Number of Failures or Abandonments in 2024
Innovation Category (Increasing Positive Impact)	45	6
Reducing Negative Impact (Environmental)	9	1
Total	54	7

Trade Secret Management GRI 418-1

Tong Hsing places great importance on information security and privacy protection, and has established the "Confidential Information Classification and Management Measures". These measures implement tiered control based on the sensitivity of information, and enhance employees' confidentiality awareness and compliance through training and reward-punishment systems. For employee-submitted creative ideas that are not suitable for public disclosure, the Company incorporates them into a trade secret proposal management mechanism and provides corresponding rewards, encouraging innovation while properly protecting intellectual assets.

To prevent the risk of confidential information leakage, employee contracts explicitly include confidentiality and non-compete clauses, which must be observed both during and after employment. Externally, the Company signs non-disclosure agreements with clients and suppliers to protect the interests of both parties.

From 2020 to 2024, there have been no complaints or disciplinary records related to customer privacy violations or data loss.

02

Financial Performance and Innovative Products and Services

I Financial Performance GRI 201-1

Tong Hsing achieved a revenue of NT$12.09 billion and a net profit of approximately NT$1.743 billion in 2024, representing a year-on-year increase of 22.9%.

2023–2024 Revenue and Earnings Per Shar

(Unit: NT$ thousands)

Item	2023	2024
Operating Revenue	11,584,909	12,090,994
Gross Profit	2,787,536	3,325,898
Income before Income Tax	1,418,247	1,922,433
Earnings Per Share	5.50	8.20

*Note: The figures are sourced from the financial statements. Please refer to the Investor Relations section on the Company website https://www.theil.com/en/annual_revenue.php

Tong Hsing condensed statement of comprehensive income for the most recent 3 years

(Unit: NT$ thousands)

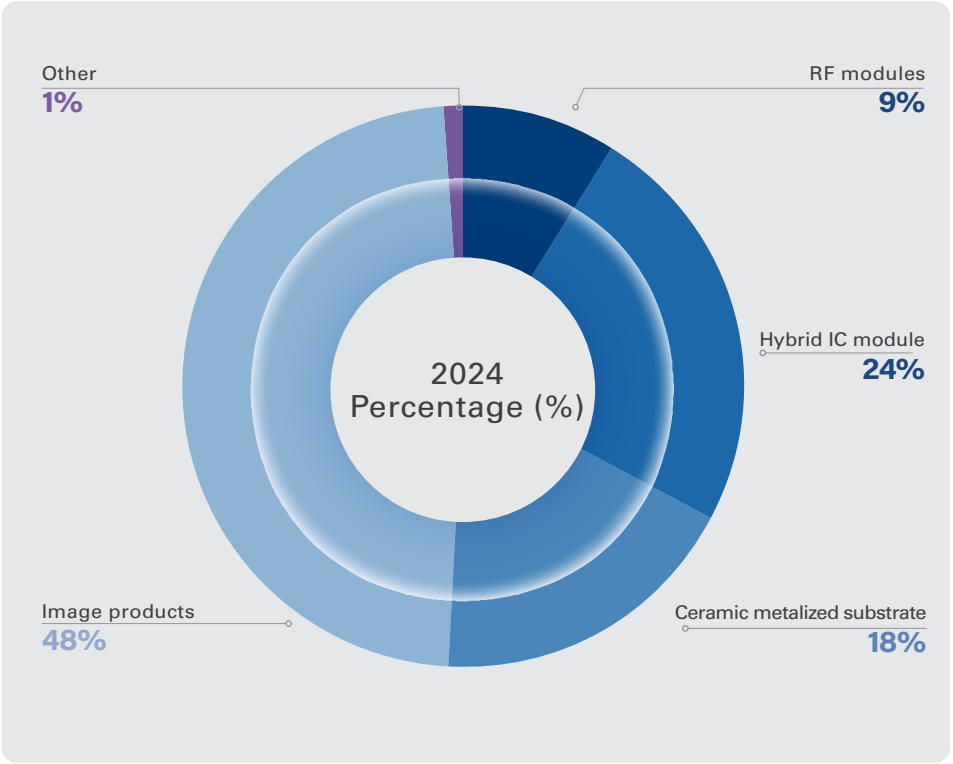
Item	Unit	2022	2023	2024
Operating Revenue	NT$ thousands	14,071,591	11,584,909	12,090,994
Operating Costs	NT$ thousands	9,066,256	8,797,373	8,765,096
Gross Profit	NT$ thousands	5,005,335	2,787,536	3,325,898
Operating Expenses	NT$ thousands	1,339,704	1,369,289	1,583,037
Net Operating Income	NT$ thousands	3,665,631	1,418,247	1,742,861
Non-operating Revenue and Expenses	NT$ thousands	223,613	-23,195	179,572
Income before Tax	NT$ thousands	3,889,244	1,395,052	1,922,433
Income Tax Expense	NT$ thousands	748,302	244,539	203,984
Net Income for the Period	NT$ thousands	3,140,942	1,150,513	1,718,449
Earnings Per Share	NT$	14.09	5.50	8.20

*Note1:The figures are sourced from the financial statements. Please refer to the Investor Relations section on the Company website https://www.theil.com/en/annual_revenue.php

*Note2:The entities included in the consolidated financial statements comprise the Taipei headquarters and all plants

Customers and Market

Tong Hsing has long focused on the development and manufacturing of high value-added products, with major customers concentrated in Europe and the Americas, covering multiple internationally renowned brand companies. Leveraging stable quality, advanced technological capabilities, and strong customer service, the company has established a solid foundation of trust and cooperation in the global market. The Company offers a diverse range of products, with imaging products as its core focus, primarily applied in the automotive electronics sector, particularly playing a key role in advanced driver assistance systems (ADAS) and intelligent in-vehicle technologies. With the continued growth of the global automotive electronics market and the rapid advancement of autonomous driving technologies, the Company has been actively engaged in related technology R&D and process optimization, aiming to enhance product differentiation and strengthen its market competitiveness.



The main products of Tong Hsing and their respective sales amounts and proportions for the most recent two years

(Unit: NT$ thousands)

Product \ Year	2023		2024	
	Amount	Percentage	Amount	Percentage
Image products	6,070,802	52.40%	5,748,736	48%
Ceramic metalized substrate	1,994,307	17.22%	2,202,995	18%
Hybrid IC module	2,675,402	23.09%	2,950,801	24%
RF modules	732,625	6.32%	1,045,577	9%
Other	111,773	0.97%	142,885	1%
Total	11,584,909	100%	12,090,994	100%

Sale s amounts and proportions of Tong Hsing's main products by region (based on customers' headquarter locations) for the most recent two years

(Unit: NT$ thousands)

Region \ Year	2023		2024	
	Amount	Percentage %	Amount	Percentage %
Europe	3,126,425	13.01%	1,571,089	12.99%
Americas	1,353,069	62.65%	7,484,708	61.90%
Asia	5,838,022	20.07%	2,525,568	21.44%
Other	1,267,393	4.27%	509,629	3.67%
Total	11,584,909	100%	12,090,994	100%

II Innovative Products and Services GRI 2-6

Facing rapidly changing global technology trends and diverse market demands, Tong Hsing continues to drive innovation at its core, investing in the R&D of advanced materials, process technologies, and integrated solutions to enhance product differentiation and market competitiveness. The Company focuses on high value-added product areas, including ceramic circuit substrates, advanced imaging sensor modules, power semiconductor packaging, and biomedical application modules, which are widely applied in key industries such as automotive electronics, 5G communications, industrial control and energy, and precision healthcare.

We are customer demand-oriented, integrating manufacturing technology, packaging and testing, materials science, and system integration capabilities to provide customized and highly reliable innovative solutions, helping customers accelerate product development cycles and enhance the performance and safety of their end products. Through cross-departmental R&D collaboration, co-creating innovative application scenarios with strategic partners, and continuously adopting green processes and intelligent technologies, Tong Hsing is committed to becoming a technology partner that leads industry transition and sustainable innovation.

Innovative Products and R&D

In response to the global trend toward net-zero carbon emissions, Tong Hsing regards innovation as a key driver for sustainable transformation, continuously optimizing product size, materials, and processes to achieve both high efficiency and environmental friendliness. We actively introduce new materials and energy saving and carbon reduction technologies that align with environmental protection trends, promoting product development towards "smaller size, higher efficiency, and lower pollution". We also protect new technological achievements through a patent layout strategy to expand the impact of innovation.

The Company has established a clear innovation product management policy, focusing on the following three key directions:

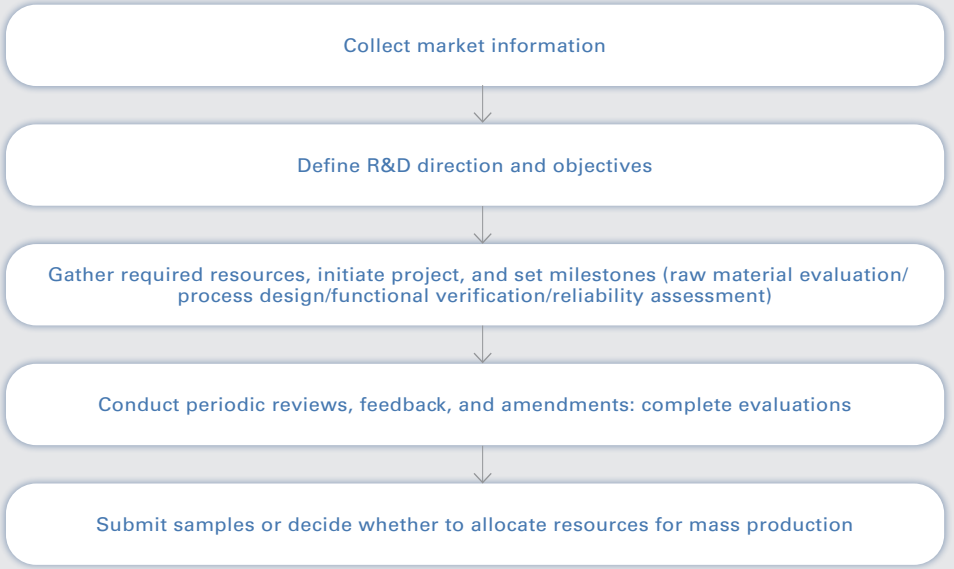
- Develop smaller, higher-power, and high-performance advanced products to enhance energy conversion efficiency and the performance of end-use applications.
- Implement low-pollution, low-material, and low-energy-consumption process technologies to reduce the environmental impact of production.
- Enhance the patent portfolio and technology protection mechanisms to maintain technological leadership and strengthen market competitiveness.

In terms of R&D implementation, Tong Hsing's new product development involves collaboration among R&D, sales, and project units to ensure a close alignment between technical design and market needs. New materials and technologies are integrated through the R&D and procurement departments to enhance the sustainability and innovativeness at the source of product design. To further enhance R&D capabilities, the Company has established a systematic innovation product development process, incorporating quality management mechanisms during R&D to ensure that reliability and production efficiency are considered from the early stages of product design.

At the same time, the Company integrates supply chain resources and collaborates technically with upstream material and equipment suppliers to introduce external innovation. Internally, cross-departmental engineering collaboration and employee innovation training mechanisms are strengthened to enhance the R&D team's overall problem-solving and innovation capabilities.

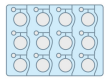
In the future, Tong Hsing will continue to drive sustainable upgrades in products and processes based on technological innovation, creating forward-looking, high value-added products aligned with global low-carbon development trends, and supporting customers in advancing toward green supply chains and net-zero transition.

Tong Hsing Product R&D Process

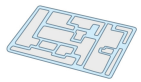


Product Photo

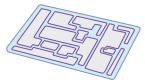
Ceramic Substrate



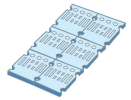
DPC
Direct Plated Copper



DBC
Direct Bonded Copper

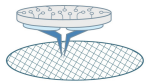


Active Metal Brazing



Thick Film Printed Circuit Substrates

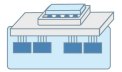
Imaging Products



Wafer Probing Testing

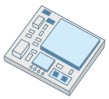
Wafer Reconstruction

Package

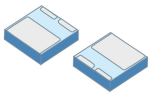


Final Testing

Module Packaging

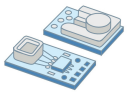


RF Packages



Power Semiconductor

Customized Packaging and Testing



Hybrid IC Modules

Bio Medical

Product Labeling GRI 417-1, 417-2

Tong Hsing places great importance on the accuracy and compliance of product labeling, recognizing that clear and transparent information disclosure is a vital foundation for protecting customer rights and enhancing product trustworthiness. The Company discloses essential product specifications, usage limitations, safety guidelines, and compliance statements in all product packaging, instruction documents, and shipping information to ensure that customers receive accurate, complete, and timely product information throughout the process of receiving and using the products.

For different product lines such as ceramic circuit boards, image sensor modules, power packaging, and biomedical applications, the Company follows applicable standards and regulations according to their respective application fields and markets, such as RoHS, REACH, and automotive-grade technical specifications, and clearly indicates compliance certificates or test codes in product labeling. For product categories with potential risks, such as power semiconductors or medical application modules, the Company also strengthens usage guidelines and storage and transportation standards throughout the product lifecycle to reduce risks in end-use applications. In 2024, there were no incidents of regulatory notifications or fines resulting from improper product labeling.

Green Products

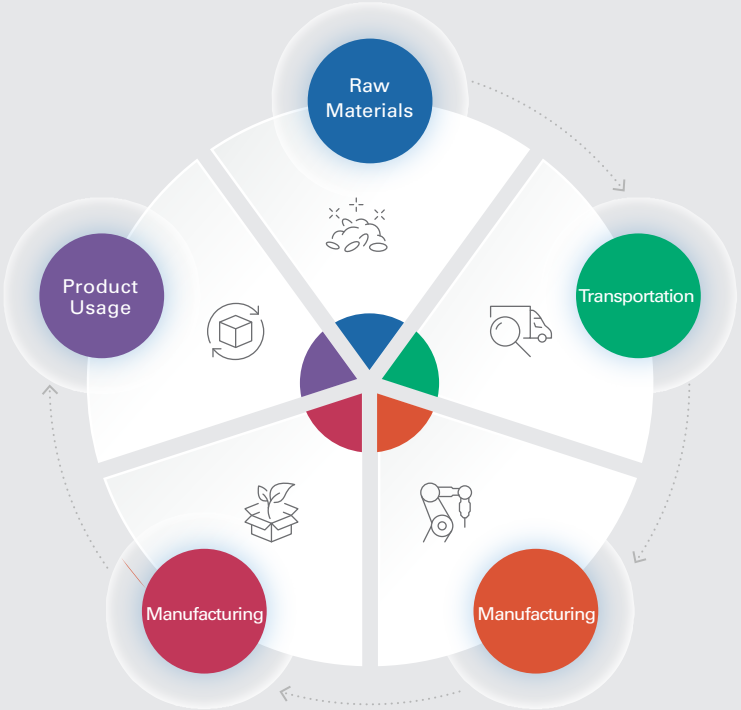
Tong Hsing is committed to innovative R&D and process optimization, continuously enhancing product technological content and added value to meet customer demands for high performance and high reliability. In recent years, as global attention to environmental sustainability has increased, we have actively integrated green product concepts into the core of our R&D, incorporating ESG considerations from the material selection stage to ensure that our products not only maintain technological competitiveness but also meet environmental protection and energy efficiency requirements. The Company defines green products as "environmentally friendly products with energy-saving benefits" and uses this definition as an important basis for new product development and the optimization of existing processes. Currently, representative application achievements include high-power LED heat dissipation substrates and automotive image sensor packaging modules. Both emphasize high performance and energy efficiency, and are widely applied in energy-saving lighting and smart automotive systems.

Through the collaborative efforts of our R&D and business teams, we have further adopted a product lifecycle perspective, evaluating potential environmental impacts from design, manufacturing, use, to disposal stages, and developing corresponding green R&D strategies for each stage. For example, at the design stage, the focus is on miniaturization and material reduction: at the manufacturing stage, low-energy processes and waste recycling are implemented: and at the product usage stage, energy efficiency and long-term reliability are enhanced to extend product lifespan and reduce replacement frequency.

Tong Hsing Product Lifecycle Diagram

Selection: Based on compliance with RoHS and REACH standards. Collaborate with suppliers to review material composition from the selection stage, ensuring compliance with relevant regulations and environmental standards.

Use: Incorporate regulatory-compliant materials into the BOM during the product development stage, and control their usage through the SAP system to reduce material waste and potential risks to the environment and human health.



Strengthen hazardous substance recycling management to improve recycling efficiency and recovery rates, and establish a water resource recycling system to reduce environmental impact and resource consumption.

Use recycled or reclaimed materials for packaging and transportation of raw materials.

Adopt low-impact, biodegradable, or recyclable packaging materials, and optimize delivery routes and transportation efficiency, combined with green energy transport systems, to reduce the overall logistics carbon footprint.

Establish standardized processes to reduce excess material waste and streamline production workflows.

Ceramic Circuit Boards

Thermal Innovation × Green Design

Tong Hsing leverages photolithography, metal plating, PVD coating, and high-precision film stripping, along with high thermal conductivity aluminum nitride substrates and high-viscosity lift-off photoresists, to improve heat dissipation and process stability in ceramic circuit board development. Incorporate metal recycling design from the early stage of product development, and send waste generated from the metal plating process to professional recyclers to be remanufactured into recycled metal materials. The photolithography materials and acidic/alkaline chemicals used in the process are also prioritized for recyclability or environmental certification, reducing environmental risks.

To improve performance and environmental sustainability, Tong Hsing works with photoresist suppliers to use high-viscosity photoresists, boosting coating efficiency by 50% and cutting usage by 30%, thereby saving materials and reducing waste. This product series is widely applied in electric vehicles and high-power electronic modules. By significantly enhancing heat dissipation, it facilitates component miniaturization and high performance, further advancing ESG-oriented product innovation.

Automotive Chip Packaging

Reliable Packaging × Net-Zero Advancement

In the field of automotive chip packaging, Tong Hsing develops image sensor packaging solutions that offer high reliability and environmental friendliness. To meet the specific needs of automotive image chips, Tong Hsing developed non-transparent anti-glare dry films that reduce stray light, improve driver visibility, and enhance traffic safety. In addition to helping reduce nighttime light pollution, this material also drives innovation in automotive imaging technology and materials engineering.

To reduce harmful gas emissions and material waste during the process, the Company has implemented reusable carrier jigs to replace traditional tape fixing methods, effectively lowering exhaust emissions and material loss. In addition, regarding reliability improvement, the image packaging products have obtained AEC-Q100 G2+ certification, significantly enhancing product durability and lifespan. The packaging modules are designed for miniaturization and material reduction, boosting performance, conserving resources, extending product lifespan, and providing resilient green automotive packaging solutions.

High-Power LED Modules

Energy-Saving Lighting × Miniaturized Thermal Technology

To address the global trend of energy saving and carbon reduction, Tong Hsing emphasizes "high-efficiency heat dissipation" and "miniaturization" in developing high-power LED modules. By integrating high thermal conductivity ceramic substrates with reinforced metal coatings, Tong Hsing developed low-thermal-resistance, high-reliability heat dissipation modules that extend LED lifespan, improve luminous efficiency, and reduce heat-induced light degradation. Widely used in architectural, industrial, and automotive lighting, this module leverages energy-efficient design, eco-friendly materials, and long lifespan to boost customer product performance while supporting low-carbon manufacturing and green supply chain objectives, showcasing its tangible contribution to sustainability.

Biomedical Application Modules

High-Precision Packaging × Health Protection

To meet the medical industry's need for high-precision, reliable electronic modules, Tong Hsing develops hybrid IC modules for physiological sensors, portable medical devices, and implantable systems. To meet the demands of variable physiological environments and high stability, LTCC substrates and miniaturized packaging are implemented from the design stage to ensure reliability and safety. To minimize environmental risks in medical or human-use applications, Tong Hsing employs biomedical-grade materials and designs products with non-toxic, heavy-metal-free components. Additionally, miniaturized design and simplified packaging reduce material use and energy consumption, ensuring both performance and environmental responsibility.

III Quality Management System

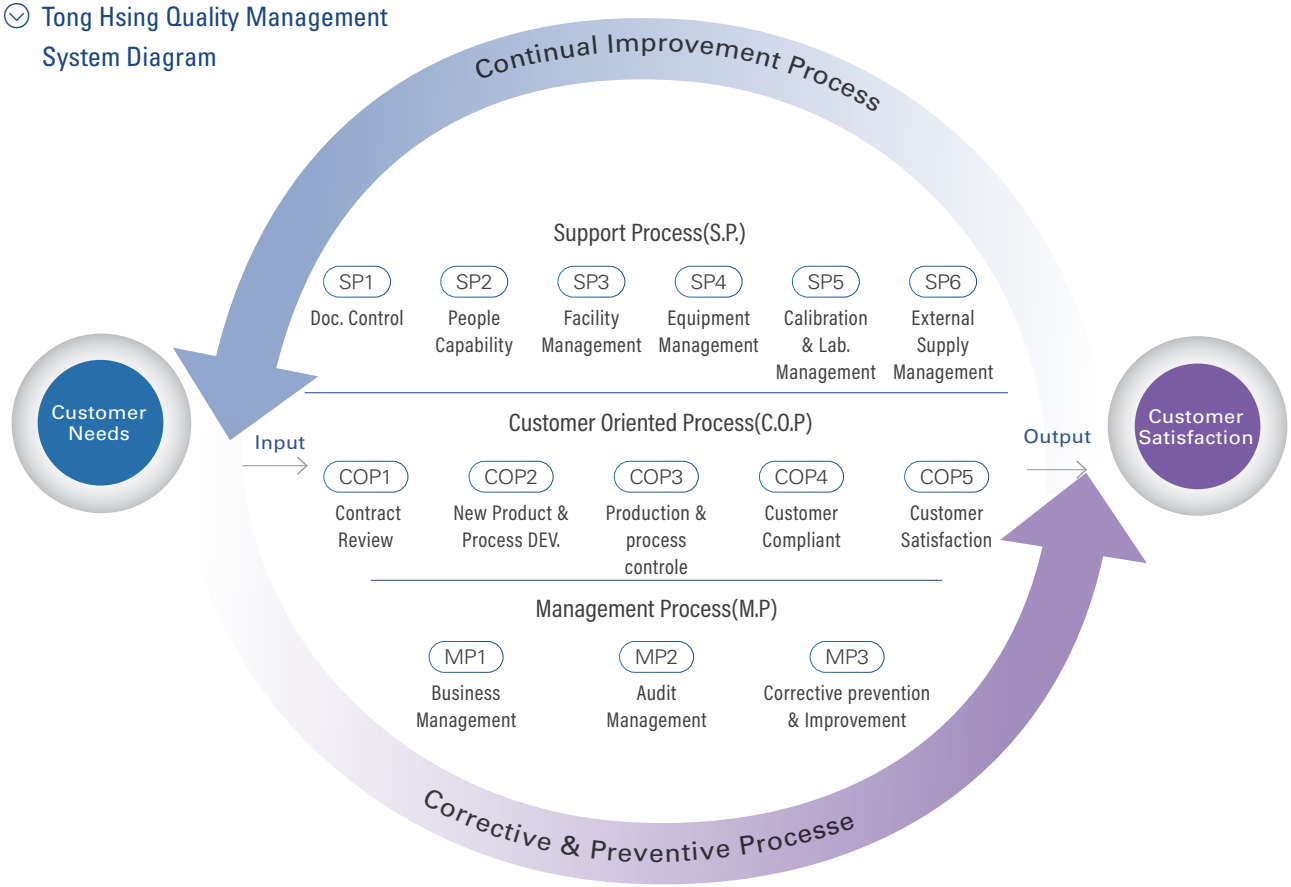
Product Safety Management Policy

GRI 416-1, 416-2, 417-1, 417-2, 417-3

Tong Hsing prioritizes product safety and quality, using a comprehensive quality management system to ensure products meet regulatory, customer, and intended-use requirements across design, production, and usage, while mitigating risks to health and property. The Company strictly controls product labeling, information disclosure, and privacy processes. In 2024, there were no regulatory violations, product recalls, or major customer complaints related to health, safety, labeling, privacy, or marketing.

Tong Hsing has established a comprehensive quality management framework and obtained multiple international professional certifications, including ISO 9001 (Quality Management System), IATF 16949 (Automotive Quality Management), AS 9100 (Aerospace Quality Management), ISO 13485 (Medical Device Quality Management), and ANSI/ESD S20.20 (Electrostatic Discharge Control System). These certifications comprehensively cover high-end applications in automotive, aerospace, biomedical, and electronic components, demonstrating Tong Hsing's cross-industry, high-standard quality assurance capabilities.

Tong Hsing Quality Management System Diagram



Several of Tong Hsing's management systems have been certified by third-party verification.

Quality Management	Information Security	Environmental Management	Occupational Safety and Health
• ANSI/ESD S20.20 Electrostatic Discharge Control Quality Certification (DNV) • AS 9100 Aerospace Quality Management System Certification (AFNOR) • IATF 16949:2016 Automotive Quality Management Certification (SGS) • ISO 9001:2015 Quality Management System (AFNOR) • ISO 13485:2016 Medical Device Quality Management System Standard (IMQ)	• ISO 27001:2022 Information Security Management System (AFNOR)D-U-N-S® Registered – Zhubei Plant	• ISO 14001:2015 Environmental Management System(BV)	• ISO 45001:2018 Occupational Health and Safety Management System (BV)

*Note: For details of each certification, please refer to the official website: About Tong Hsing > Certification Section.

Key Measures and Implementation of the Quality Management System

Tong Hsing firmly believes that quality is not the responsibility of a single department, but an integral part of the organizational culture. Quality awareness refers to employees' internalized recognition, attitudes, and behaviors toward the value of quality. Only when every team member embraces the belief that "quality is the foundation of corporate competitiveness" can the Company steadily build and maintain its quality advantage.

To enhance company-wide quality awareness and skills, Tong Hsing implements ongoing training alongside practical management practices. In 2024, all new employees completed foundational training on IATF 16949, AS 9100, ISO 13485, and restricted substances management, achieving a 100% completion rate, reflecting the Company's emphasis on quality education.

For operations management, Tong Hsing enforces SOPs and uses structured training and assessment programs to ensure on-site work meets process quality standards. Tong Hsing has implemented an improvement proposal system, motivating employees to propose innovations or process optimizations, promoting simultaneous improvements in quality and efficiency.

In terms of quality management systems, the Company has fully implemented the SAP enterprise resource planning system, achieving electronic integration of processes from order receipt, procurement, inventory, production, and quality to finance. The system provides real-time, accurate data and records every process step, effectively establishing a full-product traceability mechanism to ensure quality is controllable, verifiable, and traceable, thereby strengthening the Company's quality commitment to customers.

Quality Culture

1. Establish company-wide quality awareness	2. Systematize education and training
All employees must understand the value of quality and foster a proactive and responsible mindset.	100% of new employees completed in 2024: • IATF 16949/AS 9100/ ISO 13485 • Restricted Substances Management Training

Quality Management

1. Standardized operating procedures	2. Skills training and assessment	3. Improvement proposal system
Establish SOPs and Review/Update Regularly	Develop training programs and assessment mechanisms to enhance employees' operational proficiency and consistency.	Encourage employees to propose process improvements and quality optimization suggestions.

Quality Management System

1. Full-process digital integration and traceability	2. Establish product traceability capability
Implement SAP system to integrate order management, procurement, inventory, production, and quality management.	Each product process can be traced back to raw materials and production steps, enhancing quality controllability.

IV Customer Relationship Management

Tong Hsing upholds a "Customer First" business philosophy, striving to establish long-term, stable, and mutually trusting partnerships. The Company emphasizes communication and engagement with customers, continuously understanding their needs and expectations, and adjusting internal processes and quality management standards according to customer characteristics and product requirements to respond flexibly to market changes.

To ensure customer satisfaction, we actively participate in regular audits with customers and initiate continuous improvement measures based on their feedback or identified issues, aiming to maximize the results of our collaboration. Similarly, a comprehensive annual evaluation is conducted for key customers, covering indicators such as capacity, quality, delivery, and operational management. The results serve as the basis for internal continuous improvement and optimization of customer service, aiming to reinforce international brand client trust through consistent quality and professional service, and achieve sustainable growth.

In terms of product and service responsibility, the Company fully complies with regulations and international standards related to product safety, privacy protection, and marketing labeling. It also establishes customer rights protection policies and complaint handling procedures to strengthen risk management and build trust. All products must pass regulatory and environmental compliance verification, strictly preventing non-compliant or contentious materials and finished goods from entering the market.

Conducted customer satisfaction surveys

Tong Hsing places cultivating key customer relationships at the core of its business, continuously providing high-quality products and professional services, while actively collaborating with strategic partners to jointly develop advanced specialty materials and emerging markets, expanding the value chain for both parties. To enhance customer satisfaction, the Company conducts an annual customer satisfaction survey every fourth quarter. Evaluation items cover product quality, delivery accuracy, service quality, and professional competence. A dedicated team compiles the survey results for trend analysis and improvement review.

In addition, to strengthen long-term customer relationships, the Company leverages the integration of the SAP system and procurement platform to optimize cost control, enhance service efficiency, and improve product quality. This creates a win-win cooperation model among customers, suppliers, and Tong Hsing, further boosting performance and the potential for new orders.

To implement the customer-oriented spirit of the ISO 9001 Quality Management System, Tong Hsing conducts an annual customer satisfaction survey every Q4. Feedback is systematically collected and used as a basis for continuously improving service and product quality. The survey is conducted through multiple channels, including email, telephone interviews, and fax. All collected data are consolidated in the "Customer Satisfaction Survey Form" for storage and analysis. The survey content is designed according to the characteristics of products provided by each business unit, with evaluation indicators covering key aspects such as quality, delivery, service, and technical support. The survey results for this year are as follows:

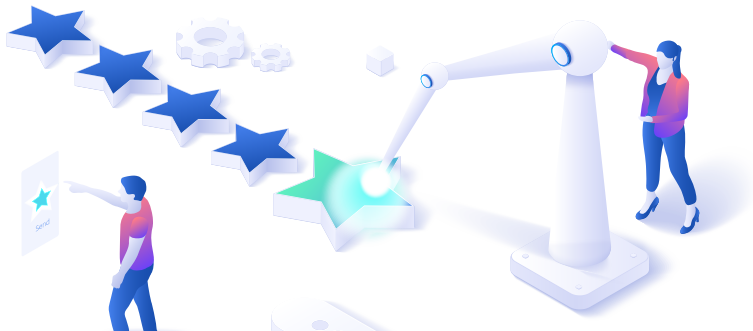
Customer Satisfaction Survey Results for the Most Recent Two Years

Item Year / Business Unit	Investigation Items	2023		2024	
		Collected Questionnaire Revenue Coverage	Satisfaction Average	Collected Questionnaire Revenue Coverage	Satisfaction Average
Ceramic metalized substrate	Product Quality, Delivery, and Service	63%	77%	97%	83%
Hybrid IC module RF modules	Product Quality, Delivery, and Service	71%	87%	85%	81%
Image products	Product Quality, Delivery, and Service	98%	67%	98%	77%

Customer Feedback Handling Mechanism

The Company has established a comprehensive customer complaint handling process. Upon receiving customer feedback or complaints, a response procedure is immediately initiated. The Customer Quality Engineering Department verifies the issue and promptly conducts investigation and initial handling, thereby reducing the risk of recurring complaints and enhancing customer satisfaction.

For significant or recurring abnormal events, a problem analysis and resolution process is initiated based on the situation. A cross-departmental improvement team is established to trace the root cause using scientific methods and to plan both short-term corrective actions and long-term preventive measures. After implementing improvements, their effectiveness is reviewed and necessary adjustments are made to ensure the issue is effectively resolved. In addition, the Company strengthens employees' quality awareness through internal re-education and continuous improvement activities, fostering a culture of proactive prevention and systematic problem-solving, thereby continuously enhancing product quality and brand trust.



03

Sustainable Supply Chain Management

Material Topics

I Industry Value Chain GRI 2-6

Tong Hsing operates in the electronic components manufacturing and semiconductor packaging industry. Its products include multi-chip modules, thick-film hybrid IC modules, printed circuit board assemblies, high-frequency modules, power semiconductor modules, as well as wafer reconstitution, packaging, and automotive image sensor IC packaging. The main upstream raw materials include ceramic materials, chips, packaging materials, and substrates.

According to Tong Hsing's annual survey of key raw material supply, critical materials—including printed circuit boards, ceramic substrates, epoxy resins, glass covers, wires, integrated circuits, process tapes, and metals—are sourced from diverse suppliers across multiple countries, covering the United States, Japan, China, Taiwan, Switzerland, Malaysia, Singapore, and South Korea. The overall supply sources are diversified, with sufficient inventory and stable supply, effectively reducing the risk of raw material shortages and ensuring operational continuity.

Upstream (Raw Material Types)	Main Product Categories of Tong Hsing	Main Downstream Application Areas
Ceramic Raw Materials	Ceramic Circuit Board	LED,Power Module,Laser Sub-mount
Chips, Packaging Materials, Substrates	RF Package	RF infrastructure
Chips, Packaging Materials, Substrates	Hybrid Assembly	Automotive and Airspace
Chips, Packaging Materials, Substrates	Image Sensor	Image Sensor Package House,Automotive Tier 1

II Supply Chain Management Policies and Measures GRI 308-1

Tong Hsing regards its suppliers as long-term partners and continuously strengthens its sustainable supplier management mechanisms. The Company not only emphasizes quality, delivery, cost, and competitiveness but also further reinforces environmental and social management requirements. We work hand in hand with our suppliers to promote sustainable development, aiming to build a resilient, responsible, and internationally compliant supply chain.

To implement the United Nations Sustainable Development Goals (SDGs) and the Responsible Business Alliance (RBA) Code of Conduct, Tong Hsing not only adheres to these standards internally but also requires its supply chain to commit and comply. We regularly conduct sustainability risk assessments and on-site audits of our suppliers, and require all new and key suppliers to sign declarations on human rights, environmental protection, and ethical business practices. These cover areas including hazardous substance management, conflict mineral prohibition, labor rights, anti-corruption, and data protection.

In practice, Tong Hsing explicitly requires its suppliers to:

E Implement environmental protection and occupational safety, comply with regulations, promote energy saving and waste reduction, prevent occupational accidents, and continuously improve the working environment.

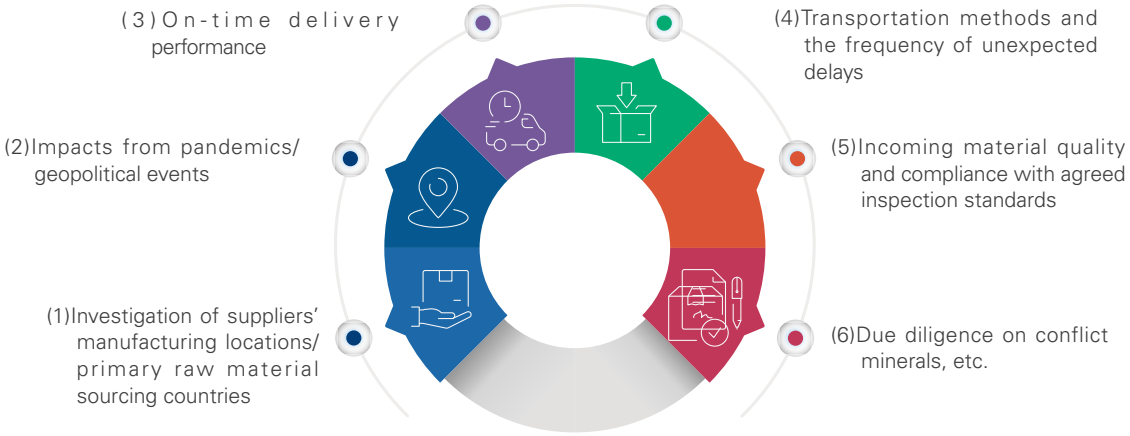
S Respect human rights and labor rights, including the prohibition of child labor, forced labor, and discriminatory practices, while ensuring reasonable working hours and freedom of association.

G Uphold business ethics, prohibit any form of improper benefits, and safeguard information transparency, intellectual property, and personal data privacy.

We also support suppliers in enhancing their sustainability management capabilities through training, regular audits, and improvement guidance, while establishing a mechanism for handling violations. When necessary, we reserve the right to terminate cooperation to ensure that the entire supply chain shares Tong Hsing's commitment and responsibility toward sustainability.

Supplier Risk Assessment

Tong Hsing has established a sustainable supplier management mechanism, dedicated to building a resilient and responsible supply chain system. Each year, Tong Hsing conducts audits and risk assessments of its suppliers, covering the following six aspects: Based on the assessment results, the company implements corresponding risk response measures, including verifying inventory levels, analyzing the business segments that may be affected by risks, evaluating supply and transportation capabilities, and reviewing supplier concentration. When necessary, the company activates diversification strategies or increases safety stock to reduce the risk of operational disruption.



Status of raw material supply chain risk assessment

Major Raw Materials	Country of Supply Origin	Supply Status
Printed Circuit Board (PCB)	China, Japan, Switzerland, Taiwan	Abundant
Ceramic Substrate	United States, Japan, Malaysia, China, Taiwan	Abundant
Epoxy	United States, Japan, China, Taiwan	Abundant
Glass Lid	Japan, China, Taiwan	Abundant
Wire	Japan, Singapore	Abundant
Integrated circuits (IC)	United States, China	Abundant
Process Tape	Japan, Korea, Malaysia, China, Taiwan	Abundant
Potassium gold cyanide (PKPGC)	Taiwan	Abundant

Status of suppliers' environmental and social risk assessments

Environmental Risk GRI 308-1

- **Compliant with Hazardous Substance Management Regulations**

To protect health and environmental safety, Tong Hsing complies with the EU RoHS Directive (2011/65/EU), the EU REACH regulation, and California Proposition 65. At the same time, we are committed to complying with chemical substance regulations set by various countries and our customers, and we require our suppliers to adhere to restrictions or prohibitions on hazardous chemicals.

Social Risk GRI 414-1

- **Responsible Mineral Procurement**

Tong Hsing has established a conflict minerals management procedure, committing not to procure or use minerals from conflict-affected and high-risk areas. The Company communicates its conflict minerals prohibition policy to suppliers, requiring their commitment and compliance, and traces the sources of tantalum, tungsten, tin, gold, and cobalt used in its products. Suppliers are also required to communicate this policy to their upstream suppliers, fulfilling their corporate social responsibility.

Tong Hsing publishes its conflict minerals prohibition policy on its website and incorporates it into supplier management. Suppliers are required to sign a "Conflict-Free Minerals Declaration", ensuring that all materials, products, or components delivered to Tong Hsing do not contain conflict metals, either directly or indirectly.

- **Supplier Code of Conduct Commitment**

Suppliers of Tong Hsing sign the "Supplier Code of Conduct Commitment". The commitment sets the standards of conduct that suppliers are required to follow, covering core values such as respect for human rights, protection of labor rights, and environmental stewardship. Through these guidelines, we work together with our suppliers to actively reduce carbon footprints, promote energy efficiency, and support the achievement of the Sustainable Development Goals. As of the end of 2024, 255 suppliers have returned the signed "Supplier Code of Conduct Commitment", including 3 newly qualified suppliers.

III Supplier Assessment and Audit

To ensure that all supplier partners comply with Tong Hsing's requirements on labor rights, occupational safety, and environmental practices, and to strengthen sustainability management across the supply chain, Tong Hsing has established the "Supplier Assessment and Audit Management Procedure" based on its supplier risk management mechanism. According to this procedure, suppliers undergo annual evaluations and ad hoc audits, conducted by an evaluation team through document review or on-site assessments. The Company selects suppliers for on-site audits based on seven key criteria, including: suppliers rated C or below in the previous year's quarterly evaluation: suppliers with serious quality issues: automotive suppliers assessed as high risk: suppliers receiving a B rating in the previous year's VDA 6.3 audit: suppliers whose manufacturing sites have changed: suppliers requested for audits by customers: and automotive direct material suppliers, who must be audited at least once every three years, and automotive indirect material suppliers, who must be audited at least once every five years.

Supplier Assessment

Tong Hsing communicates with suppliers through on-site visits to understand their compliance status, ensuring or reminding them of the proper implementation of relevant regulations. In addition, the Company regularly evaluates its suppliers. After assessment, suppliers are rated A, B, C, or D. Those rated D are considered non-compliant and are required to make improvements within a specified period: otherwise, cooperation will be terminated.

We adjust the weighting of supplier evaluation criteria based on the significance of their impact on operations. In 2024, the Company's supplier evaluation criteria and their respective weightings are as follows: Quality 50%, Procurement 30%, and Technique 20%. The results of Tong Hsing's 2024 supplier evaluations are as follows:

Tong Hsing Supplier Evaluation Results for the Most Recent Three Years

Company	Level	2022	2023	2024	Cumulative Number of Companies
Supplier	A	417	349	506	1,272
	B	61	58	30	149
	C	2	0	0	2
	D	0	0	0	0

Supplier Audit

In 2024, 32 suppliers were scheduled for on-site audits and 2 suppliers for document-based audits. The Company completed on-site audits for 32 suppliers and document-based audits for 2 suppliers, achieving a 100% completion rate. The audit and evaluation results did not reveal any significant deficiencies or risks. If a supplier has deficiencies such as process operation data lacking defined upper and lower limits, or no control procedures for finished product returns, the supplier is required to respond with corrective and improvement measures within two months after the audit, in accordance with the Company's regulations.

Audit results indicate that high-risk factors are generally found among automotive material suppliers and are more likely to occur in suppliers without IATF 16949 certification, highlighting the types of suppliers or contractors prone to non-compliance. For addressing deficiencies in automotive requirements and core tools, the Company adopts a continuous monitoring and supplier support approach. Non-compliant suppliers are required to acquire core tool skills through external training mechanisms, ultimately obtaining IATF 16949 certification through third-party audits and regularly reporting their performance to Tong Hsing. This approach mitigates potential risks arising from deficiencies in the automotive supply chain and ensures continuous improvement in compliance with local regulations and the minimum standards of the RBA.

Tong Hsing Supplier Audit Implementation Status in 2024

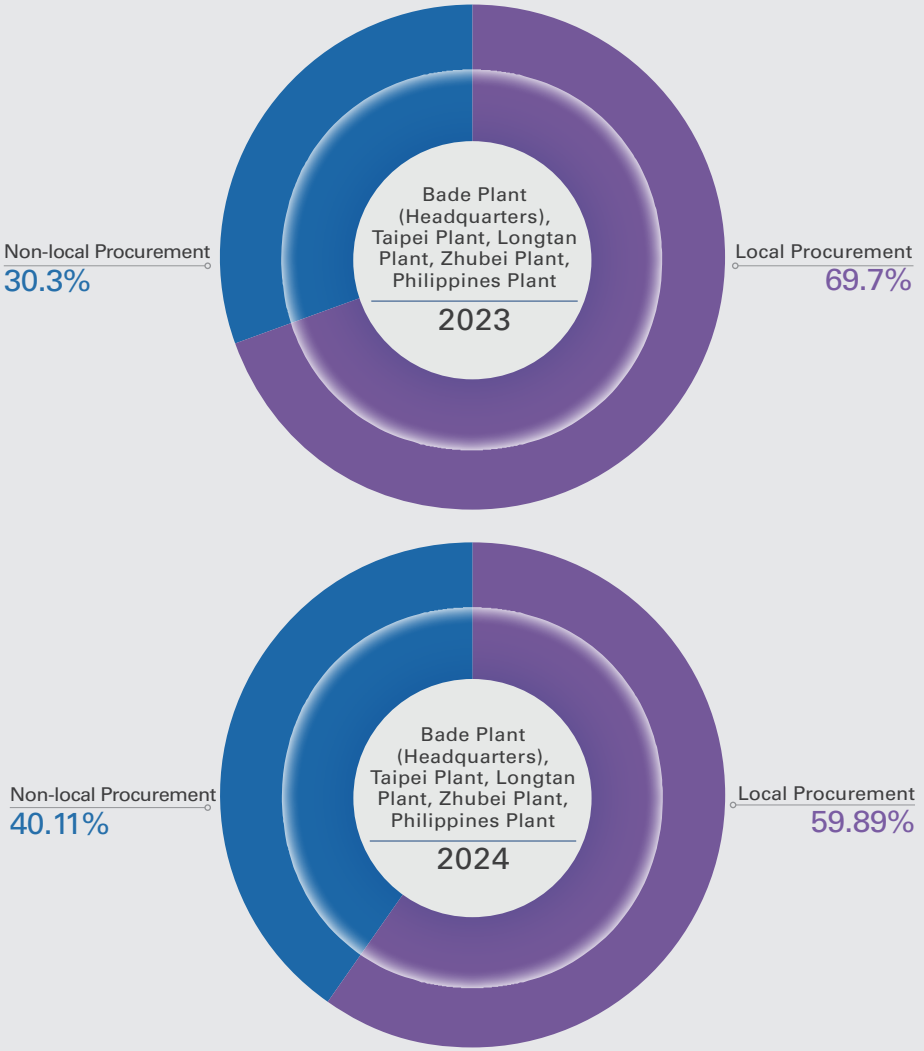
Company Type		Number of Suppliers
On-Site Audit	Estimated Number of On-Site Audits	32
	Actual Number of Audits Completed	32
	Achievement Rat	100%
Documentary Audit	Estimated Number of Documentary Audits	2
	Actual Number of Audits Completed	2
	Achievement Rate	100%

IV Local Procurement GRI 204-1

The Company uses the payment currency as the criterion for local procurement. In other words, a purchase transaction settled in New Taiwan Dollars (TWD) is considered local procurement. Based on 2024 statistics, the Company's local procurement ratio is approximately 60%.

Continuously strengthening local procurement not only helps shorten transportation distances, reduce carbon emissions and logistics costs, but also enhances collaboration efficiency with local suppliers, promoting regional economic development and industrial resilience. In the future, Tong Hsing will maintain its current level and actively evaluate the feasibility of further increasing the local procurement ratio. Through supplier development, technical guidance, and optimization of collaboration models, the Company aims to explore greater potential in the local supply chain and formulate specific medium- to long-term goals and action plans to achieve multiple environmental, social, and economic benefits.

Tong Hsing Local Procurement Statistics for the Most Recent Two Years



04
Sustainable Environment

I TCFD Climate-Related Financial Disclosures GRI 201-2

Climate change is one of the environmental issues currently of concern to the United Nations, governments, society, and the business community. Tong Hsing, based on the Task Force on Climate-related Financ ial Disclosures (TCFD) recommendations established by the Financial Stability Board, has formulated the Company's governance, strategy, risk management, and metrics and targets for managing climate change issues.

Governance

Tong Hsing has incorporated climate-related risks and opportunities into its corporate governance framework, enhancing overall risk control and the effectiveness of sustainability strategies to ensure the organization has the capacity to adapt and respond during the transition process. The Company's Board of Directors, through the Sustainability Committee, regularly reviews the management policies and implementation of climate-related issues, and supervises and makes decisions based on their potential impact on the Company's operations and financial performance.

Senior management is responsible for driving and implementing climate-related initiatives and regularly reports key progress to the Board of Directors or relevant governance bodies. To effectively manage the increasingly severe climate risks and stringent regulatory requirements, senior management personnel are required to possess expertise in climate risk identification and sustainability management, and to participate in relevant practical workshops and training. The Company also regularly holds seminars on climate change and policy updates to enhance the governance team's understanding and decision-making sensitivity regarding climate issues, ensuring that climate considerations are integrated into operational decision-making processes.

Strategy

The Company has identified physical and transition risks arising from climate change, which may affect its operating costs, capacity allocation, supply chain stability, and market competitiveness. Regarding the potential impacts of climate risks, the Company has conducted preliminary assessments of their effects on operational and financial aspects, such as revenue, expenses, asset allocation, and capital investments, and has performed scenario analyses using specific frameworks (e.g., IEA NZE2050, SSP2-4.5) to develop relevant adaptation and transition strategies. The following are the climate risks and opportunities identified by the Company.

Identification and Management of Climate Risks and Opportunities

Severity Assessment Table for Operational Impact Analysis:

Financial Impact Amount	Risk Level	Climate Risks and Opportunities:
Over 10 million	High	Regulations and Policies – Imposition of carbon taxes, reduction of energy consumption, and increased use of renewable energy
Over 5 million - 10 million	Moderate	Climate change, natural disasters, and improvement of resource use efficiency
0 - 5 million	Low	Market risks, supply chain and raw material risks, and shifts in customer preferences

Notes1:Low Risk: The risk tolerance is classified as acceptable risk.

Notes2:Moderate Risk: The current risk tolerance does not require immediate action; operational impacts are continuously monitored.

Notes3:High Risk: The risk tolerance requires prioritizing the development of corresponding management strategies and short- to medium-term indicators, with regular tracking of implementation effectiveness.

The types of climate change risks, potential operational impacts, and adaptation methods are summarized in the table below: GRI 201-2

Risk Type			Potential Financial Impact	Risk Level	Adaptation Measures
Physical Risk	Immediate:	Earthquake Floods and typhoons Wastewater Discharge	• Impact on production capacity, increased operating costs, and decreased revenue. • Failure to deliver on time or disruption in delivery, resulting in deductions by customers for late delivery. • Fines imposed for regulatory violations.	Moderate	• Increase water recycling rate. • Establish comprehensive water resource management.˙Increase water storage capacity to support 3-5 days of supply (3 days for drought resilience).˙Wastewater management policy in compliance with environmental regulations.
	Immediate:	Drought or dry disaster Power outage and water interruption			• Water tanker to support plants experiencing water shortages • UPS backup system • Automatic generator activation to provide power for emergency fire-fighting equipment
	Long-term:	Rising temperatures	• Increased electricity consumption leads to higher GHG emissions.	Moderate	• Use of high-efficiency equipment • Promote energy-saving awareness and measures, and replace lighting with LED.
Transition Risk	Policies and Regulations:	Emission Control	• Increase in operating costs. • Increase in emissions.	High	• Replacement of outdated, high energy-consuming equipment • Assess and monitor hazardous gas emissions from production processes
	Market Risk		• Loss of specific markets leading to a decline in revenue	Low	• Continuously enhancing the quality and technology of green, eco-friendly, and sustainable products to meet the demands of the new generation market.
	Supply chain and raw material risks		• Supply chain disruption risks leading to increased operational costs.	Low	• Identify suppliers with high climate risks and enhance their capabilities to respond to climate change. • Seek low-carbon production partners to promote the development of a sustainable and eco-friendly production chain.

Data Disclosure Period: January 1 to December 31, 2024.

Scope of data is consistent with this report: Tong Hsing Bade Plant (headquarters), Taipei Plant, Longtan Plant, Zhubei Plant, and the subsidiary in the Philippines, totaling five plants.

The types of climate change opportunities, potential operational impacts, and adaptation methods are summarized in the table below: GRI 201-2

Opportunity Type	Current or Future Financial Impact	Risk Level	Measures to Address Current Opportunities
Improvement of resource use efficiency	As companies strengthen cost management and environmental awareness, optimizing resource efficiency will become a key component of competitiveness. Enhance efficiency in raw material delivery and production process logistics within the supply chain, and recycle and reuse waste silicon sludge.	Moderate	• In addition to recycling and reusing process-generated waste, improvements can be considered across the product value chain and lifecycle, focusing on "reducing raw material consumption", "process optimization", and "minimizing material transportation" to lower production costs while promoting sustainable resource use. Estimated to reduce carbon fees or increase revenue.
Reducing Energy and Resource Consumption	Reducing energy loss not only contributes to carbon reduction but also directly impacts operational efficiency. Through the optimization of manufacturing processes and recycling technologies, reduce water intake and water resource waste, thereby lowering water costs and environmental impact.	High	• Implement water resource reduction and recycling measures to lower production costs and mitigate the risk of water shortages. • Continue implementing the water recycling project by utilizing a UF membrane recovery system to filter and recycle grinding wastewater, which is returned to the industrial water tank for use in ultrapure water pretreatment.
Changes in Customer Preferences	The global market is increasingly emphasizing low-carbon supply chains and sustainable products, with growing customer demand for product carbon footprints, eco-friendly materials, and green manufacturing processes. In the future, failure to respond to this transition may result in the loss of orders or higher entry barriers: conversely, proactively addressing market trends will help expand the customer base, enhance brand image, and increase market share.	Low	• Develop wider material bonding techniques to reduce packaging size and enhance material use efficiency.
Increase the use of renewable energy	In response to domestic and international carbon policies and the RE100 initiative, the proportion of renewable energy usage will become one of the key criteria in corporate evaluations and contract requirements. In the future, by adopting measures such as installing solar power, purchasing green electricity, or participating in renewable energy certificate trading, the proportion of renewable energy can be increased. This not only helps reduce carbon fee expenditures but also supports meeting the sustainability requirements of international brands and end customers, thereby strengthening competitiveness in securing international orders.	High	• Excluding the Bade and Longtan plants, evaluate other plants for potential solar power system installation and green electricity procurement.

Climate Scenario Analysis

We conducted regional climate scenario simulations and operational risk assessments based on SSP2-4.5 and IEA NZE2050 scenarios. The analysis results are as follows:

Scenario Selection	Scenario Description	Simulation Analysis Results	Countermeasures
SSP2-4.5	Shared Socioeconomic Pathways (SSPs), proposed by the IPCC, are used for climate scenario analysis. SSP2-4.5 represents a medium-emission and medium-policy scenario.	• Average annual temperature may increase by approximately 1.3°C by 2030 and reach 1.8–2.0°C by 2050, potentially leading to higher cooling and air conditioning loads on production lines. • Increased summer rainfall intensity and more frequent short-duration heavy rain events pose localized flooding risks in the river systems and terrain surrounding Yingge District, which may impact logistics and water supply.	Based on the scenario analysis results, the Company has strengthened its climate adaptation strategies, including enhancing water storage capacity, accelerating the replacement of high-energy-consuming equipment, implementing UPS and backup power systems, and planning the adoption of renewable energy as well as energy efficiency optimization projects, in order to mitigate the impacts of climate change on operational stability.
NZE2050	Proposed by the International Energy Agency (IEA), it simulates the technological and policy transitions required for global net-zero targets, and is mainly used to project trends such as carbon pricing, the share of renewable energy, and industrial transition.	• The domestic carbon pricing system charges NT$300 per ton, which will impose significant cost pressure on the Company's energy consumption in production processes. Based on the projected total carbon emissions for 2024, the estimated additional cost is approximately NT$13.81million.	

Note: The regional climate risk assessment references the Climate Change Adaptation Information and Platform (TCCIP) from the Central Weather Bureau: https://tccip.ncdr.nat.gov.tw/

Assess the impacts on each plant under 1.5°C and 2°C scenarios

Item	Taipei Plant	Longtan Plant	Bade Plant	Zhubei Plant	Philippines Plant
Lowest point of the plant, height above the nearest sea level (cm)	10,600cm	24,100cm	12,000cm	2,250cm	13,100cm
Plant height (measured from ground level)	36m above ground level 6.6m beneath ground level	38.5m	49.98m	26.55m	15.30m
Nearest sea area or fishing port to the plant	Zhuwei Fishing Harbor	Yong'an Fishing Harbor	Zhuwei Fishing Harbor	Hsinchu Nanliao Fishing Harbor	Port of Manila
Shortest distance between the plant and the nearest sea area or fishing port (km)	27.8	24.0	28.1	10.1	55.6
Impacts under a 1.5°C scenario due to sea level rise	Sea level rise of 30 cm (2050)	Sea level rise of 30 cm (2050)	Sea level rise of 30 cm (2050)	Sea level rise of 30 cm (2050)	Sea level rise of 30 cm (2050)
Impacts under a 2°C scenario due to sea level rise	Estimated sea level rise of 50 cm (2050)	Sea level rise of 50 cm (2050)	Sea level rise of 50 cm (2050)	Sea level rise of 50 cm (2050)	Sea level rise of 50 cm (2050)
Scope of Impact	Unaffected	Unaffected	Unaffected	Unaffected	Unaffected
Potential risk of extreme rainfall	2 (Current situation and future outlook)	1 (Current situation), 3 (Future outlook)	3 (Current situation and future outlook)	5 (Current situation and future outlook)	--
Potential risk of extreme rainfall(2℃)	2 (Current situation and future outlook)	1 (Current situation), 3 (Future outlook)	3 (Current situation and future outlook)	5 (Current situation and future outlook)	--

Note: The assumptions of the scenario analysis are based on key scientific findings from the IPCC Sixth Assessment Report and the Taiwan Climate Change Assessment Update.

Risk Management

The Company has formally incorporated climate-related risks into its enterprise risk management framework, establishing processes for identification, assessment, and monitoring. Through subsequent mitigation and adaptation actions—such as implementing energy-saving and carbon-reducing equipment and increasing water recycling rates—these measures are regularly reviewed and adjusted by the Sustainability Committee. Risk identification is based on the magnitude of actual and potential impacts as well as the likelihood of occurrence, forming the basis for risk analysis and assessment. Management measures for medium- and high-level risk items are as follows:

Significant Risks

Energy Saving and Carbon Reduction

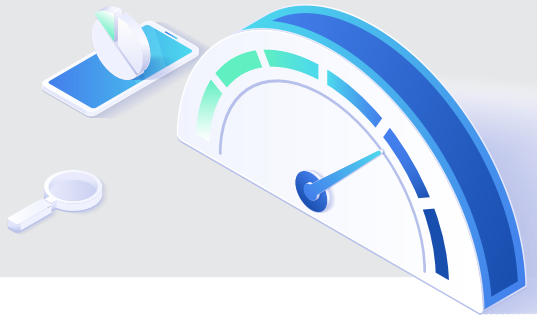
- An annual electricity savings of 2% is set as the energy saving and carbon reduction target.
- Replace outdated equipment and plan to procure energy-efficient equipment along with various improvement projects.
- Continuously promote awareness of carbon reduction among employees.

Waste Management

- Establish regulations for the classification, collection, storage, and treatment of industrial waste.
- Increase the proportion of recyclable waste and reduce the amount of non-recyclable waste sent for incineration.
- Set a target to reduce total waste generation by 5% annually.

Water Resource

- Maximize water resource efficiency through recycling, water segregation, and pollution prevention.
- It is estimated that total water withdrawal will decrease by 2% annually, or total recycled water volume will increase by 2% each year.



*Note:The base year for all risk management measures is the previous year.

Tong Hsing Climate Change Risk Identification Procedure GRI 2-23, 2-24

Background Information Collection	Risk and Operations Assessment Scope	Risk and Operations Impact Analysis	Risk and Operations Impact Analysis	Review Optimization
The task force is responsible for information collection and the identification of risks and opportunities.	Use the Taiwan plants and the Philippines plant as the basis for risk assessment and scenario setting.	Prioritize risks based on the severity of financial impact.	Develop specific countermeasures or monitoring mechanisms	Seek professional advice and hold task force discussions

Sustainable Environmental Management Policy

Tong Hsing has established an environmental policy based on the principles of "compliance with regulations, continuous improvement, social responsibility, and environmental protection", promoting comprehensive environmental management. All plants have obtained ISO 14001 Environmental Management System certification, and dedicated units are in place to manage air emissions, wastewater, and waste, ensuring regulatory compliance and ongoing improvement. The Company annually compiles data on electricity and water consumption, total waste generation, and greenhouse gas emissions. Management indicators include electricity savings rate, water savings, recycled water ratio, waste recycling rate, and carbon emission reduction. Annual targets are set, and performance is reviewed accordingly. In addition, the Company actively promotes resource reduction and reuse, including wastewater recycling and the replacement of high-energy-consuming equipment, to reduce environmental impact. In recent years, relevant environmental information has also been publicly disclosed on the Company's website, demonstrating the company's commitment to environmental responsibility and transparency.

All plants have obtained ISO 14001 Environmental Management System certification

	Effective Start Date	Maturity Date
Taipei Plant	2024/12/31	2027/12/30
Bade Plant		
Longtan Plant		
Zhubei Plant		
Philippines Plant	2024/01/12	2027/01/11

Environmental Management Indicators and Targets

In line with the international trend of SBTi, the Company links sustainability environmental indicators to senior management KPIs. A set of climate performance indicators has been established and is continuously monitored and disclosed, including greenhouse gas emissions, post-disaster recovery days, total water withdrawal, total recycled water volume, and compliance with air pollution regulations.

Tong Hsing Climate-Related Targets

	Base Year	Short-term Goals 2025-2026	Mid-term Indicators 2027-2030
Climate Change Response and Management	NA	• Enhance climate resilience: Recover from production interruptions caused by climate-related disasters within 5 days. • Continuously conduct ISO 14064-1 greenhouse gas inventories and complete verification	• Enhance climate resilience: Recover from production interruptions caused by climate-related disasters within 3 days.
GHG emissions	2024	• Scope 1 and Scope 2 emissions: 2% annual reduction target for 2025–2026.	• Scope 1 and Scope 2 emissions: 4%-8% annual reduction target for 2027–2030.
Renewable Energy Development	NA	• Install a 1 MW rooftop solar power system at the Philippines plant.	• Procurement of Green Electricity
Water Resource Management	Previous Year	• Total water withdrawal decreases by 2% annually. • or the total recycled water volume increases by 2% annually.	• Total water withdrawal decreases by 2% annually. • or the total recycled water volume increases by 2% annually.
Air Pollution Control	2023	• Zero regulatory violations	• Zero regulatory violations

II Greenhouse Gas Emissions and Energy Management

GRI 305-1, 305-2, 305-3, 305-5 Material Topics

The Company conducts greenhouse gas inventories in accordance with ISO 14064-1:2018, using a 100% operational control approach to define organizational boundaries, which include the Taipei, Longtan, Zhubei, and Bade plants, as well as the Philippines subsidiary. The combined Scope 1 and Scope 2 greenhouse gas emissions amount to 64,623.6779 tons of CO_2 equivalent. In 2024, Scope 3 emissions from purchased goods and services were included for the first time, resulting in a significant increase compared to 2023, with a total of 146,918.5387 tons of CO_2 equivalent. A comparison over the past two years is as follows:

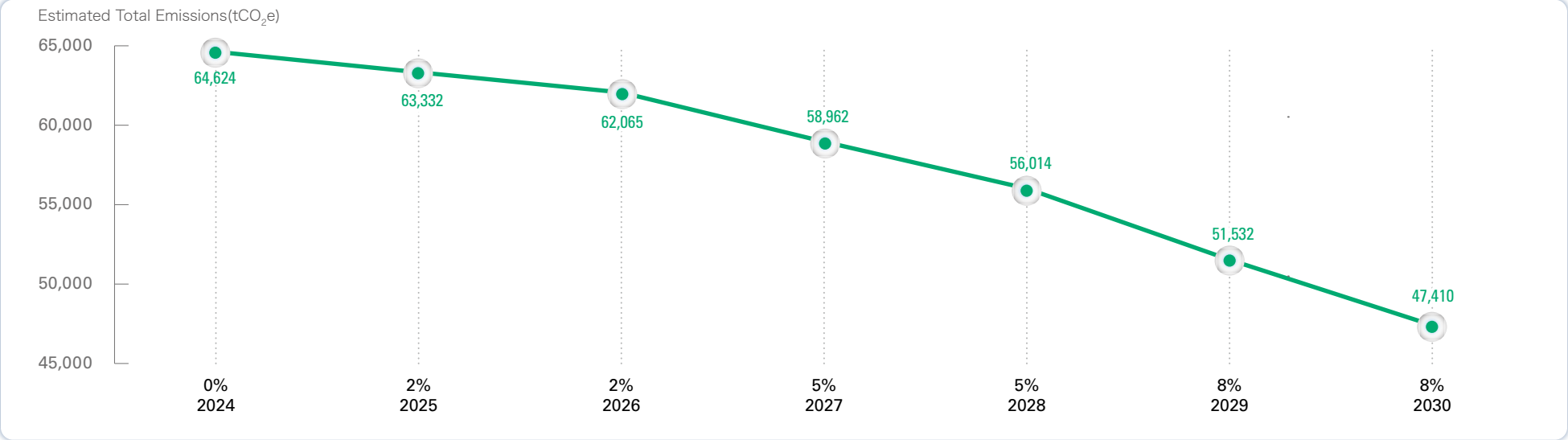
Greenhouse Gas Emissions (tCO_2e) Statistics for Scope 1, Scope 2, and Scope 3 for the Most Recent Two Years

Year	2023			2024		
Plant	The Company	Subsidiary	Subtotal	The Company	Subsidiary	Subtotal
Scope 1 direct GHG emissions	547.2647	170.7105	717.9752	444.8323	318.8271	763.6594
Scope 2 indirect GHG emissions	48,269.8368	14,610.9067	62,880.7435	45,594.4517	18,265.5668	63,860.0185
Subtotal of Scope 1 + Scope 2	48,817.1015	14,781.6172	63,598.7188	46,039.2840	18,584.3939	64,623.6779
Scope 3 indirect GHG emissions	14,124.5538	10,023.9433	24,148.4971	71,777.8868	10,516.9740	82,294.8608
Annual Total	62,941.6553	24,805.5606	87,747.2160	117,817.1708	29,101.3679	146,918.539

Note: The Company includes the Bade (headquarters), Taipei, Longtan, and Zhubei plants: the consolidated financial report includes the Philippines subsidiary.

Based on Tong Hsing's Scope 1 and Scope 2 emission reduction targets, using 2024 as the base year, emissions are planned to decrease by 2% annually in 2025–2026, and by 4%–8% annually in 2027–2030, aiming for a total 30% reduction by 2030. The anticipated emission reduction schedule is as follows:

Timeline for Scope 1 and Scope 2 Carbon Reduction Targets by 2030



GHG Emissions of Each Plant in 2023

Unit: tCO_2e

Scope	Category	Description	Taipei Plant	Bade Plant	Longtan Plant	Longtan Plant	Longtan Plant	The Group	Emission Percentage
Scope 1	Category 1	Direct GHG emissions and removal	109.7235	101.7284	101.3174	234.4954	170.7105	717.9752	0.82%
Scope 2	Category 2	Indirect energy emissions	10,234.3914	757.7864	10,368.3541	20,091.3049	1,4610.9067	62,880.7435	71.66%
Scope 3	Category 3	Indirect GHG emissions from delivery	1,994.5918	652.1409	490.6533	830.2088	4,252.8010	8,220.3959	9.37%
	Category 4	Indirect GHG emissions from purchased goods and services	2,331.5441	1,555.0995	2,158.5392	4,111.7760	5,771.1423	15,928.1012	18.15%
Total Amount of Emissions			14,670.2509	9,884.7552	13,118.8640	25,267.7851	24,805.5606	87,747.2158	100%

GHG Emissions of Each Plant in 2024

Unit: tCO_2e

Scope	Category	Description	Taipei Plant	Bade Plant	Longtan Plant	Longtan Plant	Longtan Plant	The Group	Emission Percentage
Scope 1	Category 1	Direct GHG emissions and removal	53.4192	77.3323	44.6898	269.3910	318.8271	763.6594	0.52%
Scope 2	Category 2	Indirect energy emissions	7,695.8100	6,738.9528	11,332.7050	19,826.9839	18,265.5668	63,860.0185	43.47%
Scope 3	Category 3	Indirect GHG emissions from delivery	270.8169	351.1429	405.3493	568.5717	2,209.8568	3,805.7376	2.59%
	Category 4	Indirect GHG emissions from purchased goods and services	9,415.4123	45,664.1368	7,796.3844	7,306.0725	8,307.1172	78,489.1232	53.42%
Total Amount of Emissions			17,435.4584	52,831.5648	19,579.1285	27,971.0191	29,101.3679	146,918.5387	100%

GHG Emissions by Category in 2024

Unit: tCO_2e

	CO_2	CH_4	N_2O	HFCs	PFCs	SF_6	NF_3	Other	Total Amount of Emissions
Category 1	84.9414	251.7390	1.2285	425.7505	-	-	-	-	763.6594
Category 2	63,860.0185	-	-	-	-	-	-	-	63,860.0185
Category 3	3,805.7376	-	-	-	-	-	-	-	3,805.7376
Category 4	78,489.1232	-	-	-	-	-	-		78,489.1232
Category 5	-	-	-	-	-	-	-	-	-
Category 6	-	-	-	-	-	-	-	-	-
Total	146,239.8207	251.7390	1.2285	425.7505	0.0000	0.0000	0.0000	0.0000	146,918.5387
Percentage	99.5380%	0.1713%	0.0008%	0.2898%	0.0000%	0.0000%	0.0000%	0.0000%	100%

Energy Management GRI 302-1, 302-3

The Company's main energy source is purchased electricity, supplied by Taipower. In energy management, we use electricity savings at each plant (kWh) and savings achieved through implemented measures as key management indicators. In 2024, total electricity consumption across all plants amounted to 121,837,508 kWh, an increase of 2,980,705 kWh compared to 2023. Among these, the total electricity consumption of plants in Taiwan was 96,190,826 kWh in 2024, representing a decrease of 1,521,394 kWh compared to 2023. However, electricity consumption at the Philippines subsidiary increased from 21,144,583 kWh in 2023 to 25,646,682 kWh in 2024 due to ongoing equipment expansion. Energy-saving initiatives will continue to be promoted at the Philippines plant, alongside the introduction of renewable energy usage.

In the future, the Company will continue to use electricity savings at each plant (kWh) and savings achieved through implemented measures as key management indicators. Annual reductions are required, along with the replacement of outdated equipment, promotion of energy-saving awareness, procurement of high-efficiency equipment, and the establishment of a circular economy model. In 2024, rooftop solar power projects will continue to be planned to increase the share of renewable energy. We will continue to optimize and manage energy use to achieve environmental protection goals of energy saving and carbon reduction.

Year Item	2023	2024
Electricity Consumption (kWh)	118,856,803	121,837,508
Electricity Consumption (GJ)	427,981.9538	438,714.9370
Natural Gas (GJ)	208.9917	15.3345
Liquefied Petroleum Gas (LPG)	189.3952	199.4963
Diesel (GJ)	647.4425	801.7008
Automotive Gasoline (GJ)	192.9199	269.7502
Green Electricity (GJ)	32.2165	680.7655
Total Energy Consumption (GJ)	429,252.9196	440,681.9843
Output Value (million)	11,585	12,091
Energy Intensity (GJ/million)	37.0525	36.4471

Note1: The calorific values of energy sources are based on the Energy Administration's unit calorific value table: electricity 860 kcal/kWh: natural gas 8,000 kcal/m³: liquefied petroleum gas 6,635 kcal/L: diesel 8,400 kcal/L: automotive gasoline 7,800 kcal/L.

Note2: The conversion factor from kcal to GJ is 0.00000418 GJ/kcal.

Energy Saving and Carbon Reduction GRI 302-4, 305-5

Tong Hsing continues to focus on improving energy efficiency and implementing carbon reduction initiatives to achieve low-carbon operations and sustainable development. The Bade plant has installed a rooftop solar power system with a total capacity of 304.76 kWp (Longtan plant: 108.68 kWp: Bade plant: 196.08 kWp). The electricity generated is used on-site, effectively reducing purchased electricity and indirect GHG emissions, demonstrating the Company's concrete actions in adopting renewable energy. In addition, the Company actively promotes energy-saving management by replacing high-energy-consuming equipment, introducing high-efficiency motors and compressed air systems, fully switching to LED lighting, and optimizing equipment operating schedules, gradually reducing energy intensity.

Environmental capital expenditures in 2024 totaled NT$18.46 million.

To strengthen energy use management and track carbon reduction performance, we regularly compile electricity consumption and greenhouse gas emission data for each plant, set annual electricity savings targets and carbon emission management indicators, and review and monitor them as part of our sustainability objectives. Historical data indicate that the Company's overall electricity efficiency continues to improve, with clear medium- to long-term carbon reduction targets established. In the future, Tong Hsing will continue to implement high-efficiency energy-saving technologies, expand the share of renewable energy, and align with domestic carbon management policies and international carbon reduction trends, gradually advancing toward a net-zero transition.

Rooftop Solar Power System at the Bade Plant

2024 Specific Energy Saving and Carbon Reduction Measures and Achievements GRI 305-5

Measures

1.Installed solar power system at the Bade plant

2.Implemented 18 energy-saving projects

- Lighting systems – 2 projects: Electricity savings calculated based on power reduction, number of units replaced, and operating hours.
- Equipment upgrades – 5 projects: Electricity savings were calculated based on the number of equipment units, horsepower, and operating hours, and then multiplied by the energy-saving ratio for variable frequency drives referenced from the Energy Service Network.
- Equipment parameter adjustments – 5 projects: Adjustments were made by optimizing equipment settings, such as reducing the number of units in operation or shortening operating hours to lower energy consumption, with savings calculated based on the difference in energy usage.
- Others including management measures – 6 projects: Annual electricity savings were estimated by comparing energy consumption before and after operational adjustments or equipment start/stop changes, considering system power and usage hours.

Achievement

The solar power generation at Bade Plant amounted to 74,999 kWh.

The total electricity saved amounted to 1.66 million kilowatt-hours:

the carbon reduction was 787.802

Note: The electricity carbon emission factor for 2024 is 0.474 kg/kWh.

III Air Pollution Control GRI 305-7

In accordance with ISO 14001 Environmental Management System, Tong Hsing continuously promotes air pollution prevention and emission management, fulfilling its responsibility to protect air quality. The Company has established a clear air pollution reduction plan. For potential stationary sources of pollution in the production process, pollution control equipment is installed and properly managed. Through equipment optimization, process improvement, and abnormal condition monitoring, emissions of air pollutants are effectively reduced. At the same time, the Company complies with the Air Pollution Control Act by applying for installation, modification, operation, changes, and renewal of permits for stationary pollution sources, ensuring that all emission facilities meet regulatory standards and operational requirements.

In daily operations, Tong Hsing implements an internal management system, regularly inspecting and auditing the functionality of pollution control equipment. Operational records and emission data are internally reviewed and tracked for improvement, embodying the spirit of continuous environmental management improvement. Each plant has dedicated personnel managing air pollution-related matters, ensuring that any abnormalities are promptly addressed and reported, thereby reducing potential environmental risks. In 2024, results from both regulatory inspections and internal audits showed no violations of air pollution-related laws, demonstrating the Company's effective efforts in pollution control and regulatory compliance. In the future, Tong Hsing will continue to enhance management operations, improve equipment performance and monitoring technologies, and strive to establish a low-pollution, compliant, and highly efficient green operating environment

Air Pollution Emission Statistics for the Most Recent Three Years

Plant	Year	Nitrogen Oxides (NOx)	Sulfur Oxides (SOx)	Persistent Organic Pollutants (POPs)	Volatile Organic Compounds (VOCs)	Harmful Air Pollutants (HAP)	Suspended Particulate Matter (PM)	Other (Others)	Air Pollution Violations (violation)
Taipei	2022	3.29	0.49	0	714.00	0	1,057.00	0	0
	2023	3.35	0.50	0	608.03	0	303.40	0	0
	2024	3.10	0	0	506.84	0	632.52	0	0
Longtan	2022	0	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0	0
Zhubei	2022	0	0	0	3,373.90	0	0	0	0
	2023	0	0	0	3,365.80	0	0	0	0
	2024				2,938.91				
Philippines	2022	0.000001574	0.000007127	0	0	0	0	0.0534	0
	2023	0.000003363	0.00147	0	0	0	0	0.0173	0
	2024	0.000007565	0.00147	0	0	0	0	0.01304	0
Bade	2023	0	0	0	356.87	0	0	0	0
	2024	0	0	0	1,212.51	0	0	0	0
Total (kg)	2022	3.290001574	0.490007127	0	4,087.90	0	1,057.00	0.0534	0
	2023	3.350003363	0.50147	0	4,330.70	0	303.40	0.0173	0
	2024	3.10	0.00	0.00	4,658.26	0.00	632.52	0.01	0

*Note: No air pollution violations occurred at any plant in 2024.

IV Water Resource Management GRI 303-1,303-2

According to the World Resources Institute's "Aqueduct Water Risk Atlas," Tong Hsing assessed the water stress levels of its plants. The results indicate that even under the most pessimistic climate scenario, the water stress levels of Tong Hsing's plants in Taiwan are classified as low to medium (Low–Medium risk [1–2]), while the plant in the Philippines is exposed to high water stress. None of the Company's operating sites are located in areas of "extremely high" water stress. In addition, we do not extract water from ecological conservation areas, nor from regions of biodiversity value or protected or rehabilitated habitats.

Plant	Water Source	Risk Level
Taipei (Yingge) Plant	Tamsui River	Low-Medium risk (1-2)
Bade Plant	Tamsui River	Low-Medium risk (1-2)
Longtan Plant	Da'an Dajia River	Low-Medium risk (1-2)
Zhubei Plant	Da'an Dajia River	Low-Medium risk (1-2)
Philippines Plant	Laguna de Bay	High (3-4)

Tong Hsing is committed to water resource management by enhancing process water recycling rates without compromising quality and continuously maximizing water use efficiency across its plants. The Company has installed wastewater treatment facilities and assigned dedicated personnel to oversee environmental protection matters. It has also obtained wastewater discharge permits and has been certified under the ISO 14001 Environmental Management System.

In 2024, Tong Hsing's total water withdrawal amounted to 1,338,726 m^3 (tons). The total water consumption was 229,310 m^3, while the total wastewater discharge was 1,109,416 m^3. Since 2021, the Longtan plant has gradually invested in the construction of wastewater recycling and treatment facilities for grinding and cutting processes. Through technical collaboration with equipment suppliers and external institutions, the plant applies filtration methods using ultrafiltration membranes and plate-frame filter presses to recycle process water for reuse. Starting in 2023, the daily volume of recycled process water has exceeded the daily tap water consumption. In the future, the plant will continue to use water recycling volume and reduced water withdrawal as key indicators to enhance water resource efficiency.

Recycled Water Volume for the Entire Plant Area Over the Past 3 Years GRI 303-3a., 303-4, 303-5

Unit: Tons

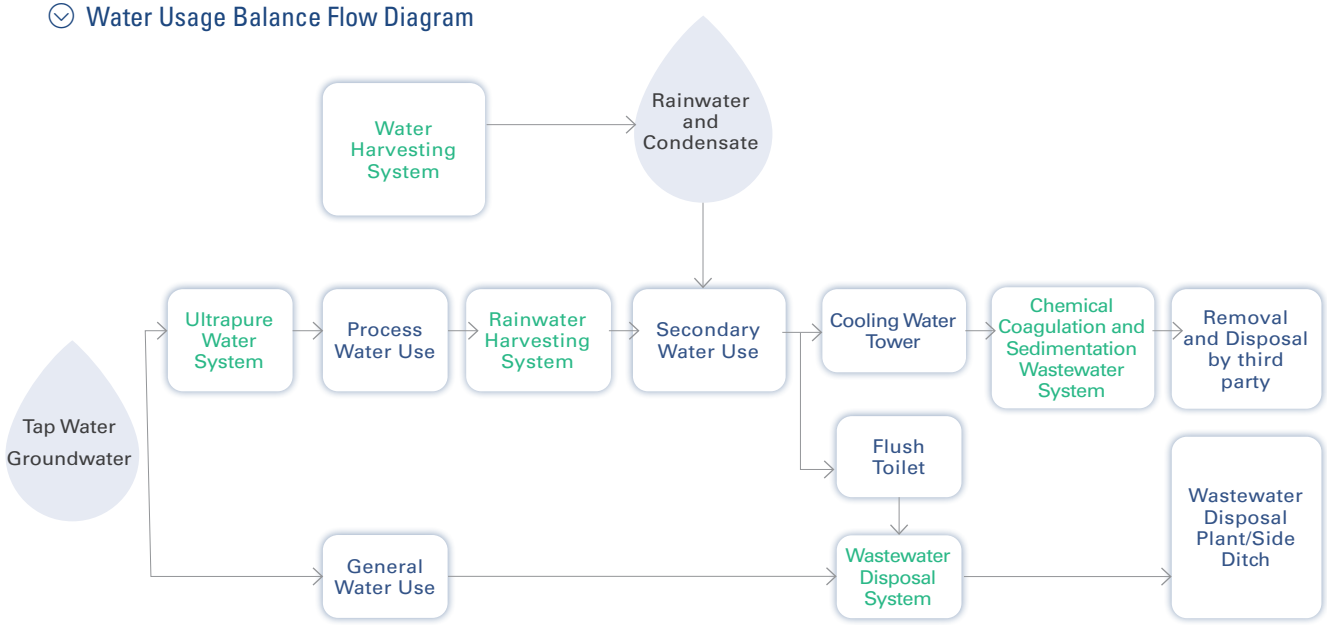
Plant/Year	2022	2023	2024
Total Water Withdrawal	1,328,138	1,177,869	1,338,726
Tap Water	1,308,129	1,163,251	1,324,748
Groundwater	5,634	2,430	3,218
Rainwater	3,937	2,841	3,330
Condensate	10,438	9,347	7,430
Total Water Discharge	1,147,533	1,004,775	1,109,416
Total Water Consumption	180,605	173,094	229,310
Total Water Recycled	8,472,972	8,280,304	5,671,920
Frequency of Water Usage (Total Water Recycled/Total Water Withdrawal)	6.38	7.03	4.24

*Note: Rainwater, reclaimed water, and condensate are measured by in-house mechanical water meters or flow meters.

2024 Water Use by Water Stress Region (Unit: Tons)

Plant/Year	Taiwan	Philippines
Hydraulic Pressure Zone	Low to Moderate	High
Total Water Withdrawal	680,349	658,377
Tap Water	666,371	658,377
Groundwater	3,218	-
Rainwater	3,330	-
Condensate	7,430	-
Total Water Discharge	521,745	587,671
Total Water Consumption	158,604	70,706
Total Water Recycled	5,525,608	146,312

Water Usage Balance Flow Diagram



Specific Water Conservation Measures and Achievements for 2024

Measures

Implemented **14** water-saving projects

- Taipei Plant Cooling Water Recovery – 2 projects: Calculated based on the cooling water used for the spindle of cutting machines and water-cooled ovens.
- Longtan Plant Secondary Water Recovery – 1 project: Excess water from the secondary recycling system previously discharged to the wastewater disposal plant.
- Bade Plant Cutting Wastewater Recovery – 1 project: Adjustment of equipment parameters, including the increased recovery of cutting wastewater containing surfactants.
- Zhubei Plant Disposal System Maintenance – 1 project: Increased volume of recycled water.
- Others, including management measures – 9 projects: Increased water volume calculated by comparing before-and-after adjustments in operational practices.

Total water saved was

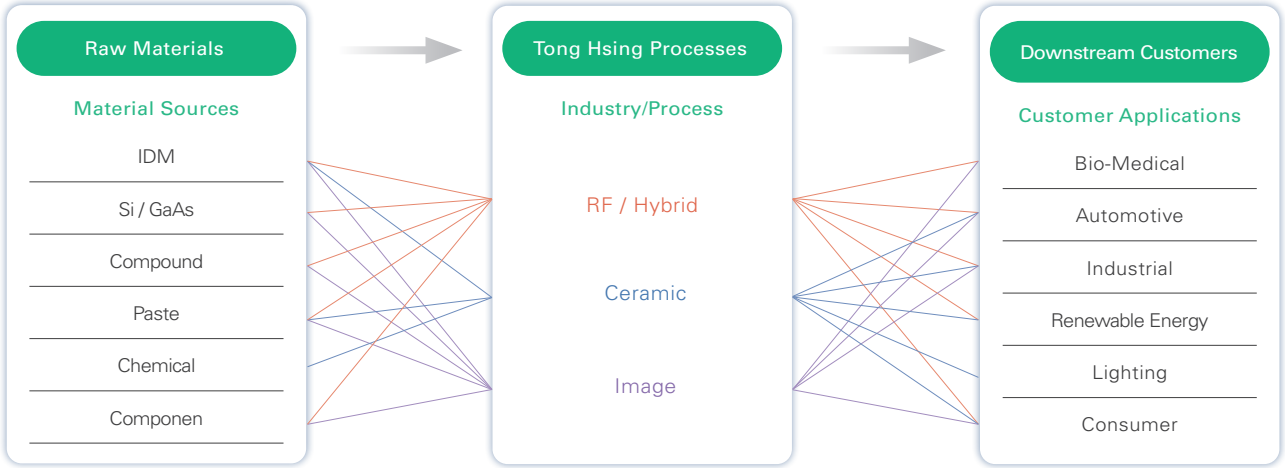
Achievement

210,000 m^3

Generated a benefit amount of **NT$3.73** million.

V Waste Management GRI 306-1, 306-2

The recyclable portion of the waste generated by the Company mainly consists of gold, copper, material packaging, and pallets. All materials used fully comply with the requirements of the EU RoHS Directive. Waste disposal is carried out in accordance with the Company's Industrial Waste Management Plan, ensuring that waste is legally disposed of and recyclable materials are properly recovered. Tong Hsing's management policy focuses on source reduction and minimizing process waste to increase the proportion of recycled materials. We use the total weight of waste and the recycling rate as the primary management indicators.



Benefits of Silicon Sludge Recycling:

Since the end of September 2022, the Company has been implementing a semiconductor process waste silicon sludge recycling project. In 2024, a total of 28.18 metric tons of accumulated inorganic sludge was transported from the plant, with 6.20 tons of grinding inorganic sludge successfully recycled and reused.

Plant	Longtan plan
Waste Recycling	Silica Sludge
Total Wet Sludge	Approximately 28.18 tons
Total Weight of Recycled Materials	Approximately 6.20 tons

Recycling Frequency	Once/8–10 months on average, depending on production capacity and waste accumulation.
Handling Measures	Recovered using a sludge dewatering method with a filter press.
Use of Recycled Materials	Basketballs, safety shoes, calcium silicate boards, epoxy, waterproof paint, silicon carbide powder.

Waste Generation and Management GRI 306-3,306-4a., 306-5a.

In 2024, the total waste generated amounted to 1,625.98 metric tons, of which 440.8 metric tons were classified as hazardous waste. The waste intensity is 0.13 metric tons/NT$ million. Recognizing the importance of waste management, Tong Hsing will continue to implement measures to optimize processes and use recyclable packaging materials, aiming at waste reduction and source management. Tong Hsing continues to strengthen waste management measures. Beyond regulatory compliance, the Company actively implements waste reduction initiatives and classifies reusable waste by type for proper disposal, enhancing the rate of resource reutilization.

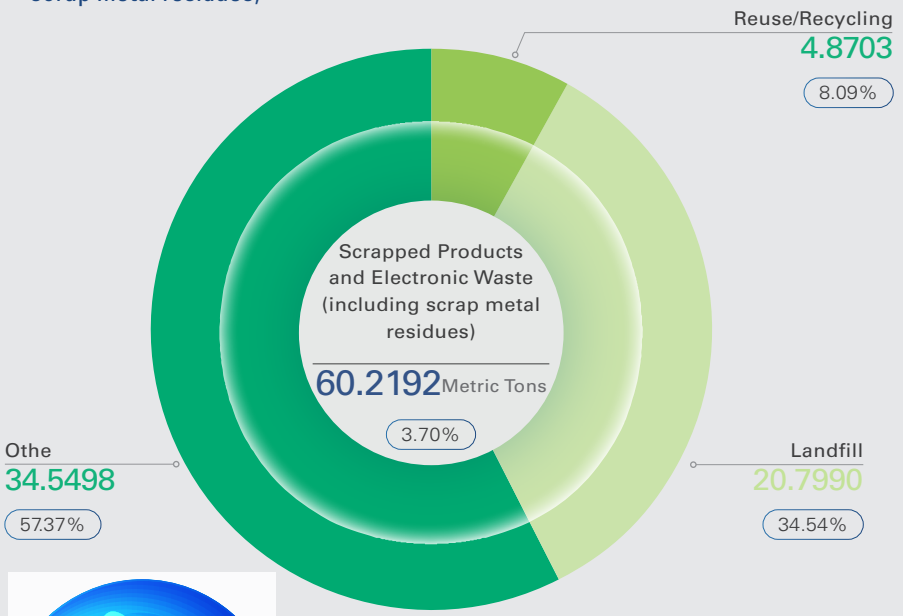
Waste Disposal Status in 2024 GRI 306-4

Unit: Metric Tons

Category	Handling Measures	Output Volume (Metric Tons)	Percentage
General Industrial Waste	Reuse/Recycling	385.6783	33.31%
	Incineration	519.9700	44.91%
	Landfill	76.6639	6.62%
	Other	175.4272	15.15%
	Percentage of General Industrial Waste (Subtotal)	1,157.7393	71.20% (100%)
Hazardous Industrial Waste	Reuse/Recycling	306.7813	65.52%
	Incineration	4.7850	1.02%
	Landfill	69.1667	14.77%
	Other	87.5089	18.69%
	Percentage of Hazardous Industrial Waste (Subtotal)	468.2419	28.80% (100%)
Total Waste Generation			
Output Value (NT$ million)		12,090.9940	
Waste Recycling Rate		42.59%	
Waste Intensity (Total volume/NT$ million)		0.1345	

Note: All waste disposal measures involve off-site processing.

2024 Disposal Measures for Scrapped Products and Electronic Waste (including scrap metal residues)



VI Circular Economy

To minimize environmental impact and achieve waste reduction and resource optimization, Tong Hsing designs and optimizes processes with a full product life-cycle perspective, actively integrating circular economy concepts into daily operations. From product design and packaging applications to the use and recycling of process materials, we adhere to the core principles of "reduce, reuse, and recycle," striving to enhance resource efficiency, minimize waste generation, and simultaneously maintain product quality and operational effectiveness.

In 2024, the Company focused on promoting two key circular economy initiatives:

1. Packaging Design Transition: Introduction of Layered Packaging to Reduce Volume and Plastic Usage:
2. Management mechanism for the recycling, sorting, and reuse of packaging materials and process residues.

The following summarizes the specific measures and achievements for this year:

1.Promoting packaging optimization: shifting from pallet packaging to stackable tray packaging.

To align with the Company's sustainability goals and maximize resource efficiency, in 2024 we implemented "stackable tray packaging" to replace traditional pallet packaging. This change significantly reduced packaging volume and plastic usage, further improving transportation efficiency, lowering carbon footprint, and effectively saving costs. Through this packaging transition, we demonstrate a long-term commitment to the circular economy and green manufacturing, effectively implementing the environmental principles of "reduce, reuse, and optimize resources".

Stackable tray packaging offers the following three main benefits:

Significant plastic reduction:
Compared with traditional packaging, the amount of packaging materials per batch is greatly reduced, effectively decreasing plastic usage.

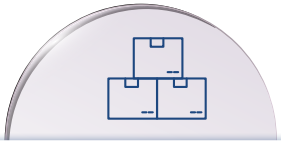
Reducing delivery costs:
By decreasing packaging volume, the load capacity per shipment is increased, thereby reducing the total number of delivery trips and carbon emissions.

Improved operatio and storage effectiveness:
Standardized design streamlines the packaging process while effectively saving warehouse space.

The packaging volume per batch with traditional pallets is approximately 36,380 cm³, whereas stackable tray packaging requires only 10,173 cm³, achieving a 72% reduction in volume and significantly improving warehouse and transportation space utilization. For example, based on the maximum monthly shipment, full adoption of stackable tray packaging could reduce pallet usage by 12,395 units per month, greatly lowering the demand for plastic packaging procurement and disposal, while simultaneously reducing waste generation.

Volume per Batch of Packaging Materials

Traditional Pallet Packaging	36,380 cm³
Stackable Tray Packaging	10,173 cm³
Benefits/Differences	Reduce packaging volume by 72%



Maximum Monthly Shipment Volume

Traditional Pallet Packaging	Approximately 12,395 pallets are required.
Stackable Tray Packaging	None (No tray required for stacking)
Benefits/Differences	No pallets required, achieving a 100% reduction, instead using 2,800 bagasse boards for packaging

2.Recycling and management of precious metals, packaging materials, and scrap/offcut materials

The Company actively implements the concept of the circular economy, reducing environmental impact and enhancing resource efficiency through resource use, recycling, and waste management. In 2024, the focus was on the recycling of three key areas: precious metals, packaging materials, and scrap/offcut materials. This was achieved through systematic management and process optimization.

Precious metal recycling:

The precious metals used in the Company's processes primarily include gold, palladium, silver, and platinum. Recovered metals are sent to qualified vendors for refining.

Packaging material recycling:

The packaging materials used by the Company include wafer boxes, pallets, cartons, and gold wire empty reels, all of which are reusable. Through company recycling and reuse, the use of single-use materials is reduced.

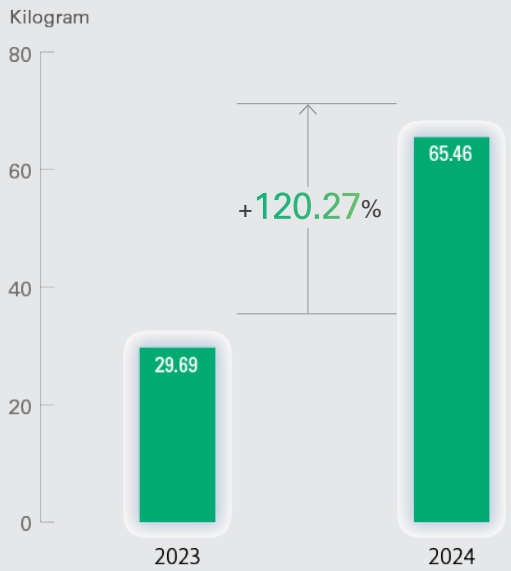
Scrap/offcut material recycling:

Materials generated during the manufacturing process, such as waste PCBs, waste ICs, solder paste, and solder balls, are effectively sorted and collected for centralized recycling. They are then handled by third-party professional companies to promote resource recovery and reduce environmental impact.

The recycling achievements for 2024 are as follows:

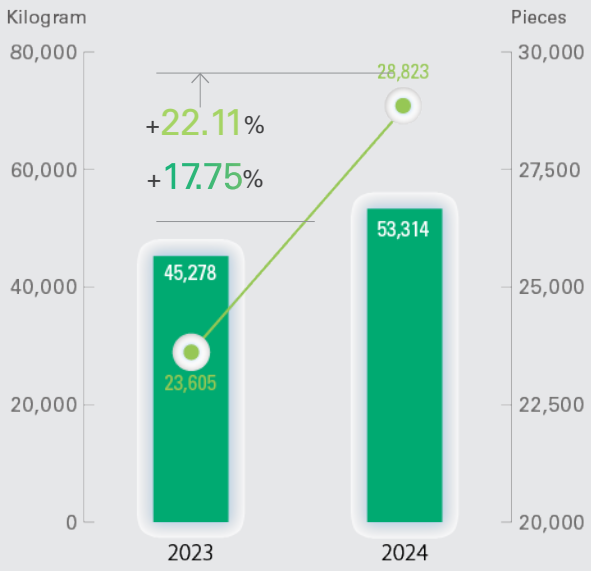
Recycling Content Classification

Gold, Palladium, Silver, Platinum



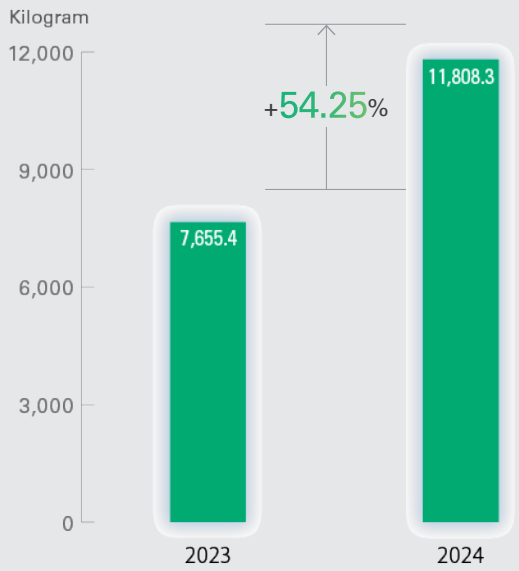
Recycling Content Classification

Crystal boat boxes, pallets, cartons, and gold wire empty reels (weight)



Recycling Content Classification

Waste PCBs, waste ICs, solder paste, solder balls



05

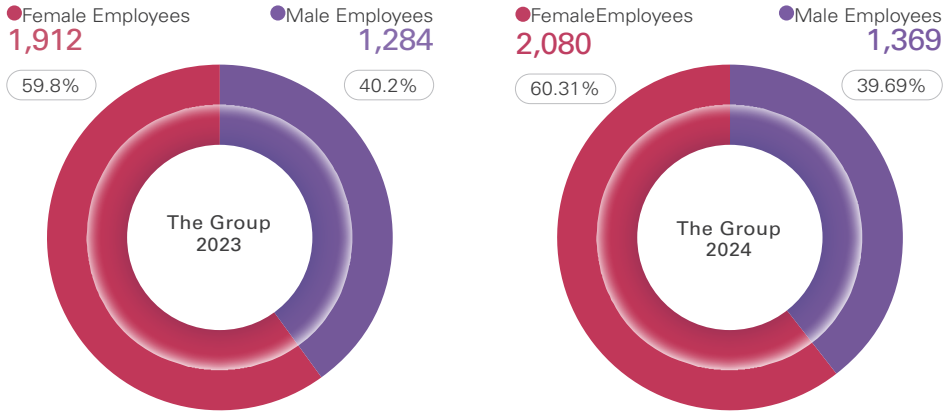
Friendly Workplace

I Employee Composition and Diversity

GRI 2-7, 2-8

The Company is committed to fostering a diverse and inclusive workplace, actively promoting gender equality and diversity, and has demonstrated outstanding performance in the electronics industry. In 2024, Tong Hsing's global workforce reached 3,449 employees, with 2,322 located at the Taiwan headquarters and plants. In the same year, female employees accounted for 59.41% of the total workforce, reflecting the Company's efforts and achievements in workforce diversity, and demonstrating its commitment to gender balance and equal career advancement opportunities across all global sites. In addition, Tong Hsing employed 15 employees with disabilities (including 7 with severe disabilities), in compliance with the Ministry of Labor's regulations. In the future, Tong Hsing will continue to learn from leading enterprises, strengthen the institutionalization and depth of diversity management practices, and further leverage the positive impact of multiculturalism and gender equality on organizational innovation, teamwork, and sustainable development.

Gender Ratio of Full-time Employees at Tong Hsing for the Most Recent Two Years



Employee Distribution by Factory

		Taipei		Longtan		Zhubei		Bade		Philippines		Total
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	
Total Number of Permanent Employees		439	100%	484	100%	903	100%	496	100%	924	81.99%	3,246
Total Number of Temporary Employees		-	-	-	-	-	-	-	-	203	18.01%	203
Total		439	100%	484	100%	903	100%	496	100%	1,127	100%	3,449
Job Grade	Supervisor	65	14.81%	90	18.60%	89	9.86%	97	19.56%	114	10.12%	455
	Non-supervisor	374	85.19%	394	81.40%	814	90.14%	399	80.44%	1,013	89.88%	2,994
Age Group	Under 30	44	10.02%	58	11.98%	226	25.03%	55	11.09%	543	48.18%	926
	31 to 50	368	83.83%	385	79.55%	579	64.12%	398	80.24%	552	48.98%	2,282
	51 and Above	27	6.15%	41	8.47%	98	10.85%	43	8.67%	32	2.84%	241
Gender	Male	237	53.99%	209	43.18%	317	35.11%	212	42.74%	394	34,96%	1,369
	Female	202	46.01%	275	56.82%	586	64.89%	284	57.26%	733	65.04%	2,080

Note1:According to the number of employees on duty as of the last day of the year

Note2:Both permanent and temporary employees are full-time staff: there are no part-time employees.

Distribution of male and female employees in supervisory and non-supervisory positions by plant

		Taipei		Longtan		Zhubei		Bade		Philippines		Total	Company-wide Percentage
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage		
Supervisor	Male	39	60.00%	52	57.78%	52	58.43%	49	50.52%	41	35.96%	233	51.21%
	Female	26	40.00%	38	42.22%	37	41.57%	48	49.48%	73	64.04%	222	48.79%
Non-supervisor	Male	198	52.94%	157	39.85%	265	32.56%	163	40.85%	353	34.85%	1,136	37.94%
	Female	176	47.06%	237	60.15%	549	67.44%	236	59.15%	660	61.15%	1,858	62.06%
Total		439		484		903		496		1,127		3,449	

Note: Supervisory positions refer to roles responsible for overseeing the operations of their respective organizational levels and supervising their subordinate members: all management positions across organizational levels are included.

2024 Tong Hsing Employee and Non-employee Statistics Table

Unit: Number of People/ Percentage (%)	Taipei			Longtan			Zhubei			Bade			Philippines			2024 Total	2023 Total
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total		
Permanent Employees	237	202	439	209	275	484	317	586	903	212	284	496	305	619	924	3,246	3,090
Temporary Employees	0	0	0	0	0	0	0	0	0	0	0	0	89	114	203	203	106
Total	237	202	439	209	275	484	317	586	903	212	284	496	394	733	1,127	3,449	3,196
Non-employee	7	14	21	6	13	19	7	9	16	7	22	29	47	27	74	159	138
Total	244	216	460	215	288	503	324	595	919	219	306	525	441	760	1,201	3,608	3,334

Note: Non-employee workers include those without labor contracts, such as security personnel, cleaning staff, and catering staff.

Tong Hsing Employee Nationality Statistics by Plant

Year	Category	Taipei	Longtan	Zhubei	Bade	Philippines	Total
2023	Local	379	417	592	377	887	2,652
	Foreign	72	65	309	97	1	544
	Subtotal	451	482	901	474	888	3,196
	Percentage of Foreign Nationals	16.0%	13.5%	34.3%	20.5%	0.1%	17.02%
2024	Local	359	383	560	393	1,124	2,819
	Foreign	80	101	343	103	3	630
	Subtotal	439	484	903	496	1,127	3,449
	Percentage of Foreign Nationals	18.22%	20.87%	37.98%	20.77%	0.27%	18.27%

Number of Employees with Disabilities at Taiwan Plants

2024	Taipei	Longtan	Zhubei	Bade	Percentage of Employees by Region
Disabilities	Number	Number	Number	Number	
Male	1	3	1	4	0.92%
Female	2	0	2	2	0.45%
Total	3	3	3	6	0.65%

Note: There are no regulatory requirements for the employment ratio of persons with disabilities in the Philippines.

New Hires and Employee Turnover GRI 401-1

In 2024, , Tong Hsing recruited a total of 354 new employees in Taiwan and 499 in the Philippines, reflecting the Company's ongoing operational expansion and proactive talent acquisition to support workforce needs across its plants and departments. In the same year, a total of 356 employees resigned in Taiwan, while 304 employees resigned in the Philippines. In response to workforce turnover, Tong Hsing continuously reviews and optimizes its human resources strategies, focusing on enhancing employee retention, strengthening internal career development opportunities, and improving the quality of the work environment. The Company has implemented several key initiatives, including offering market-competitive remuneration and benefits, establishing career development programs, implementing rotation and training systems, and enhancing communication and trust with employees through employee care mechanisms and feedback platforms. The company also conducts regular exit interviews and turnover analyses to understand the reasons for employee departures, serving as a critical basis for adjusting management practices and improving the work environment. In the future, Tong Hsing will continue to strengthen employee retention mechanisms, enhance organizational belonging and career development opportunities, and foster a stable and attractive work environment to support the Company's sustainable operations and long-term growth .

Employee Turnover and New Hires Status at Taiwan Operational Sites

2024 Taipei, Longtan, Zhubei, Bade							
Category	Group	Number of Males	Percentage of New Male Employees	Number of Females	Percentage of New Female Employees	Total	Taiwan New Hires/Turnover Rate
Age of New Hires	Under 30	40	25%	72	37%	112	
	31 to 50	110	70%	121	61%	231	
	51 and Above	7	4%	4	2%	11	
	Subtotal	157	44%	197	56%	354	15.25%
Age of Employee Turnover	Under 30	41	22%	32	19%	73	
	31 to 50	133	70%	126	75%	259	
	51 and Above	15	8%	9	5%	24	
	Subtotal	189	53%	167	47%	356	15.33%

Employee Turnover and New Hires at the Philippines Plant

Philippines							
Category	Group	Number of Males	Percentage of New Male Employees	Number of Females	Percentage of New Female Employees	Total	PhilippinesNew Hires/ Turnover Rate
Age of New Hires	Under 30	199	83%	207	80%	406	
	31 to 50	41	17%	52	20%	93	
	51 and Above	0	0%	0	0%	0	
	Subtotal	240	48%	259	52%	499	44.28%
Age of Employee Turnover	Under 30	107	75%	116	72%	223	
	31 to 50	36	25%	45	28%	81	
	51 and Above	0	0%	0	0%	0	
	Subtotal	143	47%	161	53%	304	26.97%

2024 Tong Hsing Overall Employee Hiring and Turnover Statistics

Category	Group	Number of Males	Percentage of New Male Employees	Number of Females	Percentage of New Female Employees	Total	New Hires/ Turnover Rate
Age of New Hires	Under 30	239	60.20%	279	61.18%	518	
	31 to 50	151	38.04%	173	37.94%	324	
	51 and Above	7	1.76%	4	0.88%	11	
	Subtotal	397	46.54%	456	53.46%	853	24.73%
Age of Employee Turnover	Under 30	148	44.58%	148	45.12%	296	
	31 to 50	169	50.90%	171	52.13%	340	
	51 and Above	15	4.52%	9	2.74%	24	
	Subtotal	332	50.30%	328	49.70%	660	19.14%

II Talent Recruitment and Development

Material Topics

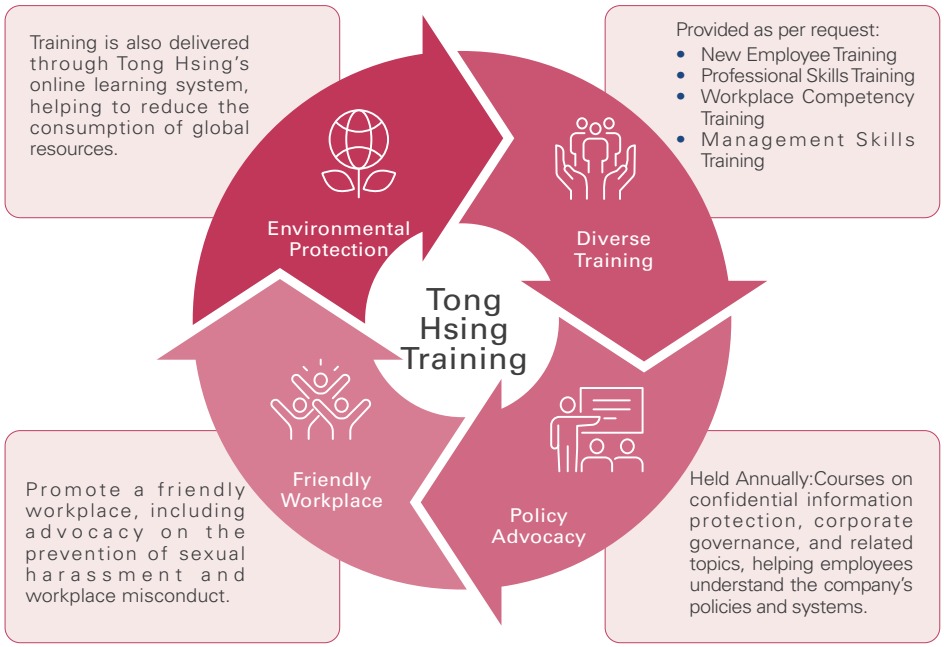
Tong Hsing conducts recruitment based on business needs, upholding principles of fairness and respect, and provides equal employment opportunities regardless of nationality, race, religion, gender, or other backgrounds, ensuring that the recruitment and appointment processes are impartial and objective. To attract and retain top talent, the Company has established comprehensive talent development and care mechanisms, including competitive remuneration and benefits, professional and managerial training programs, and diverse employee support initiatives. These measures assist employees in pursuing career development aligned with their skills and strengths, realizing a sustainable human resources strategy that ensures the right talent is placed in the right role.

Talent Development GRI 404-1

- Tong Hsing upholds the philosophy that "employee growth drives company progress" and, based on annual business objectives, regulatory requirements, and competency needs, designs a diversified training system to help employees strengthen their professional skills and managerial capabilities. Each year, the Company develops a comprehensive training plan covering general training, professional skills, managerial competencies, and quality management. In addition, the program includes four key areas—environmental protection, diversity training, policy awareness, and a friendly workplace—aimed at enhancing employees' sustainability awareness. Training is delivered through various methods to facilitate employee learning, including online courses, presentation skills workshops, and on-the-job English training, providing employees with comprehensive development opportunities.

- Annual training needs assessment and training plan development
- Each year in Q3, HR consolidates training needs from each department through interviews and surveys, and subsequently develops the annual training plan.
- Formulate and submit the annual training plan along with the budget control sheet.
- Review the training implementation status and records of each department on a quarterly basis.
- Manage and track abnormal cases in training implementation.
- Review each course design to ensure completeness in terms of instructor, teaching materials, training hours, location, employee attendance, assessments, and feedback surveys.
- Integration of learning outcomes and career development
- Training records are incorporated into the HR system and used as a reference for promotion, salary adjustment, job rotation, and performance evaluation.

In addition, Tong Hsing provides employees with general competency and workplace skills courses to support the development of diverse capabilities. Courses offered include Problem Analysis and Solving Workshop, Excel MOS Certification, Presentation Design Skills, Effective Upward and Downward Communication, Performance Management, and Data Visualization, all aimed at enhancing employees' language proficiency, interpersonal communication, and work efficiency. In 2024, the total number of internal training hours reached 97,420. In addition to internal instructors, the company actively engaged external professional resources and lecturers, encouraging employees to continuously improve through diverse learning channels and fostering a talent development environment that keeps pace with the times.



2024 Education and Training Statistics

Course	Content Description	Training Hours		Total
		Male	Female	
General Training	Including onboarding training and dedicated mentors for new employees	6,642	7,133	13,775
Professional Skills Training	Professional competency training for each role: beginner, intermediate, and advanced training, as well as forward-looking knowledge joint training	18,856	36,383	55,239
Quality-related Training	Hazardous substance process management, restricted substance management, QC methods, 8D reporting, and related topics	4,335	5,735	10,070
Management Skills Training	Workplace skills training (including language proficiency, work efficiency, and interpersonal communication): training for junior supervisors, mid-to-senior-level managers, and common managerial competencies	151	274	425
Compliance Training	Various compliance training: ethical corporate management, prohibition of insider trading, prevention of workplace misconduct, and information security awareness	4,987	6,581	11,568
Occupational Health and Safety Training	On-the-job training, general hazard awareness, safety briefings, and regulatory or certification training	5,629	7,236	12,865
TOTAL		40,600	63,342	103,942
Average		29.66	30.45	30.14

Note: Average hours = total hours ÷ number of full-time employees (1,369 male, 2,080 female, totaling 3,449).

Employee Career Development Planning GRI 404-2

Tong Hsing values long-term talent development and has established a comprehensive dual-track career system to enhance employee employment and career resilience. The system is divided into two main tracks—professional technical and managerial—helping employees choose the most suitable development path based on their interests and strengths. The Company has clearly defined career advancement structures based on job design, including levels such as engineer/manager, project technical supervisor, and executive management supervisor, providing employees with continuous opportunities for progression in professional, technical, and managerial fields. This system encourages employees to explore their potential and enhance their capabilities, enabling them to realize personal value through diverse development paths while strengthening the organization's overall competitiveness.

In talent development, Tong Hsing has established four major training systems, covering onboarding training, on-the-job and professional training, managerial competency training, and a learning and development platform, with course designs tailored to different job levels and functions. For example, management personnel are provided with training programs ranging from junior to senior-level supervisors to help build foundational management and leadership skills, while professional and technical staff strengthen their competencies through continuous education and external professional resources. Through these training mechanisms, the Company strives to provide employees with diverse and flexible learning channels, achieving the goal of mutual growth for both talent and the organization.

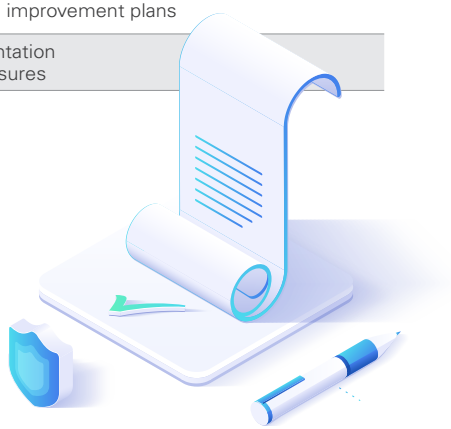
Employee Satisfaction

To understand employee satisfaction with the Company's policies, environment, and management—and to serve as a basis for enhancing employee well-being, fostering a positive corporate culture, and supporting organizational development—the Company has established an employee satisfaction survey system, conducting regular surveys, analyses, and improvements.

Investigation Principles

- Investigation Frequency: Conducted once annually.
- Investigation Subjects: All employees (including those at Taiwan and overseas plants).
- Response Method: Conducted anonymously, through paper or electronic questionnaires.
- Data Confidentiality: All information is used solely for statistical analysis and is securely managed by the HR and Sustainable Development Division.
- Response Mechanism: Propose improvement plans based on the survey results, and disclose and provide feedback internally.

Time	Item
Every September	Questionnaire design and review of survey items for validation
Every October	Announce, distribute, and collect the questionnaires
Every November	Analyze results and prepare the report
Every December	Submit the report and propose improvement plans
Q1 of the following year	Track and review the implementation progress of improvement measures



Investigation Dimension

Main Aspect	Sub-aspect	Questionnaire Design
Job Description	Responsibilities and roles, utilization of abilities, sense of work achievement	Understanding of personal responsibilities, sense of work accomplishment, and satisfaction with work-life balance
Work Group	Interactions within and across departments	Satisfaction with interactions with supervisors, team members, and employees across departments
Company Culture and Management	Company culture, respect and fairness, and communication	Satisfaction with the Company's cultural values, fair treatment, communication and listening, and future development prospects
Remuneration and Benefits	Balance between effort and compensation, and the bonus and benefits system	Satisfaction with compensation, bonuses, and other employee benefits
Training and Development	Training and career development support	Satisfaction with the Company's training resources and methods
Work Environment and System	Work processes, environment, and safety	Satisfaction with work process management, workplace design, and safety measures
Employee Engagement	Employee recognition and tenure with the Company	Pride in being a Tong Hsing employee and recognition of long-term tenure
Overall Satisfaction	Comprehensive Evaluation	Overall job satisfaction and suggestions

2024 Employee Satisfaction Survey

- Coverage: Total employees 3,449: questionnaires completed by 1,415 employees, yielding a response rate of 41.03%.
- Sample Analysis

Gender	Male	Female	Not Disclosed	Total
Percentage	493	798	124	1,415

Plant	Taipei Plant	Bade Plant	Longtan Plant	Zhubei Plant	Philippines Plant	Total
Number	215	275	187	374	364	1,415
Percentage	15.19%	19.43%	13.22%	26.43%	25.72%	100%

Seniority	Y<1	1<Y<3	3<Y<5	5<Y<10	Y>10	Total
Number	257	262	241	305	350	1,415
Percentage	18.16%	18.52%	17.03%	21.55%	24.73%	100%

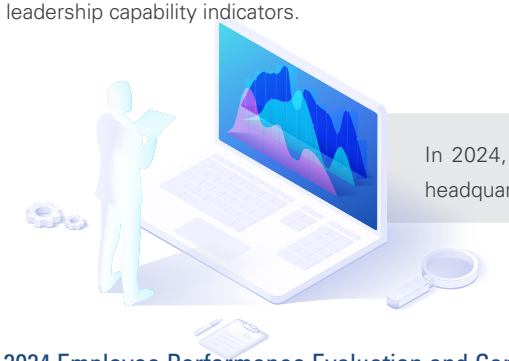
Aspect	Very Satisfied	Satisfied	Ordinary	Not Satisfied	Very Unsatisfied	Positive	Negative
Satisfied with the Work Itself	17.81%	47.63%	26.91%	4.33%	3.32%	92.35%	7.65%
Satisfied with Work Teams	18.59%	48.36%	26.27%	3.87%	2.92%	93.22%	6.78%
Satisfied with Company Culture and Management	13.37%	41.84%	31.13%	8.23%	5.42%	86.34%	13.66%
Satisfied with remuneration and benefits	12.93%	39.06%	31.64%	10.84%	5.54%	83.63%	16.37%
Satisfied with Training and Development	11.92%	44.55%	34.49%	5.56%	3.49%	90.95%	9.05%
Satisfied with Work Environment and Policies	14.25%	45.84%	30.22%	5.87%	3.82%	90.32%	9.68%
Employee Engagement	20.57%	43.60%	27.44%	4.52%	3.86%	91.61%	8.39%
Overall Satisfaction	15.75%	44.60%	29.53%	6.09%	4.03%	89.88%	10.12%

Improvement in Employee Satisfaction

Issue Aspect	Description	Implementation Status and Improvement Plan	Implementation Time
Enhancement of Compensation and Benefits	Desire for the Company's compensation and benefits to be more externally competitive	1. Planned and executed the "2024 Annual Salary Adjustment," with overall adjustments comparable to the electronics industry. 2. In accordance with the resolution of the shareholders' meeting, the Company planned and completed the distribution of the "2023 Employee Bonus". 3. Within budgetary constraints, increased the value of vouchers issued by the Welfare Committee. During the 2025 "Labor Day" and "Dragon Boat Festival", the voucher amount was increased from NT$500 to NT$1,000. In the future, the Company will consider budget and Welfare Committee revenue and expenditure when planning to increase employee travel subsidies.	1. The 2024 annual salary adjustment took effect in August 2024. 2. The 2023 employee bonus was distributed in October 2024. 3. The proposed vouchers were distributed in May 2025.
Promotion and Career Development Opportunities	Limited promotion opportunities, with managerial positions receiving more advancement compared to general staff	1. The "2024 Annual Promotion Process" was temporarily postponed due to personnel and organizational restructuring. 2. After reviewing the promotion policies, the Company has planned and completed the annual promotion process. 3. General employees accounted for 54.7% of the total number of promotions.	Effective in April 2025
System Optimization	Unable to quickly access individual attendance information, often requiring payroll adjustments in the following month	An information request for optimizing attendance inquiries has been submitted, with implementation planned in two phases. Phase 1: Inquiry of attendance details for the payroll month. Phase 2: Inquiry of real-time attendance information.	Phase 1 is expected to be completed by September 2025. Phase 2 has been incorporated into the IT annual work plan.

Employee Performance Evaluation GRI 404-3

To motivate employee potential and enhance overall organizational effectiveness, the Company has established a comprehensive performance evaluation system as an important basis for human resource development and the compensation and reward mechanism. Performance evaluations are conducted annually, with different assessment items designed based on job nature and rank for all employees. The content covers achievement of work objectives, professional competency performance, teamwork, problem-solving ability, innovative contributions, and work attitude, while certain managerial positions also include departmental performance and leadership capability indicators.



In 2024, the performance evaluation coverage rate was **100%** at the Taiwan headquarters and all plants, as well as at the Philippines plant.

2024 Employee Performance Evaluation and Career Development Review Statistics

	Taipei, Longtan, Zhubei, Bade				Philippines			
Performance Evaluation	Number of Employees for the 2024 Performance Evaluation		Number of Individuals Undergoing Career Development Review		Number of Employees for the 2024 Performance Evaluation		Number of Individuals Undergoing Career Development Review	
Gender	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Male	977	42%	712	68%	373	34%	93	64%
Female	1,348	58%	331	32%	710	66%	52	36%
Total	2,325	100%	1,043	100%	1,083	100%	145	100%
Job Grade	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Management Position	344	15%	249	24%	29	3%	29	20%
Non-management Position	1,981	85%	794	76%	1054	97%	116	80%
Total	2,325	100%	1,043	100%	1,083	100%	145	100%

III Employee Benefits GRI 401-2

The Company values employee rights and well-being, providing a work environment that promotes a healthy work-life balance and reasonable benefits. Our offerings include a comprehensive welfare system and a friendly workplace, as well as comfortable accommodations and transportation, gender-friendly facilities, occupational health promotion, and opportunities for clubs and group activities. These measures support the physical and mental health of all employees. In addition, through a complete education and training system, we facilitate career development, enabling employees to gain a sense of achievement from their work. The following are the welfare measures provided to all full-time employees of Tong Hsing:

Provided Items GRI 2-19, 2-20

To alleviate the financial burden on employees caused by illness or accidental injury and to help them focus on their work with peace of mind, the Company not only provides all statutory labor protections but also proactively implements a diverse range of welfare programs, including:

- Labor insurance and national health insurance
- Group insurance for employees (including life and accident insurance)
- Group insurance for employees' dependents
- Occupational accident insurance and accident coverage
- Regular employee health checkups

To ensure employees' daily nutrition and dietary variety, the Company provides:

- Provide a dedicated employee cafeteria
- Offer meat-based, vegetarian, light meals, and meals for foreign employees
- Provide meal allowances
- Provide travel allowance system

To enhance commuting convenience and accommodation quality, the following measures are implemented at Taiwan plants:

- General employee dormitories and dedicated accommodation for foreign employees
- Short-term rental subsidy program
- Commuter shuttle service arrangements

Creating a Gender-Equal and Friendly Workplace Environment: Specific Measures Include:

- Provide parking spaces for employees' cars and motorcycles
- Provide designated parking spaces for pregnant employees with disabilities
- Equipped with a dedicated medical room and lactation/pumping room, available for unlimited use

Valuing employees' career development and professional growth, the company provides:

- Employee proposal program and incentive rewards
- Tiered professional skills training (including language and management skills)
- Transparent and smooth promotion system with training plans

To support employees' physical and mental well-being, the Company implements various health management initiatives, including:

- Free annual health checkups
- Engaging professional physicians for regular on-site medical consultations and treatments
- Organize health education seminars and promotion activities

Foster a caring corporate culture, the Company provides various monetary gifts and activities, including:

- Year-end employee bonus system
- Monetary Gifts for Birthdays, Labor Day, and the Three Traditional Festivals (Dragon Boat Festival, Mid-Autumn Festival, and Lunar New Year)
- Organizing Lunar New Year banquets and raffle activities

In accordance with labor laws and practical needs, the Company has designed a diverse leave system, including:

- Annual leave, paternity leave, menstrual leave, family care leave
- Paternity leave for male employees and maternity leave for female employees
- Parental leave without pay policy
- The Philippines plant provides 105 days of maternity leave in accordance with local regulations.

Valuing education, the Company has established a scholarship and educational assistance program for employees' children.

Respecting cultural diversity, providing:

- Employees of indigenous groups are granted one flexible leave day to observe their traditional festivals.
- Employees may choose their festival leave based on their own, their parents', or their spouse's indigenous group.

Remuneration policies GRI 2-19, 2-20

The Company establishes and implements reasonable employee welfare measures, including remuneration, leave, and other benefits. In doing so, it takes into account external market remuneration levels and overall economic conditions, while ensuring that the Company's annual operational performance or results are appropriately reflected in employee remuneration.

Remuneration includes salary, meal allowances, quarterly bonuses, year-end bonuses, and profit-sharing.

The Company also refers to industry benchmarks when adjusting the "Salary Standards for New Employees" and the "Employee Performance Evaluation Policy". Each year, the company's operational performance is appropriately reflected in the employee remuneration and reward system. Based on employee feedback and external market competition, the Company correspondingly adjusts its remuneration policies to address employee input and meet organizational needs. In addition, a higher quality workplace environment is provided to enhance employee welfare.

Parental Leave and Suspension GRI 401-3, 401-1

Tong Hsing is committed to providing a safe, friendly, and growth-oriented work environment to attract and retain talented employees, creating a career platform where employees can develop with peace of mind. In supporting employees during their child-rearing stage, the Company actively complies with the relevant provisions of the Act of Gender Equality in Employment, providing a comprehensive parental leave system. It also establishes mechanisms to support employees' return to work, including flexible departmental arrangements, reemployment assistance, and job transition plans, helping employees smoothly resume their positions after child-rearing leave. The Company will continue to strengthen child-friendly measures, promote gender equality and diversity and inclusion, and foster a workplace culture where employees are willing to commit long-term and grow together.

Statistics on Parental Leave and Career Breaks for the Most Recent Three Years

Year	2022		2023		2024	
Gender	Female	Male	Female	Male	Female	Male
Number of Individuals Eligible for Parental Leave (A)	48	69	120	95	57	71
Number of Applications for Parental Leave (B)	26	5	27	3	31	5
Scheduled Number of Reinstatements for the Year (C)	17	4	14	2	23	4
Actual Number of Employees Returning to Work (D)	11	3	10	2	15	3
Number of Employees Still Employed 12 Months After Reinstatement (E)	10	3	9	2	15	3
Parental Leave Application Rate (B)/(A)	54.2%	7.3%	22.5%	3.2%	54.4%	7.0%
Reinstatement Rate After Parental Leave (D)/(C)	64.7%	0%	71.4%	100%	65.2%	75.0%
Retention Rate on the Anniversary of Reinstatement (E)/Previous Year (D)	90.9%	100%	90.0%	100%	100%	100%

Note: The statistics cover employees at the Taiwan plants who applied for maternity or paternity leave between January 1, 2021, and December 31, 2024, and who were still employed as of December 31, 2024. Not applicable to the Philippines plant.

Retirement System GRI 201-3

To ensure employees' secure working conditions, Tong Hsing implements specific measures in accordance with legal requirements, including annually allocating retirement reserves in accordance with the Labor Standards Act. Retirement reserves are calculated by professional actuaries to ensure that vested benefits are fully funded. Retirement benefits are calculated based on the employee's years of service and the average salary of the six months preceding retirement.

As of the end of 2024, the fair value of the plan assets was NT$247,962 thousand. The estimated amounts required to be contributed in the future in accordance with the law have been recognized as accrued retirement liabilities, with a balance of NT$262,139 thousand as of the end of 2024.

In addition, in accordance with the Labor Pension Act, 6% of employees' monthly salaries is contributed to the new pension scheme and deposited into individual pension accounts with the Bureau of Labor Insurance. The retirement pension expense contributed in 2024 amounted to NT$87,108 thousand.

*Note:The labor pension data are sourced from the consolidated financial statements and include the Philippines plant. In addition to compliance with the aforementioned retirement laws, the Company presents commemorative retirement plaques to recognize employees' contributions, serving both as a memento and a token of the Company's appreciation for retiring employees.

VI Human Rights Policy GRI 2-23, 2-24

As global attention to human rights issues continues to grow, companies bear an important responsibility to uphold human rights in their operations. Tong Hsing upholds the core value of respecting fundamental human rights and, by referring to internationally recognized human rights standards such as the Universal Declaration of Human Rights, the UN Global Compact, and the International Labour Organization Conventions, establishes internal systems and management policies to ensure that all employees are treated fairly, with dignity and protection in the workplace. The Company not only fully complies with Taiwan labor laws, including the Labor Standards Act, but also promotes human rights protection through institutionalized management. In accordance with the Responsible Business Alliance (RBA) Code of Conduct, the Company establishes work regulations and legally registers them, implements anti-sexual harassment and anti-corruption policies, provides channels for complaints and reporting, and incorporates personal data protection and anti-retaliation mechanisms. To ensure employees can freely express opinions and raise concerns, each plant has established complaint mailboxes and publicly posted hotline contact information, ensuring a transparent and effectively implemented grievance mechanism.

Supplier Human Rights Management

We not only fully protect the fundamental rights of our employees but also require our business partners (such as manpower agencies) to comply with the same standards, ensuring consistent labor conditions and human rights protection. Regarding labor rights, we respect employees' freedom to choose their occupation and to associate, strictly prohibit the use of child labor and forced labor, and place importance on the health and work rights of female employees. We uphold non-discrimination principles and ensure that all wages, benefits, and working hours comply with local labor laws. We also place special emphasis on humane treatment in the workplace, prohibiting any form of violence, harassment, or inappropriate conduct. In terms of occupational health and safety, the Company provides a safe working environment and implements risk assessments and protective measures, covering emergency response plans, machinery safety, workplace hygiene, and the quality of dining and accommodation facilities, thereby reducing occupational injury and health risks. From an environmental perspective, we are committed to minimizing impacts on society and natural resources, ensuring proper treatment of wastewater, exhaust emissions, solid waste, and hazardous substances, while strictly complying with relevant environmental regulations and implementing pollution prevention and resource conservation measures. In terms of business ethics, we adhere to integrity in operations, reject any form of undue benefit or corruption, and safeguard intellectual property rights and customer information security. The Company has established anonymous reporting channels and anti-retaliation mechanisms to protect the rights of whistleblowers. In addition, Tong Hsing has established an internal management system covering labor, health and safety, environmental, and ethical issues. This system includes compliance with legal and customer requirements, risk identification and management, performance target setting, employee training, and communication mechanisms. Through continuous improvement processes, we ensure effective implementation of policies and respond to the expectations of stakeholders. For Tong Hsing's comprehensive human rights policies and commitments for suppliers, please refer to our official website

Unobstructed Labor-Management Communication Channels GRI 2-16

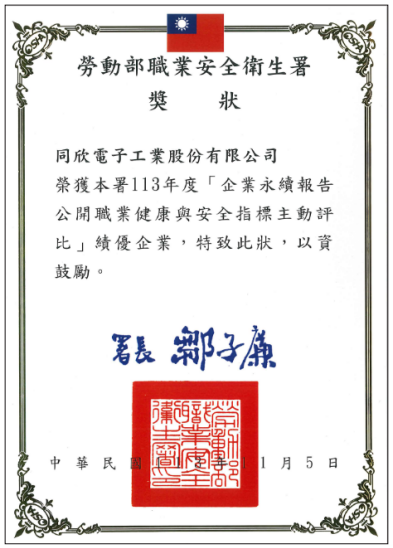
Tong Hsin onal cohesion. Tong Hsing is committed to establishing smooth and effective labor-management communication mechanisms to ensure that employees' voices are heard and taken into account in management decisions. In accordance with regulations, we hold quarterly labor-management meetings where representatives of employees and management jointly discuss important topics such as remuneration and benefits, working conditions, and the workplace environment, thereby fostering mutual understanding and trust. At the same time, through multiple channels such as employee suggestion boxes, regular monthly meetings, and employee satisfaction surveys, Tong Hsing encourages employees to freely express their suggestions and needs. A grievance response and tracking mechanism is also in place to ensure that all matters are handled with transparency and accountability.

Concerned Issues	Communication Channels or Methods	Frequency	Response Methods
Labor Relations	Labor Management Meeting	Regular	1.Quarterly labor management meetings 2.Benefits: Holiday gifts, employee trips, health center, on-site banking services, and more. 3.Training and Development: Internal and external training programs 4.Employee Health: Health checkups and on-site medical services 5.Employee Feedback: Suggestion boxes/monthly meetings, labor-management meetings, employee satisfaction surveys, and etc.
Compensation and Benefits	Employee Welfare Committee	Regular	
Training and Development	Intranets and Training Courses	Ad hoc	
Occupational Health and Safety	Ad hoc Communication Meetings/Advocating Meetings	Ad hoc	
Employee Feedback/ Policy Communication	Employee Suggestion Box/ Monthly Meetings	Ad hoc	
Relationship with Employees	Health Center/Employee Cafeteria/Lounge	Ad hoc	

V Occupational Health and Safety

Tong Hsing is committed to creating a safe and healthy work environment. A dedicated Occupational Health and Safety Committee regularly conducts risk identification and hazard assessments, establishes operating procedures and emergency measures for high-risk operations, and holds regular meetings to coordinate safety policy implementation and track improvement progress. Employee participation is encouraged to enhance the overall workplace safety culture. To prevent recurrence of occupational accidents, the Company has established an occupational injury reporting and improvement mechanism to ensure timely handling of any abnormal incidents. In addition, to cultivate comprehensive occupational safety awareness, all employees receive tiered health and safety training, including the use of protective equipment, first aid, and emergency response drills, strengthening both safety awareness and practical skills.

In line with Tong Hsing's commitment to sustainable development, the Company has established an EHS policy, aiming to create a friendly workplace, safeguard employees' health and safety, and actively promote pollution prevention and risk control. Adhering to the four principles of valuing employee rights, safeguarding health and safety, strengthening environmental awareness, and implementing risk management, the company has obtained ISO 45001 Occupational Health and Safety Management System certification and continues to enhance occupational safety performance and institutionalized management standards. At the same time, the Company was awarded the Excellence Award in the "Corporate Sustainability Report Disclosure of Occupational Health and Safety Performance" assessment, demonstrating external recognition of Tong Hsing's transparency in occupational health and safety information disclosure, management practices, and operational measures.


勞動部職業安全衛生署
獎　狀
同欣電子工業股份有限公司
榮獲本署113年度「企業永續報告公開職業健康與安全指標主動評比」績優企業，特致此狀，以資鼓勵。
署長 鄒子廉
中華民國 1月5日

Occupational Health and Safety Management System GRI 403-1, 403-8

Since 2006, Tong Hsing has obtained OHSAS 18001 Occupational Health and Safety Management System certification, and in 2020 completed the upgrade and transition to the ISO 45001 international standard. Through institutionalized management, the Company ensures that all employees enjoy safe working conditions, health protection, and equal treatment, reflecting its long-term commitment to workplace safety and employee well-being.

To achieve the Company's occupational safety objectives, we conduct regular health checkups, operational environment monitoring, and water quality testing to ensure employee health and operational safety. In accordance with regulations, we also implement occupational safety training and emergency response drills to enhance all employees' safety awareness and response capabilities. At the same time, through inspections, internal audits, and the operation of the Occupational Health and Safety Committee, on-site management and risk prevention are strengthened. In response to employee needs, the Company also implements health protection and ergonomics prevention programs to reduce potential hazards at the source. Through comprehensive management and prevention mechanisms, Tong Hsing continues to enhance workplace safety resilience, realizing people-oriented care and sustainable operation goals.

Tong Hsing's Short- to Mid-Term Occupational Health and Safety Goals

Item (Calculation Method)	Short-term Goals: 2024~2026	Mid-term Indicators: 2027~2030
Compliance rate of legally required OH&S personnel certifications (%) (Number of personnel with completed legally required OH&S certifications / Total number of personnel required to hold certifications) × 100%	100%	100%
Internal and external audit findings improvement rate (%) (Number of corrected internal and external audit findings / Total number of internal and external audit findings requiring correction) × 100%	100%	100%
Frequency-Severity Indicator (FSI) (((FR*SR)(1000))^0.5)	≦ 0.1	<0.1
Number of major occupational accidents in the plant (Total number of major occupational accidents occurred in the plant)	0	0

Overview of Occupational Safety Management at Tong Hsing Taiwan Plants

Item	Description
Drinking Water Testing	To maintain the hygiene and health quality of employees' drinking water, Escherichia coli in water dispensers is sampled and tested every three months in accordance with the "Regulations on the Use and Maintenance of Continuous Drinking Water Supply Equipment".
Workplace Environmental Monitoring	In accordance with the Regulations for Workplace Environmental Monitoring, measurements of carbon dioxide, noise, and chemical substances in the workplace are conducted semiannually. For machines, equipment, operations, or environments where chemicals are used or stored, samples are collected and analyzed to determine chemical substance concentrations in the environment, aiming to protect employees from physical and chemical hazards.
Health Examination	General and special employee health examinations are conducted every two years
Environmental Protection and Occupational Safety Training	In accordance with the Regulations on Occupational Health and Safety Education and Training Rules,the following training programs are conducted to ensure employee safety and health: 1.New Employee Occupational Safety Training: Establishes employees' awareness of occupational health and safety. 2.Supervisor OH&S Training: Establishes supervisors' awareness of Occupational Health and Safety. 3.New Employee Hazard Awareness Training: Builds employees' awareness of chemical hazards and proper use of personal protective equipment. 4.Refresher training for in-service employees on occupational safety, fire safety, firefighting, and evacuation. 5.Conduct quarterly emergency response drills at each plant. 6.Conduct traffic safety and driving workshops on an irregular basis.
Inspections, Safety Audits, and Internal Audits	1.Environmental, health, and safety inspections and audits. 2.Conduct regular automatic inspections. 3.Convene regular occupational health and safety committee meetings. 4.Annual internal and external EMS audits
Six Major Protection Plans	1.Promote programs to prevent human-factor hazards 2.Promote programs to prevent illnesses caused by abnormal workloads 3.Promote programs to prevent employees from being subjected to unlawful acts during work 4.Promote programs to protect maternal health in the workplace 5.Promote programs to ensure suitable work arrangements for middle-aged and older employees 6.Respiratory Protection Program

Scope of the Occupational Health and Safety Management System

Taipei, Longtan, Zhubei, Bade

Scope

Employees and Non-Employees (including security personnel, cleaning staff, catering staff, and contractors)

ISO 45001

Occupational Health and Safety Management System Certification

☑(Valid Until: December 30, 2027)


Bureau Veritas Certification

TONG HSING ELECTRONIC INDUSTRIES, LTD.

ISO 45001:2018

Philippines Plant

Scope

Employees and Non-Employees (including security personnel, cleaning staff, catering staff, and contractors)

ISO 45001

Occupational Health and Safety Management System Certification

☑(Valid Until: February 26, 2027)


bsi.

Certificate of Registration

OCCUPATIONAL HEALTH & SAFETY MANAGEMENT SYSTEM - ISO 45001:2018

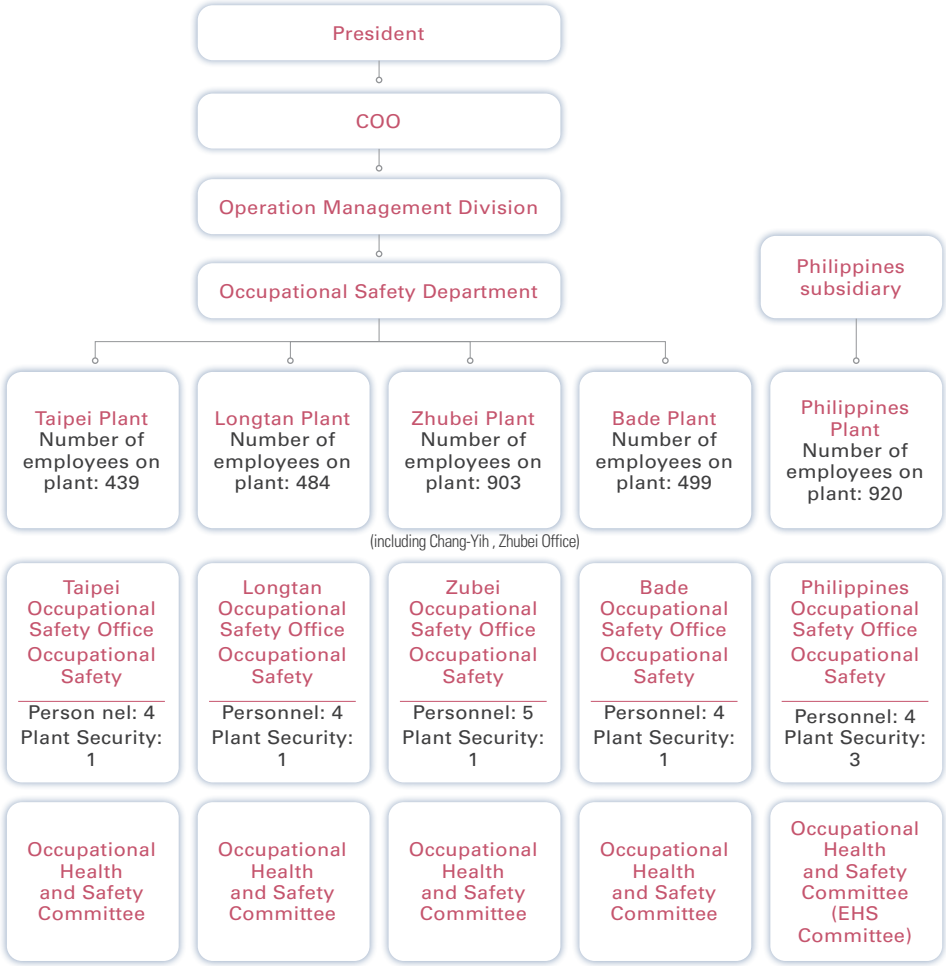
OHS 580076

...making excellence a habit.

Occupational Health and Safety Committee

To ensure employee health and safety, Tong Hsing has dedicated occupational safety departments and Occupational Health and Safety Committees at each plant, with specialized teams responsible for implementing OH&S–related tasks. The occupational safety team consists of occupational safety personnel and plant medical staff. The personnel manage the plant's environmental and safety aspects in accordance with EHS regulations and management systems, while plant medical staff provide health service management and nursing care, and perform medical support activities.

Organizational Structure of Tong Hsing Occupational Health and Safety Committee



Goals and Evaluation Mechanism

To ensure a safe working environment and operational safety across all plants, Tong Hsing fully adheres to the occupational health and safety management system, continuously monitoring occupational accidents, injuries, occupational safety risks, and workplace environment indicators. The Frequency-Severity Indicator (FSI) is used as the primary performance management metric, with annual targets set for control and tracking, serving as the basis for improving occupational safety performance.

Through occupational hazard identification and risk classification, the Company regularly conducts internal self-management and external audits to identify potential risks and management gaps. Based on the findings, specific improvement measures and implementation plans are proposed to continuously optimize management processes, reduce the incidence of occupational accidents, and enhance overall operational safety and process protection capabilities. Through a systematic, professional, and goal-oriented occupational health and safety operation mechanism, Tong Hsing continuously strengthens workplace risk control and employee health and safety protection, steadily enhancing the effectiveness of Occupational Health and Safety management.

Communication and Grievance Mechanism

To strengthen occupational health and safety management, Tong Hsing has established comprehensive grievance and communication mechanisms. Within the Company, employees are encouraged to express opinions and report issues through the occupational health and safety committee, labor-management meetings, employee suggestion boxes, and channels for reporting unlawful acts. Labor representatives participate in these meetings to ensure two-way communication. Externally, the Company proactively addresses stakeholders' concerns regarding Occupational Health and Safety through multiple channels, including audits by regulatory authorities, official correspondence, customer audits and surveys, and the company website, demonstrating its commitment to safety communication and transparent governance.

Occupational Health and Safety Committee Meeting Information

Plant	Number of Meetings	Number of Committee Members	Number and Percentage of Employee Representatives	
Taipei Plant	4	29	10	34%
Longtan Plant	4	27	9	33%
Zhubei Plant	4	25	9	36%
Bade Plant	4	29	10	34%
Philippines Plant	4	17	7	41%

Note: Duration from January 1 to December 31, 2024.

Audit Mechanism

To ensure the effective operation and continuous improvement of the environmental and occupational health and safety management systems, Tong Hsing annually conducts systematic internal audits based on the annual internal audit plan. Audit teams, composed of trained and qualified auditors, are assigned to carry out these internal audits. The scope of the audits covers the implementation of Occupational Health and Safety policies and goals, employee competence and safety awareness, management of documented information, execution and control of various management programs, emergency response mechanisms, regulatory compliance assessments, and the effectiveness of nonconformities and corrective/preventive actions. This comprehensive review ensures the appropriateness and effectiveness of the management systems.

In addition to internal audits, the Company also undergoes regular external audits conducted by third-party organizations to verify the compliance and effectiveness of the ISO 45001 Occupational Health and Safety Management System. External audits not only reinforce the Company's compliance with regulations and international standards but also provide objective feedback, serving as a reference for internal continuous improvement and system optimization.

2024 Internal Audit Overview by Plant

	Taipei Plant	Longtan Plant	Zhubei Plant	Bade Plant	Philippines Plant
Date	9/4~9/23	9/4~9/23	9/4~9/23	9/4~9/23	1/15, 3/21, 9/24
Result	Deficiencies: 12 cases	Deficiencies: 8 cases	Deficiencies: 8 cases	Deficiencies: 4 cases	Deficiencies: 5 cases
Improvement Plan	1.Amendment of procedures and strengthened education and training 2.Equipment repair, replacement, and inclusion in inspection and management plans 3.Strengthen operational area protective measures and training		1. Refurbishment of plant area flooring and reinforcement of drainage openings 2. Strengthen safety protection 3. Optimize escape routes and signage paths	1. Monthly tracking and comprehensive recording of social responsibility performance indicators. 2. Include management plans as discussion topics in the Safety Committee 3. Implement contractor policy advocacy 4. Strengthen respiratory protection management and arrange training and testing	1. Improve workplace safety 2. Strengthen hazardous materials management 3. Improve tool use safety

Identification of Occupational Hazards and Risk Assessment GRI 403-7

ong Hsing continuously implements occupational health and safety risk management. Through regular risk assessments and hazard identification, both routine and non-routine operations are systematically evaluated. Risks are classified according to severity, impact scope, and likelihood of occurrence, and categorized into high, medium, and low risk using a risk matrix. For unacceptable high-risk items, the Company immediately initiates corrective actions and operational controls: for medium-risk items, existing protective measures are reviewed for completeness, and more effective control solutions are considered.

The 2024 annual risk assessment results indicated a slight increase in the number of overall high- and medium-risk items compared with the previous two years. The main reason is that the integrated identification criteria have become more stringent and now incorporate actual operational changes, such as high-risk building repairs, scaffolding work, and cyanide handling. The sources of risk were primarily concentrated in areas such as fire protection facility safety, machinery operation, maintenance work, noise exposure, chemical management, contractor operation control, and worker health management. The Company has formulated specific improvement plans for the aforementioned issues, including optimizing equipment protection mechanisms, updating the chemical management platform, strengthening emergency response drills, promoting widespread CPR and AED training, and implementing health promotion and vision protection measures. Timelines and performance targets are established for continuous tracking to ensure that the improvement measures are effectively implemented and risks are mitigated.

2024 Risk Assessment Results for Each Plant

Plant	High- and Medium-Risk Assessment Results			Implementation Results of Occupational Health and Safety Goals		
	Category	Number	Type of Hazard	Item	Improvement Measures	Achieved
Taipei Plant	High risk	2	Fire protection equipment	Installation of carbon dioxide fire extinguishers	Change of environmental protection gas to carbon dioxide fire extinguisher	Continuous improvement
			Building repairs	High-risk building repairs	Demolition and repair of high-risk buildings	Continuous improvement
	Medium risk	4	Mechanical equipment	Improvement of mechanical equipment heaters	Install protective guards and low-liquid level devices	Continuous improvement
			Contractor entry management	Optimization and improvement of work permit applications	Plan optimization measures for contractor entry into the plant	Continuous improvement
			Personnel health	Health Promotion	Conduct weight loss activities	Completed in December 2024
			Chemical management	Chemical SDS management	Establish a chemical inventory and conduct regular inspections	Completed in December 2024
Longtan Plant	High risk	1	Operational safety	Scraper cleaning operation	Develop standard operating procedures and conduct related training	Completed in August 2024
	Medium risk	4	Firefighting	Emergency response skills	Carry out emergency response drills organized by floor zones	Completed in December 2024
			Noise	Noise from production line equipment	Replace specific equipment and install soundproof covers for testing	Completed in December 2024
			Equipment and machinery	Safety standards for equipment	Perform bi-monthly production line inspections and audits	Completed in December 2024
			Environmental 6S	Environmental hazard factors	Conduct monthly 6S inspections	Completed in December 2024
Zhubei Plant	High risk	1	Crush injuries during maintenance work	A plant worker sustained a crush injury due to carelessness while performing motor maintenance.	Establish motor maintenance SOPs, provide related training, and raise awareness through occupational accident case studies	Completed in June 2024
	Medium risk	4	Noise	Noise from production line equipment	Implement engineering controls to lower noise levels and require the use of ear protection	Completed in November 2024
			Mechanical equipment safety	Regular inspection of machinery safety protection devices	All machinery safety protection devices confirmed 100% effective annually	Completed in December 2024
			Chemical management	Chemical SDS management	Develop and manage a chemical management platform	Completed in December 2024
			Contractor management	Enhance management of contractor construction activities	Enhance the online work permit system for contractors	Completed in March 2025
Bade Plant	High risk	1	Caught, entangled, fire	Project for inspecting safety protection devices on equipment	All production equipment safety interlocks verified to be 100% effective	Completed in January 2025
	Medium risk	2	Emergency response	Enhance the Company's first aid and emergency preparedness	Achieved 50% participation in on-site CPR and AED training	Completed in June 2024
			Labor health protection	Visual function protection management measures for precision operations	Identify factors affecting visual function and conduct related protection training	Completed in December 2024
Philippines Plant	High risk	10	Chemical hazard	Chemical storage location	Develop and manage a chemical management platform	Completed in March 2025
			Chemical hazard	Mitigate inhalation risks associated with nitric acid chemicals	Implement a desulfurization system	Completed in April 2025
	Medium risk	1	Biological hazard	Contamination hazards of drinking water equipment	Implement daily safety inspections and enhance employee training	Completed in September 2024

Trend Analysis of Risk Assessment Results for the Most Recent Three Years

	Risk Category	2022	2023	2024	Explanation of the Reason for the Change
Taipei Plant	High risk	1	1	2	No significant changes
	Medium risk	1	0	4	
Longtan Plant	High risk	2	2	1	No significant changes
	Medium risk	1	2	4	
Zhubei Plant	High risk	2	1	1	In response to integrated verification, a unified hazard identification and risk assessment method has been adopted across all four plants.
	Medium risk	10	10	4	
Bade Plant	High risk	-	1	1	No significant changes
	Medium risk	-	1	2	
Philippines Plant	High risk	0	4	10	An increasing number of areas are exposed to hazardous chemicals during handling and transfer processes.
	Medium risk	2	4	1	By conducting daily safety inspections and providing continuous training for all employees, the risk has been reduced.

Prevention and mitigation of occupational health and safety risks

Tong Hsing firmly believes that a safe and healthy work environment is the fundamental guarantee for employees' stable engagement. The Company is committed to providing comprehensive workplace safety facilities and health care measures, actively eliminating potential risks in the work environment that may affect employees' health and safety, and effectively reducing the occurrence of occupational accidents. In accordance with the Occupational Health and Safety Act and the Regulations for Workplace Environmental Monitoring, the Company regularly conducts work environment monitoring, equipment inspections, and safety assessments. Concurrently, it promotes various health care and wellness activities to maintain the physical and mental well-being of employees. Under the operation of the Occupational Health and Safety Management System, Tong Hsing promotes the following initiatives:

1. Obtained ISO 45001 and other Occupational Health and Safety management certifications, with regular internal and external audits and performance monitoring to verify the effectiveness of the management system.
2. Conducted comprehensive occupational accident risk and hazard assessments, and developed and implemented preventive measures based on the assessment results.
3. Implemented chemical management in accordance with GHS classification, adopted a chemical cloud system, and conducted regular audits to ensure zero chemical operation incidents and full regulatory compliance.
4. Conducted regular workplace environment monitoring and trend analysis. All monitoring results in 2024 complied with relevant regulatory standards.
5. For high-risk operations such as hot work, work at heights, and confined space entry, permit applications were completed prior to commencement, and all necessary protective measures were implemented.
6. Established an emergency response team at the plant and developed a comprehensive response procedure.
7. Conducted education and training programs as well as emergency drills to enhance employees' safety and disaster prevention awareness.
8. Established a comprehensive grievance mechanism and communication channels to ensure full employee participation.
9. Provided diverse occupational health services and organize health promotion activities to safeguard employees' health and safety.

Summary of Operational Environment Monitoring

Item / Plant	Category	Detailed Description	Frequency
Taipei Plant	General Chemicals	None	NA
	Hazardous Chemicals	Potassium cyanide, xylene, methanol, isopropanol, acetone, hydrofluoric acid, sulfuric acid	Once every six months
		Lead, formaldehyde, beryllium	Once every year
	Other	Noise, carbon dioxide, Type 4 dust (respirable dust), Type 4 dust (total dust)	Once every six months
Longtan Plant	General Chemicals	None	Once every six months
	Hazardous Chemicals	Sulfuric acid, sodium hydroxide, ethanol, isopropanol, methanol, acetone, tetramethylammonium hydroxide, nitric acid	Once every six months
	Other	Noise, carbon dioxide, illuminance	Once every six months
Zhubei Plant	General Chemicals	Carbon black, tin	Once every year
	Hazardous Chemicals	Methanol, acetone, isopropanol, xylene, cyclohexanone, butyl acetate, sulfuric acid, nitric acid.	Once every six months
		Hydrochloric acid, ethylenediamine, sodium hydroxide, ethanol	Once every year
	Other	Noise, carbon dioxide, illuminance	Once every six months
Bade Plant	General Chemicals	None	Once every six months
	Hazardous Chemicals	Isopropanol, acetone, sulfuric acid, dichloromethane	Once every six months
		Lead	Once every year
	Other	Illuminance, carbon dioxide, Type 4 dust (respirable dust), Type 4 dust (total dust)	Once every six months
Philippines Plant	General Chemicals	None	NA
	Hazardous Chemicals	Sulfuric acid, hydrochloric acid, copper sulfate (expressed as Cu), hydrogen cyanide, nickel sulfonate (expressed as Ni), sodium hydroxide, hydrofluoric acid, nitric acid, formaldehyde, isopropanol, acetone	Once every year
	Other	Noise, carbon dioxide, lighting, relative humidity, temperature, volatile organic compounds (VOC), air velocity	Once every year

2024 Work Permit Application Statistics

Type	Hot Work	Elevated	Confined Space	Temporary Electricity Usage	Roof Operations	Other (Suspension)
Taipei Plant	6	4	3	1	0	17
Longtan Plant	1	2	2	1	6	8
Zhubei Plant	14	21	0	0	0	25
Bade Plant	0	0	3	0	0	20
Philippines Plant	5	15	1	2	0	160

Actual Photos of Workplace Environment Monitoring

Occupational Injury Statistics GRI 403-9

Tong Hsing continuously strengthens occupational safety management by regularly compiling and analyzing occupational incident records from all plants, serving as a key reference for evaluating the effectiveness of safety management and optimizing operational processes. The Company uses the Frequency-Severity Indicator (FSI) as a core management metric to comprehensively assess the frequency and severity of incidents. Based on historical data and risk trends, FSI management targets are established, serving as a quantitative benchmark for driving occupational safety performance across all plants.

Short-, Medium-, and Long-term FSI and Future Targets

Item \ Year	Plant	2021	2022	2023	2024	2025 Goals	2030 Goals
1. Frequency-Severity Indicator (FSI)	Taipei	0.23	0.06	0.06	0.13	<0.09	<0.1
	Longtan	0.15	0.15	0.15	0	<0.09	<0.1
	Bade	-	-	0	0.07	<0.09	<0.1
	Zhubei	0.07	0.06	0.04	0.04	<0.09	<0.1
	Philippines (PH)	0.0206	0.00	0.04	0.06	<0.2	<0.1

Note1: Disabling Frequency Rate (FR) = Number of disabling injuries ÷ Total worked hours × 1,000,000 (calculated to two decimal places, without rounding).

Note2: Disabling Severity Rate (SR) = Lost days due to disabling injuries ÷ Total worked hours × 1,000,000 (rounded down to the nearest integer, without rounding up).

Note3: Frequency-Severity Indicator (FSI) for disabling injuries = √[(FR × SR) ÷ 1,000]

2024 Disabled Injury Statistics

Categories of Disabling Injuries (See Notes for Definitions)	Plant and Category		Number of Incidents	Loss Days
Death/Permanent Total Disability/ Permanent Partial Disability	Taipei Plant		0	0
	Longtan Plant		0	0
	Zhubei Plant		0	0
	Bade Plant		0	0
	Philippines Plant		0	0
Temporary Total Disability	Taipei Plant	Employee	1 case of laceration	17
		Non-employee	0	0
	Longtan Plant	Employee	0	0
		Non-employee	0	0
	Zhubei Plant	Employee	1 case of pinched 1 case of cut injury	3
		Non-employee	0	0
	Bade Plant	Employee	1 case of improper action 1 case of fall	3
		Non-employee	0	0
	Philippines Plant	Employee	7	132
		Non-employee	0	0

Note: Excludes employee commuting accidents.

Accident Investigation GRI 403-2

For all types of occupational safety incidents (including near-miss accidents), a standardized incident investigation procedure is initiated to analyze causes, review management deficiencies, and propose corrective and preventive measures to prevent recurrence. Through continuous monitoring and data analysis, the Company aims to enhance risk control effectiveness and create a zero-incident safe workplace.

The 2024 occupational injury statistics show that the Taipei, Bade, Zhubei, and Philippines plants reported recordable work-related injuries. The Philippines plant had the highest number of lost workdays due to disabling injuries at 132 days, while the Longtan plant had no occupational injury records. The Company will continue to strengthen occupational injury prevention management, promote incident investigation and corrective actions, and work towards the goal of zero incidents. The following outlines the follow-up corrective actions for occupational incidents at each of the Company's plants:

Plant	Description of Occupational Accident	Improvement Measures
Taipei Plant	An employee accidentally sustained a laceration on the back of the left hand from a metal plate located below a windowsill while transporting a chemical drum.	1.Anti-cut rubber strips were installed in the area. 2.The entire plant inspection identified areas with protruding iron plates, where anti-cutting measures have been installed.
Zhubei Plant	While performing maintenance, an employee accidentally caught the right ring finger on a pulley during manual testing, resulting in an open fracture.	Developed a pulley maintenance SOP and conducted training and case briefings for all departments.
	While assisting a contractor in moving a metal plate, an employee accidentally came into contact with a sharp edge, resulting in an approximately 1-cm laceration on the right thumb.	Conducted training and case study briefings.
Bade Plant	While moving an object, an employee's left hand slipped, resulting in a dislocation of the left shoulder joint.	Conducted training and case study briefings. In the future, objects weighing more than 40 kg must be transported using manual handling equipment or carts. In the future, objects weighing more than 500 kg must be transported using motorized vehicles or machinery.
	While commuting to work by motorcycle, an employee slipped due to wet tires caused by rain, resulting in a contusion on the left ring finger.	1.Announcement: Do not cross parking spaces arbitrarily when riding in the motorcycle parking lot 2.Traffic cones and barricades were placed on the parking spaces. 3.Ride according to the designated traffic flow without crossing over parking spaces. 4.Implemented safety education and promotion for riding.
Philippines Plant	An employee sustained a laceration on the middle finger of the right hand due to instability of the chair wheels while cutting laminated boards.	Changed to fixed work chairs, and simultaneously educated employees that a stable platform must be used during cutting operations.
	While cleaning the rack, the little finger was cut by the edge of the rack.	Wrapped the sharp corners of the rack with tape, and simultaneously used yellow tape to enhance visibility and provide a warning indication.
	Employees' prolonged poor posture has caused muscle strains.	Strengthened the promotion and training of preventive education courses.
	While setting up the machine, the machine door was struck, resulting in a facial injury.	Installed safety warning strips as a means of alert and protection.
	During equipment setup, the middle finger and index finger were cut due to the absence of protective measures.	Enhanced educational training and labeling reminders.
	During the handling of chemicals, container collisions caused nitric acid to splash, resulting in burns.	Established operational procedures and implemented centralized chemical distribution equipment.
	During operation, the safety sensor was turned off, resulting in the little finger being pinched while operating the machine.	Strengthened the promotion and training of preventive education courses.

2024 Occupational Injury Statistics GRI 403-9

Item	Taipei Plant	Bade Plant	Longtan Plant	Zhubei Plant	Philippines Plant
Recordable Occupational Injury Cases	1	2	0	2	7
Days Lost Due to Disability and Injury	17	3	0	3	132
Number of Process Safety Incidents	0	0	0	0	0
Total Working Hours	987,816	1,009,976	983,488	1,800,216	3,251,820
Recordable Total Recordable Incident Rate (TRIR)	1.01	1.98	0	1.11	2.15
Loss Day Rate (LDR)	17.21	2.97	0	1.67	40.59
Process Safety Total Incident Rate (PSTIR)	0	0	0	0	0

Note1: Calculation of Recordable Total Incident Rate (TRIR): Recordable occupational i njury cases × 1,000,000 ÷ Total worked hours.
Note2: Lost Workday Rate (LDR) Calculation Method: (Total Lost Workdays × 1,000,000)/Total working hours.
Note3: Calculation Method for Process Safety Total Incident Rate (PSTIR): Number of process safety incidents × 1,000,000 / Total worked hours.
Note4: Process safety is defined with reference to CCPS Process Safety Leading & Lagging Metrics.

Item	Taipei Plan	Bade Plant	Longtan Plant	Zhubei Plant	Philippines Plant
Total Absence Hours	12,991	17,026	19,072	44,783	1,056
Total Working Hours	872,990	986,945	897,558	1,723,758	3,251,820
2024 Absenteeism Rate (AR)	1.49%	1.73%	2.12%	2.60%	0.03%
Work Injury Absence Rate (AR)	(Total number of absent days/Total working days) × 100%, with results truncated at the third decimal place.				
	Absent Days: Refers to the days an employee is away from work due to loss of work capacity. Including: Work injury leave, occupational disease leave Excluding: Approved leaves such as annual leave, maternity leave, paternity leave, and bereavement leave.				

In addition, we have established standardized incident investigation and reporting mechanisms for all occupational injuries, near-misses, and safety events. When an incident occurs, the relevant units immediately initiate the investigation process. The OH&S personnel lead on-site documentation, fact verification, and root cause analysis, followed by cross-departmental review meetings to thoroughly examine potential issues at the organizational, behavioral, or environmental level. The investigation results lead to concrete corrective and preventive measures, including equipment improvements, amendments of operational procedures, and enhanced training, with a dedicated unit tracking the implementation and effectiveness of these measures.

2024 Near-Miss and Safety Incident Reporting Statistics by Plant

Type		Near-miss Incident		Safety Incident	
		Within the Plant	Outside the Plant	Within the Plant	Outside the Plant (Commuting)
Number of Cases	Taipei Plant	9	0	4	6
	Longtan Plant	0	0	1	6
	Zhubei Plant	0	0	0	5
	Bade Plant	2	0	2	4
	Philippines Plant	8	0	3	0

Note: A near-miss incident is defined as an event with no personnel injury and no property damage: a safety incident is defined as an event causing minor injury to personnel or property damage that does not qualify as a work-related injury.

Occupational Safety Training

Implementing occupational health and safety education and training is the most fundamental and effective way to ensure employee safety. To enhance all employees' safety awareness and emergency response capabilities, Tong Hsing regularly plans and implements various OH&S education and training programs based on plant operational characteristics and employees' actual needs. The training covers pre-employment training, certification courses, and emergency response, ensuring employees are familiar with relevant regulations and safe work procedures. Through systematic training and continuous awareness campaigns, safety concepts are internalized into daily behavior, further reducing occupational risk and safeguarding employees' lives and health. In the current year, a total of 14,331 hours of occupational safety-related training were completed, demonstrating the Company's strong commitment and continuous investment in workplace safety management.

2024 Education and Training Implementation

Plant \ Type		Pre-employment Training	Regulatory Certification Training		On-the-job Training
		New Hires and Reassigned Personnel	Initial Certification Training	Refresher Certification Training	Specific or General Personnel
Taipei Plant	Total Participants	66	24	14	General: 383 people: Hazard Awareness: 383 people: Firefighting: 599 people: Mechanical: 383 people.
	Total Hours	594	307	65	A total of 1,748 hours
Longtan Plant	Total Participants	48	5	4	General: 411 people: Hazard Awareness: 399 people: Firefighting: 478 people: Mechanical: 343 people.
	Total Hours	432	228	30.5	A total of 1,631 hours
Zhubei Plant	Total Participants	127	2	50	General: 825 people: Hazard Awareness: 826 people: Mechanical Safety: 825 people.
	Total Hours	1,143	121	174	A total of 2,476 hours
Bade Plant	Total Participants	83	56	11	General: 406 people: Hazard Awareness: 464 people
	Total Hours	747	992	66	A total of 870 hours
Philippines Plant	Total Participants	499	0	6	General: 273 people: Hazard Awareness: 273 people: Chemical/Mechanical/Electrical/Fire/Ergonomics Safety Training: 273 people.
	Total Hours	499	0	24	A total of 2,184 hours

Note: Calculated based on the actual number of participants in the training.

2024 Emergency Drill Implementation

Type / Frequency / Plant	Firefighting	Toxic Chemicals	Specific Toxic Chemicals	Evacuation and Escape	Dye Solution/Powder Leakage	Other
Taipei Plant	2	4	5	3	0	5
Longtan Plant	6	0	0	6	0	0
Zhubei Plant	2	0	1	2	0	4
Bade Plant	2	4	0	4	0	9
Philippines Plant	2	1	0	2	1	1

Creating a Healthy Workplace GRI 403-6 , 403-3

Tong Hsing places great importance on employee health and well-being, striving to establish a comprehensive workplace health care system. Through four core programs—workplace health services, on-site medical care, regular health examinations, and health protection—the Company provides holistic support for employees' physical and mental well-being. The Company actively promotes occupational disease risk management measures, such as conducting special health examinations and implementing hearing protection programs, to prevent and monitor high-risk job categories and reduce the risk of occupational diseases. At the same time, Tong Hsing also strengthens health promotion and care initiatives by regularly publishing health education newsletters, organizing health seminars and fitness classes, and offering weight management programs to encourage employees to develop healthy lifestyle habits. Through diversified occupational health services and health management strategies, the Company helps employees identify and avoid potential workplace hazards, effectively reducing occupational risks and fostering a safe, healthy, and sustainable work environment.

Occupational Health Services

Tong Hsing cares about employee health and workplace well-being, promoting diversified occupational health services across its global facilities, and developing various health management and promotion programs tailored to local needs. Each plant has established an occupational health service system, including regular on-site medical care, health examinations, health promotion activities, and management of high-risk groups, through which professional teams identify and mitigate occupational hazards.

In addition to conducting training, health seminars, and vaccination programs, the Taiwan plants have also implemented epidemic prevention management, weight control initiatives, and maternal health protection measures. Overseas plants, such as the Philippines plant, are further equipped with full-time occupational physicians and dentists on a daily basis, while also providing 24-hour teleconsultation services to enhance accessibility of health care for employees and contractors.

To ensure the quality and effectiveness of occupational health services, each plant implements on-site documentation, health record updates, and health reporting systems. Through professional assessments and continuous follow-up, a safe, healthy, and employee-centered workplace environment is fostered.

Longtan Plant received the Healthy Workplace Certification – Health Promotion Label.

2024 Implementation of Occupational Health Services GRI 403-3

Plant	Categories of Occupational Health Service Functions	How to Ensure Quality and Effectiveness
Taipei Plant	1. Implement six major labor health protection programs, including human factor hazard assessment and management, abnormal workload prevention, workplace misconduct prevention, and maternal health protection and management, among others. 2. Employees engaged in work with specific health hazards undergo special health examinations annually. 3. General health examinations for on-the-job employees are conducted every two years. 4. On-site occupational physician services are provided once a month, with each session lasting three hours. 5. Planning and implementation of health promotion activities. 6. Care and follow-up for employees on occupational injury leave or sick leave.	1. Based on the analysis and evaluation of health examination results, employees with abnormal findings receive follow-up management and health guidance. Employees identified as medium- or high-risk based on physical condition and health screening results are proactively scheduled for on-site consultations with occupational physicians to receive individualized advice and professional recommendations. Employees under special health examination management at levels three and four are provided with on-site evaluations of their work environment, with hazard control and related management measures implemented. Employees exposed to noisy work environments receive hearing protection education and training. All relevant documents and records are managed and retained in accordance with regulations. 2. In 2024, health promotion activities included female cancer screenings, influenza vaccination, blood donation drives, CPR and AED emergency training, exercise point programs, and weight loss initiatives. The details and outcomes of these activities are regularly reported to the Safety Committee.
Longtan Plant	1.Conduct health examinations and maintain employees' health screening reports 2.Minimize the risk of infection within the plant 3.Prevent the occurrence of occupational diseases associated with prolonged standing 4.Organize health promotion activities 5.On-the-job first aid training courses	1. During the 2024 mobile health checkups on March 12-14, a total of 441 employees undergoing general operations, including 16 in special operations, completed the screenings, achieving a 100% participation rate. 2. A total of 51 employees (participation rate: 10%) received the government-funded COVID-19 XBB.1.5 vaccination. 3. In Q1, the "Cleanroom Employees Long-Term Walking and Prolonged Standing Improvement Program" was completed. The experimental group used anti-static pressure-relief insoles for six weeks. The pain improvement in the experimental group exceeded that of the control group, with the difference in pre- and post-intervention pain scores being 0.81 versus 0.48, and the activity satisfaction rate reaching 80%. 4. The "Group Weight Loss Challenge" was conducted with 28 participants qualifying for the event, 25 completing it, resulting in an 89% completion rate. The total weight loss achieved was 83.8 kg, with a total body fat reduction of 48.3%. 5. In October and November, eight basic chest-compression CPR and AED training courses were conducted, resulting in the Longtan Plant receiving the 2024 "AED Safe Place Certification".
Zhubei Plant	1.Implementation of plant employee health management 2.Conduct annual health examinations for employees performing tasks with specific health hazards. 3.General treatment and follow-up of injuries and illnesses 4.Implementation of various health promotion activities 5.An occupational medicine specialist provides on-site services once a month, with each session lasting three hours. 6.Implement the six major programs of the Occupational Health and Safety Administration 7.Annual first aid training courses	1.Using employee health screening data, high-risk hazard groups are identified. Occupational physicians and nurses conduct interviews to provide medical knowledge, guidance on proper practices, and consultation assessments, aiming to reduce hazards for these high-risk groups and implement follow-up management. 2.Using environmental assessments, employees engaged in tasks with specific health hazards receive targeted training, such as noise protection. Employees with abnormal findings in special operations health screenings meet with occupational physicians for follow-up risk assessments and on-site workplace evaluations, with one-on-one guidance on safe protective practices. 3.Weight loss-related activities were organized, including nutrition seminars, weight loss competitions, and incentive programs. A total of 46 participants collectively lost 161.1 kg. 4.Through the implementation of six major programs, human factors and overload seminars were conducted to help employees learn proper posture during work, reduce physical discomfort, and achieve mind-body balance in a fast-paced, information-rich environment. 5.AEDs are installed within the plant, and annual first aid training courses are conducted to help employees continuously update their first aid knowledge and skills, strengthen workplace emergency response capabilities, and enhance employees' first aid responsiveness.

Plant	Categories of Occupational Health Service Functions	How to Ensure Quality and Effectiveness
Bade Plant	1.Establish and oversee health professionals and institutions 2.Health examinations and follow-up management for high-risk employees 3.On-site risk assessment and health recommendations 4.Occupational adjustment and return-to-work arrangements 5.Health consultation, first aid, and medical referral 6.Planning health education and promotion activities	1.Personnel Allocation and Service Quality: An occupational health and safety department is established, with 1 full-time occupational health nurse and a contracted physician on-site for 3 hours per month to provide health services. Occupational nurses, based on their expertise, select 6 qualified medical institutions and instructor resources to coordinate various workplace health activities, ensuring service quality and effectiveness. 2.Abnormal Health Screening Follow-Up and Guidance: For employees with abnormal health screening results or unit-referred cases, on-site visits and consultations are arranged. In 2024, a total of 206 employees received health guidance and job assessments, with work adjustments or task reassignments implemented as necessary to prevent occupational diseases. 3.On-site assessment and improvement results: Health service personnel conduct on-site health evaluations annually and present recommendations at OH&S committee meetings. In 2024, 3 risk control projects were completed, addressing precision work-related vision, lead operation fumes, and cutting-area noise. 4.Return-to-work arrangements and case management: In 2024, multiple cases of return-to-work and job reassignments were handled. • Maternity protection was provided for 7 people: 2 were reassigned to day shifts, and 1 was transferred out of the lead operation area. • 4 general occupational injuries, 4 traffic occupational injuries, and 7 illnesses, including 1 major illness, with on-site follow-up and restriction recommendations arranged. 5.Health facilities and first aid resources: 1 medical room and 18 first aid kits are in place, with regular replenishment. 3 AEDs, 31 first aid personnel, 207 employees trained in CPR+AED, with monthly physician consultation available and occupational health nurses assisting with registration and referral. 6.Health promotion activities and achievements: 2 health education e-newsletters were provided each month, and 4 health seminars were held throughout the year. Health Activity Achievements: • Weight Loss of 105 kilograms • Physical Fitness 108 people • Health Points Accumulated: 374 participants • Blood Donated: 78 bags • Influenza Vaccine: 57 people • Cancer screening: 27 people In 2024, awarded the Health Promotion Badge of the "Healthy Workplace Accreditation" by the Health Promotion Administration.
Philippines Plant	1.Occupational physicians and dentists provide on-site services daily (2 hours). 2.Employees and contractors can consult the clinic online at any time (24/7). 3.Occupational health nurses work in shifts from Monday to Saturday (12 hours per day). 4.Enhance clinic education awareness through face-to-face consultations, videos, and brochures. 5.Monitor compliance of employees on sick leave, maternity leave, and those with abnormal results from annual health examinations.	Occupational physicians and dentists update employees' health status in their personal medical records and regularly report to the clinic on employees with abnormal annual health examination results to ensure adherence to treatment plans.

Focus Case: On-Site Service

Tong Hsing, in accordance with local Occupational Health and Safety regulations, comprehensively promotes on-site health services to ensure the health and work safety of its employees. The Taipei, Longtan, Zhubei, and Bade plants each arrange 12 on-site services annually provided by qualified physicians, supported by professionally certified nurses responsible for daily health management and follow-up, ensuring timely identification and handling of health abnormalities. The Philippines plant has full-time occupational physicians and dentists providing on-site medical services daily for 2 hours, supported by industrial nurses on shift from Monday to Saturday, 12 hours per day, delivering real-time health care and maintaining individual health records. Additionally, the Philippines plant also provides a 24-hour online clinic remote consultation service to enhance the accessibility of health services for employees and contractors. By aligning medical staff allocation and on-site service frequency with regulatory requirements, the Company aims to ensure that all operational sites have a comprehensive occupational health care system, effectively safeguarding employee health and safety in the workplace.

Employee Health Promotion GRI 403-6

Tong Hsing places great importance on employees' overall health and quality of life, consistently promoting health activities not directly related to work. From preventive care and health management to physical and mental well-being, these initiatives help employees develop healthy lifestyle habits and foster a positive, health-oriented workplace culture.

Each plant designs diverse activities and health programs based on employee needs and local resources, including influenza vaccinations, female cancer screenings, CPR+AED training, stress and sleep management seminars, and healthy eating and weight control courses, enhancing employees' awareness of self-care. At the same time, on-site and online activities such as exercise point challenges, weight loss competitions, blood pressure monitoring, tech-based fitness assessments, and health seminars are held to encourage active employee participation and promote physical health and mental well-being.

Moving forward, the Company will continue to strengthen its health care mechanisms by enhancing medical consultations, occupational health nurse interviews, and health record tracking, promoting long-term employee health management and achieving the goals of a healthy workplace and sustainable, people-centered management.

Four Major Health Protection Plans

To strengthen workplace health management, we actively promote the people-centered "Four Major Health Protection Plans", covering key areas such as human-factor hazards, abnormal work demands, workplace unlawful acts, and maternal health protection. Through systematic management and practical implementation, potential risks affecting employees' physical and mental health are comprehensively identified and mitigated, ensuring work safety and workplace respect while fostering a supportive and inclusive healthy work environment.

Maternal health protection:
A total of 22 pregnant employees, 13 postpartum employees, and 3 breastfeeding employees were cared for, with risk-level management, job suitability adjustments, and physician consultations arranged according to health status to safeguard maternal health rights.

Human-factor hazard assessment and management:
A total of 976 assessments were completed, including 56 reported cases of suspected musculoskeletal disorders. All cases received occupational physician interviews and environmental improvement recommendations, with symptomatic employees undergoing re-evaluation and follow-up.

Abnormal work load prevention:
A total of 525 assessments were conducted, identifying 5 high-risk and 33 medium-risk employees, who received health consultations, referrals, and guidance on self-directed health management.

Workplace unlawful act prevention:
Across the four plants, a total of 2,376 employees completed training on unlawful acts, and 527 employees completed sexual harassment prevention courses.

Plant	Taipei Plant		Longtan Plant	
Maternal Health Protection	• Number of pregnant employees: 6 • Number of postpartum employees: 7 • Number of breastfeeding employees: 2 • Health grade: Level 1 – 5 employees: Level 2 – 1 employee	Handling Method: Conduct hazard assessment and control, physician consultations, risk-level management, job suitability arrangements, and other related measures.	• Number of employees assessed: 3 • Number of confirmed employees: 0	Handling Method: 1.Level 1 management: 3 people, capable of performing current operations. 2.Employees voluntarily report to the occupational safety office, where interviews and assessments are arranged, and individual health guidance is provided using the maternal handbook.
Human Factors Hazard Assessment and Management	• Number of employees assessed: 453 • Among them, 0 confirmed cases of illness and 6 suspected musculoskeletal disorder cases reported.	Handling Method: For employees with suspected musculoskeletal disorders, physician care interviews were arranged, along with on-site visits by occupational physicians and environmental safety personnel, providing recommendations for the work environment and implementing corresponding improvement measures.	• Number of employees assessed: 59 • Number of confirmed employees: 0	Handling Method: 1.Every two years, a musculoskeletal questionnaire survey is conducted: suspected cases undergo interview assessments to identify pain causes unrelated to work and receive medical advice. 2.Long-term standing causing heel and plantar pain: experimental group 50 employees, control group 50 employees. The experimental group used anti-static shock-absorbing insoles for six weeks, showing greater pain improvement than the control group, with pre- and post-test differences of 0.81 vs. 0.48, and a satisfaction rate of 80%.
Prevention of Abnormal Workload	• Number of employees assessed: 402 • Employees at high risk of illness due to abnormal work load: 3	Handling Method: For high-risk employees, on-site physician consultations were arranged, outpatient treatment progress was monitored, and health guidance was provided.	• Number of employees assessed: 30 • Number of confirmed employees: 0	Handling Method: Every two years, abnormal work load questionnaire surveys are conducted: high-risk employees are assessed through interviews, receiving medical advice and individual health guidance.
Prevention of Illegal Workplace Harassment	• In 2024, online in-service training on workplace unlawful act prevention and communication skills was conducted, with 431 participants and a 100% participation rate.	Handling Method: Workplace unlawful act policy promotion: Senior management signed and announced the "Written Statement Prohibiting Workplace Unlawful Acts", relevant training courses were arranged, and channels for employee complaints were provided.	• In 2024, online in-service training on unlawful acts was conducted, with 367 participants.	Handling Method: The "Written Statement Prohibiting Workplace Unlawful Acts" was announced, online in-service training courses were arranged, and channels for employee complaints were provided.

Plant	Zhubei Plant		Bade Plant	
Maternal Health Protection	Number of pregnant employees: 6: Number of postpartum employees within one year: 1 Health level assessment: Level 1 – 7 employees	Handling Method: 1.Arranged physician consultations 2.Level 1 management – 7 employees, eligible to perform current tasks.	Number of pregnant employees: 7 Number of employees one year postpartum: 5 Number of breastfeeding employees: 1 Health grade: Level 1 – 6 employees: Level 2 – 1 employee	Handling Method: Work duties were adjusted following physician consultations and carried out in accordance with medical instructions.
Human Factors Hazard Assessment and Management	Number of employees assessed: 4	Handling Method: Arranged physician consultations	Number of employees assessed: 460 50 employees reported with suspected musculoskeletal disorders.	Handling Method: 1.Employees with work-related symptoms – 7: KIM assessments were conducted to analyze human-factor risk scores, necessary measures to reduce risk scores were communicated, and musculoskeletal re-assessments were used to track effectiveness. 2.On-site physician consultations: Human-factor health guidance was provided to 7 employees, all deemed fit for their original work. 3.Employees with symptoms unrelated to work – 43 + all other employees: 2024 Plant-wide E-newsletters: January - Numbness and Pain in the Fingers? You may have carpal tunnel syndrome. April - Fingers Not Responding? Beware: The Trigger Finger is Coming to You! September - The Pain Making Raising the Arm Impossible! A Brief Discussion on Frozen Shoulder
Prevention of Abnormal Workload	Number of employees assessed: 6	Handling Method: Arranged physician consultations	Number of employees assessed: 87 Among them, 2 employees were high-risk and 33 were medium-risk.	Handling Method: 1.Medium-to-high risk interviews: 10 employees with physicians and 25 with occupational health nurses: among them, 3 were monitored for overtime hours, and 2 were referred for medical care. 2.Health education on the “three highs” (high blood pressure, high blood sugar, high cholesterol), weight loss activities, and annual health examinations were conducted. 3.Among 87 assessed employees, 66 have been closed after re-evaluation and are managing their health independently, with a 76% risk-level reduction rate. %
Prevention of Illegal Workplace Harassment	Conducted 2024 unlawful acts training	Number of employees in continuing education: 880 Number of employees in new employee training: 127	2024 Online Training Course on Unlawful Acts Number of participants in in-service training: 490 Number of employees in new employee training: 81 2024 Online Workplace Sexual Harassment Prevention Course Number of participants in in-service training: 527	Handling Method: 1. The “Written Statement Prohibiting Workplace Unlawful Acts” was announced, online in-service training courses were arranged, and channels for employee complaints were provided. 2. Report annual implementation results and review to the Safety Committee.

Health Education Activities

In 2024, Tong Hsing actively promoted diverse health education activities across all plants, with over 3,000 participant attendances, demonstrating the Company's strong commitment to employee health. The activities covered hearing protection, blood pressure measurement, CPR+AED training, vaccinations, female cancer screenings, nutrition and weight-loss seminars, and mental health lectures, combined with health point programs and fitness competitions to boost employee engagement.

At the Taipei plant, health education activities attracted 1,114 participant attendances, including multiple training sessions and health events such as blood donation, sexual harassment prevention, CPR training, and weight-loss point challenges. At the Longtan plant, the focus was on a simplified CPR course, attracting a total of 345 participants. The Zhubei plant promoted diverse health education, including one-on-one health check explanations, nutrition seminars, and stress management courses, with 829 participant attendances. The Bade plant continued to promote exercise and workplace health topics, with nearly 400 participant attendances throughout the year. The Philippines plant held multiple health and community service activities, including health seminars, blood sugar and bone density screenings, blood and urine tests, vision consultations, and mental health promotion, with 487 participant attendances.

Health Examination

Tong Hsing has established a comprehensive health examination system in accordance with the "Labor Health Protection Regulations", covering pre-employment physical exams, special physical exams, periodic health examinations, and assessments for special-hazard operations, with advanced check-up items planned for supervisors at manager level and above. Regular in-service employees undergo health examinations every two years. In addition to basic items, assessments are strengthened with lung function tests, abdominal ultrasound, bone density measurements, and cancer screenings, while employees over 40 also receive electrocardiogram examinations.

For employees in special-hazard operations, specialized health examinations are conducted annually. In 2024, noise-exposed personnel were the largest group, with 78 employees included from the Taipei and Zhubei plants. Lead, dust, nickel, and formaldehyde operations were mainly at the Taipei and Bade plants, while ionizing radiation operations were concentrated at the Zhubei and Longtan plants. Based on health examination results, employees are classified into Levels 1 to 4. Occupational physicians conduct interviews and risk tracking for those with health abnormalities, initiating operational improvements or adjusting work assignments as protective measures. Through scientific health examinations and a risk-level classification system, we continuously strengthen workplace health management and enhance health protection for employees in high-risk operations. In 2024, the number of occupational disease cases determined by board-certified occupational medicine physicians was zero.

2024 Physical and Health Examination Results

Type	Target	Frequency	Item	Number of Examinees				
				Taipei Plant	Longtan Plant	Zhubei Plant	Bade Plant	Philippines Plant
General physical examination	New hires or transferred employees.	Before check-in	According to the provisions specified in the "Labor Health Protection Regulations."	63	86	127	81	501
Special physical examination	New or transferred employees engaged in special-hazard operations.	Upon new employee onboarding or prior to job transfer for current employees.	According to the provisions specified in the "Labor Health Protection Regulations."	4	0	0	10	0
General health examination	All in-service employees	Implemented every two years, regardless of ag	According to the items specified in the "Labor Health Protection Regulations", with additional assessments for all employees including abdominal ultrasound, lung function, bone density, and cancer screenings: employees over 40 also undergo electrocardiogram examinations.	387	441	759	410	873
Special health examination	In-service employees engaged in special-hazard operations.	Once every year	According to the provisions specified in the "Labor Health Protection Regulations."	111	16	63	46	0
Executive health checkup	Supervisors at the managerial level and above.	Once every two years	According to the senior health check items of the medical examination institution, with an additional coronary artery examination.	15	12	41	29	0

Special Health Examination Classification Statistics

Examination category / Health level	Plant	Level 1	Level 2	Level 3	Level 4
Noise operations	Taipei Plant	26	15	0	2
	Bade Plant	0	0	0	0
	Longtan Plant	8	0	0	0
	Zhubei Plant	18	16	0	1
Ionizing radiation operations	Zhubei Plant	3	25	0	0
	Longtan Plant	2	6	0	0
Lead operations	Taipei Plant	4	8	0	0
	Bade Plant	22	24	0	0
Dust operations	Taipei Plant	34	31	0	0
Nickel operations	Taipei Plant	18	37	0	0
Formaldehyde operations	Taipei Plant	13	27	0	0

Note: Level 4 is implemented according to the HeaSubtotalion Program.

Diverse Clubs

To promote interdepartmental interaction and relieve work stress, Tong Hsing actively supports the development of employee clubs, encouraging staff to participate in diverse interest activities outside of work, enhancing quality of life and workplace satisfaction. The Company has established a club subsidy system, providing financial support based on each club's activities and participant numbers to assist smooth operation and sustainable development. Currently, multiple types of clubs have been established, including the "LovingHsing ESG Society" promoting environmental awareness and community service, the "Tong Hsing Baseball Club" emphasizing teamwork and active health, and the "You and Tong Hsing Badminton Club" fostering fitness and friendship, all of which are well-received by employees.

Each club regularly organizes activities, providing employees with opportunities to relax and unwind amid a busy work schedule, while also creating more chances for cross-department collaboration and communication, further strengthening corporate culture cohesion and a sense of belonging. Tong Hsing firmly believes that healthy and positive employee relationships are a vital foundation for sustainable business growth. The Company will continue to support club development, foster a more diverse and engaging workplace culture, and uphold a people-centered approach to sustainable management.

Club Activity Photos

Family Day and 50th Anniversary Event Photos

VI Comfortable and Friendly Workplace Environment

Tong Hsing believes that proper nutrition and adequate rest are essential for maintaining work efficiency and health. Therefore, the Company continuously optimizes dining and rest areas, ensuring that every employee can receive comprehensive care in a safe and comfortable environment, embodying the principles of people-centered care and a healthy workplace. Cafeterias at each plant provide three meals and late-night snacks daily, offering a variety of dishes including rice, noodles, soups, and desserts to meet different time slots and taste preferences, helping employees obtain adequate nutrition and energy alongside their work. The Company places special emphasis on the dietary habits of employees from diverse cultural backgrounds. In particular, at the Taiwan plants, dedicated menus are designed for colleagues from the Philippines, offering meals with hometown flavors to enhance their adaptation and sense of belonging while working abroad.

In addition, to accommodate different work shifts and schedules, the cafeterias are equipped with 24-hour vending machines offering a variety of snacks and beverages. Rest areas are also open around the clock, allowing employees to freely use the space during breaks or off-duty hours to recharge, relax, and restore energy. These thoughtful designs not only take employees' health and convenience into account but also demonstrate the Company's care and support for their overall well-being.

Taipei Plant

Longtan Plant

Zhubei Plant

Bade Plant




Philippines Plant

06

Social Inclusion

GRI 203-1

I Social Participation

Material Topics

1.External Organization Participation GRI 2-28

Tong Hsing participates in the following industry associations, engaging in meetings and discussions in diverse roles to collaborate with external associations, optimize competitive advantages, and promote social participation.

Organization Name	Participating Roles
Taiwan Electrical and Electronic Manufacturers' Association	Member Companies
Micro Sensors and Actuators Technology Consortium	Member Companies
Independent Director Association Taiwan	Member Companies
TPCA Taiwan Printed Circuit Association	Member Companies
SEMI Taiwan	Member Companies, Serving as Committee Members
AITA AI on Chip Taiwan Alliance	Member Companies
Taiwan Corporate Governance Association	Member Companies
TAISE Taiwan Institute for Sustainable Energy	Member Companies, Serving as Director
CWS	Member Companies

Tong Hsing upholds the values of "People-oriented and giving back to society", and, in line with the B4SI framework for corporate social impact, actively promotes public welfare programs to address local needs. This year, we focused on promoting two major public welfare projects: [Tong Hsing · Childlike Heart · Love the Environment Aesthetic Rooting Collaboration Program] and [LED Lighting Upgrade Program for Schools in Plant-Host Cities], deepening positive interactions with the community.

[Tong Hsing · Childlike Heart · Love the Environment Aesthetic Rooting Collaboration Program] integrates art education with environmental sustainability. Through sensory experiences and creative activities, it inspires students' creativity and sense of social responsibility, helping them understand and cherish the natural environment. This not only inspires students' interest in the arts, but also nurtures their care for the planet, thereby achieving the goals of education and sustainable development. In addition, the [LED Lighting Upgrade Program for Schools in Plant-Host Cities] supported schools in plants locations in New Taipei City, Taoyuan, and Hsinchu to replace outdated fixtures with energy-saving LED lighting, improving the learning environment and students' visual health while reducing electricity costs. This initiative echoes government green energy policies, reduces carbon emissions, and contributes to the realization of sustainable development.

These concrete actions not only enhance social well-being but also create long-term social value. We will continue to apply the B4SI framework to measure social impact and explore more opportunities for sustainable innovation aligned with our core business, with the aim of achieving shared growth for both society and the Company.

2024 Tong Hsing Social Participation

Number	Event Name	Input	Activity	Output	Outcome	Impact
1	LED lighting replacement at plant locations	LED lighting materials and volunteer hours contributed by engineers	On-site visits and installation of new lighting fixtures	5 schools completed improvements for 672 lighting fixtures	Improved student eye care and school energy savings (benefiting approximately 2,358 students)	Equal access to educational resources, support for carbon neutrality, and enhancement of social trust
2	Refurbished computer dream program	Second-hand computers, IT inventory, and logistics coordination	Inventory and delivery to the association	Several computers were reset and delivered to schools near the plant locations	Underprivileged students receive learning tools, improving digital learning	Educational equity, narrowing the digital divide, and extending device lifespan to reduce electronic waste

2.[Tong Hsing · Childlike Heart · Love the Environment Aesthetic Rooting Collaboration Program]

Tong Hsing collaborated with the Ju Ming Museum to launch the [Tong Hsing · Childlike Heart · Love the Environment Aesthetic Rooting Collaboration Program], starting with aesthetic education to integrate environmental sustainability concepts and actively promote the synergy of art and environmental protection. The program aims to integrate art into daily life, awakening children's awareness and care for the world around them. Through multi-sensory experiences and creative activities, it guides them to engage with the environment, understand nature, and cherish the planet, sowing seeds of hope for a sustainable future.

The program is built around two core themes: "Art inspiration × Environmental education", focusing on fostering children's creative potential and self-confidence while simultaneously cultivating their sense of responsibility toward society and nature. Through various in-depth activities conducted both on campus and in outdoor settings, enhance students' awareness of ecological conservation and cli mate action, further cultivate artistic literacy and sustainability consciousness, stimulate the revitalization of local educational resources, and more fully embody the corporate commitment to social responsibility and the vision of leading sustainable development.

The following outlines the four main pillars of the program and their implementation status:

Number	Project Name	Project Overview	Implementation Phases	Number of Beneficiary Instances
1	Children's art and craft development program	By integrating art education with cultural equity, the program brings arts and crafts courses to elementary schools near the plant locations, inspiring children's creativity, self-confidence, and emotional expression, and helping them discover their self-worth through art.	7	1,692
2	"365 Days of Tong Hsing · Childlike Heart · Eco-Learning Journey	Students and teachers from elementary schools in New Taipei City were invited to visit the Ju Ming's Works throughout the year without limit. Through multi-sensory courses, the program brings art closer to children, sparks their interest in creative activities, and enhances their artistic literacy and cultural confidence.	21	611
3	Tong Hsing Art to Schools – 2-Day Children's Camp	A two-day art camp held on campus engages children in collaborative creation and performance, allowing them to express creativity, learn teamwork, ignite a passion for art, and broaden their learning horizons and imagination.	10	3,253
4	Tong Hsing Ecological Pond Research and Survey	Using the natural setting of the Ju Ming's Works, the program guides children in ecological observation and restoration activities, allowing them to actively participate in nature conservation and cultivate environmental awareness and initiative	11	560
Total			49	6,116

Photos of Tong Hsing · Childlike Heart · Love the Environment Aesthetic Rooting Collaboration Program

II Public Benefit Activities

1.[LED Lighting Upgrade for Schools Near Plant Locations in New Taipei, Taoyuan, and Hsinchu]

From 2023 to 2024, the Tong Hsing Sustainability Office launched the "Tong Hsing Collaboration – Lighting Up Local Communities" LED charity donation program. Together with supplier Ji-Lan Engineering and volunteer engineers from the Plant Services Center, the team visited schools near Tong Hsing's plants to replace outdated lighting with eye-protective, energy-saving LED fixtures, safeguarding the vision of teachers and students.

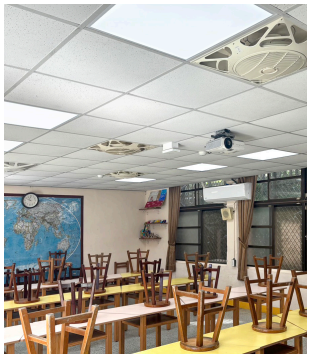
In line with UN SDGs 4, which aims to ensure inclusive, equitable, and quality education and promote lifelong learning, Tong Hsing seeks to address the urban-rural resource gap. Upholding community inclusiveness, the Company prioritizes improving the lighting environment of elementary and junior high schools near its plant locations. The Sustainability Office conducted on-site assessments, personally visiting school principals and administrative offices to understand school operations, facility conditions, and student numbers. Objective factors such as transportation, living infrastructure, and socio-economic conditions were incorporated into the evaluation, selecting schools with limited government funding, long-established campuses, and outdated facilities as the first beneficiaries. This initiative not only helps schools provide better classroom lighting but also alleviates financial pressure from rising electricity costs, supports national green energy policies, reduces carbon emissions from electricity consumption, mitigates temperature rise, and contributes to carbon neutrality.

City	School	Number of Lighting Fixtures	Amount	Number of Beneficiaries	Completion Date
Sanxia Dist., New Taipei City	ChaJiao Elementary School	110	92,243	188	January 23, 2024
Zhudong Township, Hsinchu County	Er Chong Junior High School	252	232,848	820	January 31, 2024
Zhudong Township, Hsinchu County	Zhongshan Elementary School	124	113,956	714	February 7, 2024
Fuxing Dist., Taoyuan City	Xiaoyun Elementary School	121	158,809	47	February 21, 2024
Xinpu Township, Hsinchu County	Xinpu Elementary School	65	136,710	589	December 26, 2024

Photos of LED Lighting Fixture Replacement

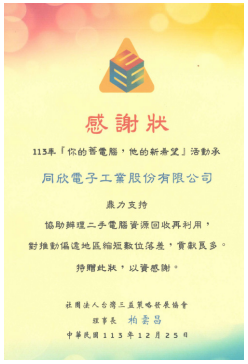




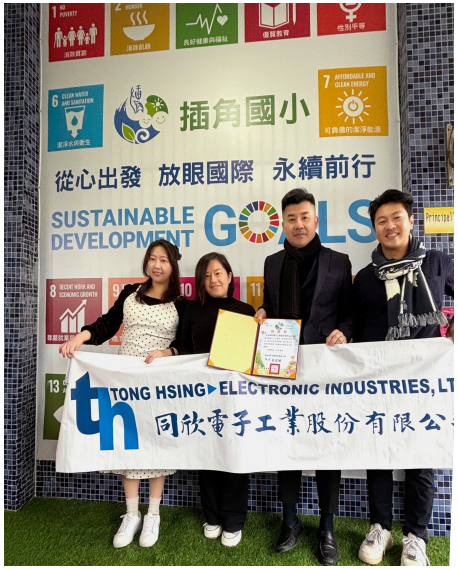


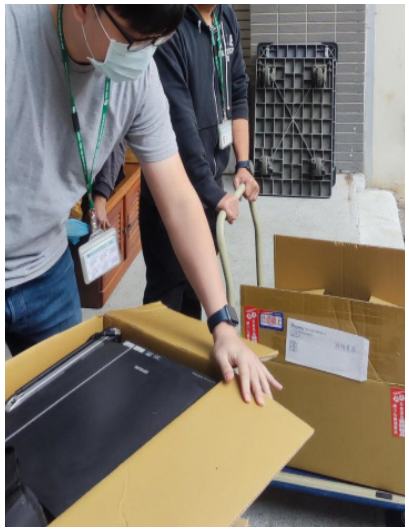
2.Participation in the Taiwan Sanyi refurbished computer dream program

Since 2022, Tong Hsing has consecutively participated for three years in the Triple-E Institute's charity program, "Your Old Computer, Their New Hope." Led by the IT Center, the Company inventories second-hand computers across the group that have reached their service life but remain functional. These computers are collected and refurbished by the association and made available for underprivileged students in national education to apply for. The results from previous years are as follows:


感謝狀
113年「你的舊電腦，他的新希望」活動承
同欣電子工業股份有限公司
鼎力支持
協助辦理二手電腦資源回收再利用，
對推動偏遠地區縮短數位落差，貢獻良多。
特贈此狀，以資感謝。
財團法人台灣三益策略發展協會
理事長 柏雲昌
中華民國113年12月25日

Year	Host Computer	Laptop	Screen	Printer	Server Host	Total
2023	44	20	24	3	7	98
2024	30	15	1	4	0	50





Appendix

GRI Standards Index GRI 1

GRI 2021 Content Index for the Global Reporting Initiative Sustainability Standards

Statement of Use	Tong Hsing reports in accordance with the GRI Standards on the period 2024/01/01 to 2024/12/31.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI Standards	Disclosure Items	Chapter	Page Number
General Disclosures			
GRI 2: General Disclosures 2021	2-1 Organizational details	About Tong Hsing	5
	2-2 Entities included in the organization's sustainability reporting	About Tong Hsing	5
	2-3 Reporting period, frequency and contact point	About the Report	2
	2-4 Restatements of information	About the Report- Restatements of information	2
	2-5 External assurance	Appendix: Independent Third-Party Assurance Statement	117
	2-6 Activities, value chain and other business relationships	Chapter 3 Sustainable Supply Chain Management: 1. Industry Value Chain	47
	2-7 Employees	Chapter 5: Friendly Workplace: 1. Employee Composition and Diversity	69
	2-8 Workers who are not employees	Chapter 5: Friendly Workplace: 1. Employee Composition and Diversity	69
	2-9 Governance structure and composition	Chapter 1 Corporate Governance and Ethical Corporate Management: 1. Corporate Governance Structure	21
	2-10 Nomination and selection of the highest governance body	Chapter 1 Corporate Governance and Ethical Corporate Management: 1. Corporate Governance Structure- Board of Directors Diversity and Independence	22
	2-11 Chair of the highest governance body	Chapter 1 Corporate Governance and Ethical Corporate Management: 1. Corporate Governance Structure- Operation of the Board of Directors	23
	2-12 Role of the highest governance body in overseeing the management of impacts	Decisions on Material Topics	9
		Chapter 1 Corporate Governance and Ethical Corporate Management: 1. Corporate Governance Structure: Operation Status of Functional Committees	25
	2-13 Delegation of responsibility for managing impacts	Decisions on Materialn Topics	9
		Sustainable Management: ESG Implementation Organization	8
		Chapter 1 Corporate Governance and Ethical Corporate Management: 4. Risk Management	30

GRI Standards	Disclosure Items	Chapter	Page Number
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	Sustainable Management: ESG Implementation Organization	8
	2-15 Conflicts of interest	Chapter 1 Corporate Governance and Ethical Corporate Management: 1. Corporate Governance Structure- Fair Governance	23
	2-16 Communication of critical concerns	Decisions on Material Topics	9
		Chapter 1 Corporate Governance and Ethical Corporate Management: 1. Corporate Governance Structure - Remuneration Committee	25
	2-17 Collective knowledge of the highest governance body	Chapter 1 Corporate Governance and Ethical Corporate Management: 1. Corporate Governance Structure - Operation of the Board of Directors- Board of Directors Continuing Education and Collective Intelligence	26
	2-18 Evaluation of the performance of the highest governance body	Chapter 1 Corporate Governance and Ethical Corporate Management: 1. Corporate Governance Structure- Board of Directors Performance Evaluation	26
	2-19 Remuneration policies	Chapter 1 Corporate Governance and Ethical Corporate Management: 1. Corporate Governance Structure - Reasonable Remuneration	24
		Chapter 5 Friendly Workplace: 3. Employee Benefits- Remuneration policies	79
	2-20 Process to determine remuneration	Chapter 1 Corporate Governance and Ethical Corporate Management: 1. Corporate Governance Structure - Reasonable Remuneration	24
		Chapter 5 Friendly Workplace: 3. Employee Benefits- Remuneration policies	79
	2-21 Annual total compensation ratio	Chapter 1 Corporate Governance and Ethical Corporate Management: 1. Corporate Governance Structure - Reasonable Remuneration	24
	2-22 Statement on sustainable development strategy	Message from President	3
	2-23 Policy commitments	Sustainable Management: Sustainable Strategy and Policy	7
		Chapter 4 Sustainable Environment: 1. TCFD Climate-Related Financial Disclosures - Sustainable Environmental Management Policy	56
		Chapter 5 Friendly Workplace: 4. Human Rights Policy	80
	2-24 Embedding policy commitments	Sustainable Management: Sustainable Strategy and Policy	7
		Chapter 4 Sustainable Environment: 1. TCFD Climate-Related Financial Disclosures - Sustainable Environmental Management Policy	56
		Chapter 5 Friendly Workplace: 4. Human Rights Policy	80
	2-25 Processes to remediate negative impacts	Decisions on Material Topics	9
		Chapter 1 Corporate Governance and Ethical Corporate Management: 2. Ethical Corporate Management - Channels for Reporting Complaints and Appeals	27
	2-26 Mechanisms for seeking advice and raising concerns	Chapter 1 Corporate Governance and Ethical Corporate Management: 2. Ethical Corporate Management - Channels for Reporting Complaints and Appeals	27
	2-27 Legal Compliance	Chapter 1 Corporate Governance and Ethical Corporate Management: 3. Legal Compliance	28
	2-28 Membership associations	Chapter 6 Social Prosperity: 1. Social Participation	104
	2-29 Approach to stakeholder engagement	Decisions on Material Topics	9
	2-30 Collective bargaining agreements	No labor union has been established: future decisions will be made based on employees' opinions.	N/A

GRI Standards	Disclosure Items	Chapter	Page Number
Material Topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Decisions on Material Topics	9
	3-2 List of material topics	Decisions on Material Topics	9
1. Corporate Governance and Ethical Corporate Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	Decisions on Material Topics	9
GRI 205 Anti-corruption	205-3 Confirmed incidents of corruption and actions taken	Chapter 1 Corporate Governance and Ethical Corporate Management: 3. Legal Compliance	28
GRI 206 Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Chapter 1 Corporate Governance and Ethical Corporate Management: 2. Ethical Corporate Management- Practical Measures Against Corruption	26
2. GHG emissions			
GRI 3: Material Topics 2021	3-3 Management of material topics	Decisions on Material Topics	9
GRI 302: Energy	302-1 Energy consumption within the organization	Chapter 4 Sustainable Environment: 2. Greenhouse Gas Emissions and Energy Management	59
	302-3 Energy intensity		
	302-4 Reduction of energy consumption		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Chapter 4 Sustainable Environment: 2. Greenhouse Gas Emissions and Energy Management	59
	305-2 Energy indirect (Scope 2) GHG emissions		
	305-3 Other indirect (Scope 3) GHG emissions		
	305-5 Reduction of GHG emissions		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Chapter 4 Sustainable Environment: 5. Waste Generation and Management	65
	306-2 Management of significant waste-related impacts		
	306-3 Waste generated		
	306-4 Waste diverted from disposal		
	306-5 Waste directed to disposal		

GRI Standards	Disclosure Items	Chapter	Page Number
3. Social Participation/Community Engagement			
GRI 3: Material Topics 2021	3-3 Management of material topics	Decisions on Material Topics	9
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Chapter 6 Social Prosperity: 1. Social Participation	104
4. Sustainable Value Chain			
GRI 3: Material Topics 2021	3-3 Management of material topics	Decisions on Material Topics	9
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Chapter 3 Sustainable Supply Chain: 2. Supply Chain Management Policies and Measures	47
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	Chapter 3 Sustainable Supply Chain: 2. Supply Chain Management Policies and Measures	47
5. Human Resource Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	Decisions on Material Topics	9
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Chapter 5 Friendly Workplace: 1. Employee Composition and Diversity - New Hires and Employee Turnover	71
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Chapter 5 Friendly Workplace: 3. Employee Benefits	78
	401-3 Parental leave	Chapter 5 Friendly Workplace: 3. Employee Benefits - Parental Leave	79
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Chapter 5 Friendly Workplace: 2. Talent Recruitment and Development	73
	404-2 Programs for upgrading employee skills and transition assistance programs		
	404-3 Percentage of employees receiving regular performance and career development reviews		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Chapter 5: Friendly Workplace: 1. Employee Composition and Diversity	69

Other Disclosures

GRI Standard	Disclosure Items	Chapter	Page Number
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Chapter 3 Sustainable Supply Chain Management: 4.Local Procurement	50
GRI 303: Water and Effluents	303-1 Interactions with water as a shared resource	Chapter 4 Sustainable Environment: 4. Water Resource Management	62
	303-2 Management of water discharge-related impacts		
	303-3 Water withdrawal		
	303-4 Water discharge		
	303-5 Water consumption		
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Chapter 4 Sustainable Environment: 3. Air Pollution Control	61
GRI 403	403-1 Occupational health and safety management system	Chapter 5 Friendly Workplace: 5. Occupational Safety and Health	81
	403-2 Hazard identification, risk assessment, and incident investigation		
	403-3 Occupational health services		
	403-4 Worker participation, consultation, and communication on occupational health and safety		
	403-5 Worker training on occupational health and safety		
	403-6 Promotion of worker health		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
	403-8 Workers covered by an occupational health and safety management system		
	403-9 Work-related injuries		
	403-10 Work-related ill health		
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Chapter 2 Financial Performance and Innovative Products and Services: 3. Quality Management System	43
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Chapter 2 Financial Performance and Innovative Products and Services: 3. Quality Management System	43
	417-2 Incidents of non-compliance concerning product and service information and labeling		
	417-3 Incidents of non-compliance concerning marketing communications		

SASB Index - Semiconductor Industry

Disclosure Topic	SASB Indicator Number	Disclosure Indicators	Nature	Summary
GHG Emissions	TC-SC-110a.1	Global Total Emissions (Scope 1)	Quantification	Total Scope 1 GHG Emissions: 763.6594 (tCO_2e)
		Total PFC emissions		PFC emissions were 0
	TC-SC-110a.2	Discussion of long-term and short-term strategies or plans, emission reduction targets, and performance analysis related to Scope 1 emissions management	Quantification	The Company expects to adopt 2024 as the base year. From 2025 to 2026, emissions will be reduced by 2% compared with the base year. From 2027 to 2030, emissions will be reduced by 4–8% each year compared with the base year, resulting in a total carbon reduction of 30% by 2030.
Energy Management in the Manufacturing Process	TC-SC-130a.1	Total Energy Consumption	Quantification	440,681.9843 GJ
		The proportion of electricity consumption from the power grid to total energy consumption		99.55%
		The proportion of electricity consumption from the renewable energy to total energy consumption		Renewable Energy Usage (GJ)/Total Energy Consumption (GJ) = 680.7655/440,681.9843 = 0.15%
Water Resource Management	TC-SC-140a.1	Total water withdrawal and proportion from high water-stress areas	Quantification	The Philippines plant is located in a high water-stress area Proportion of High Water-Stress Areas: 658,377/1,338,726 = 49.18%
Waste Management	TC-SC-150a.1	Hazardous waste generated in the manufacturing process and recycling rate	Quantification	The amount of hazardous waste is 468.2419 metric tons. Recycling Rate: 65.52%
Labor Health and Safety	TC-SC-320a.1	Percentage of employees requiring work visas	Quantification	Please refer to the Occupational Health and Safety section.
	TC-SC-320a.2	Total monetary losses as a result of legal proceedings associated with employee health and safety violations	Quantification	The company has no significant violations in the area of worker health and safety
Recruitment and Management of Global and Technical Labor	TC-SC-330a.1	Percentage of employees requiring work visas	Quantification	Taipei Plant: 18.22% Longtan Plant: 20.87% Zhubei Plant: 37.98% Bade Plant: 20.77%Philippines: 0.27%
Product Life Cycle	TC-SC-410a.1	Proportion of revenue from products containing substances listed in IEC 62474	Quantification	The Company does not maintain statistics related to IEC 62474. In response to customer requirements, hazardous substance management follows RoHS and Halogen Free limit standards.
	TC-SC-410a.2	Products comply with energy efficiency standards for (a) servers, (b) laptops, and (c) desktop computers	Quantification	The Company's products are not applicable to the following downstream sectors.
Raw Material Procurement	TC-SC-440a.1	Description of risk management approaches for the use of critical materials	Quantification	The Company currently has sufficient supply of raw materials. Please refer to the description of supply chain management policies and measures.
Intellectual Property Protection and Competitive Practices	TC-SC-520a.1	Total monetary losses resulting from legal proceedings related to anti-competitive behavior	Quantification	In 2024, there were no incidents of non-compliance, and the total financial loss amounted to NT$0.
Activity Indicators	TC-SC-000.A	The total production volume of own manufacturing facilities and production service contracts should be disclosed	Quantification	The Company's main product output in 2024: 2,753,463 ea
	TC-SC-000.B	Proportion of products manufactured using company-owned equipment	Quantification	The Company's main product output in 2024: 2,753,463 ea, with 100% produced in company-owned facilities.

Climate-Related Disclosures of Listed Companies

Item	Implementation Status
Describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.	The Board of Directors serves as the highest governing body for climate-related matters at Tong Hsing, participating in the formulation of climate-related policies and overseeing the implementation of related actions. This includes risk identification and strategy development across the Company, ensuring that Tong Hsing has appropriate measures and adaptive approaches to address climate-related risks and opportunities.
Describe how the identified climate-related risks and opportunities affect the Company's business, strategy, and financials over the short, medium, and long term.	Chapter 4 Sustainable Environment: 1. Climate-Related Financial Disclosures
Describe the financial impacts of extreme weather events and transition-related actions	Chapter 4 Sustainable Environment: 1. Climate-Related Financial Disclosures
Describe how the identification, assessment, and management of climate-related risks are integrated into the Company's overall risk management framework	Chapter 4 Sustainable Environment: 1. Climate-Related Financial Disclosures
If scenario analysis is used to assess resilience to climate-related risks, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts employed.	Chapter 4 Sustainable Environment: 1. Climate-Related Financial Disclosures
If transition plans have been implemented to manage climate-related risks, describe the plan's content and the metrics and targets used to identify and manage both physical and transition risks.	Chapter 4 Sustainable Environment: 1. Climate-Related Financial Disclosures
If internal carbon pricing is used as a planning tool, describe the basis for setting the price	Pending Execution
If climate-related targets are set, describe the activities covered, GHG emission scopes, planning timeline, and annual progress toward achievement. If carbon offsets or renewable energy certificates (RECs) are used to meet these targets, specify the sources and amounts of the offset credits or the number of RECs applied.	The Company adopted 2024 as the base year. From 2025 to 2026, emissions will be reduced by 2% compared with the base year. From 2027 to 2030, emissions will be reduced by 4–8% each year compared with the base year, resulting in a total carbon reduction of 30% by 2030.
GHG inventory and verification status, along with reduction targets, strategies, and specific action plans (See pages 1-1 and 1-2 for details)	Chapter 4 Sustainable Environment: 3. Energy Saving and Carbon Reduction

1-1 GHG inventory and verification status for the Most Recent Two Years

1-1-1 GHG Inventory Information

Describe GHG emissions for the most recent two years(in tCO_2e),intensity(tCO_2e/NT$ million)and data coverage scope

Year	Emissions (tCO_2e)	Output Value (million)	Intensity (tCO_2e/NT$ million)	Data Coverage Scope
2022	80,839.23	14,071.59	5.74	The Taipei Plant includes the Taipei Headquarters Office, and the Zhubei Plant includes the Chang Yih Office.
2023	87,747.21	11,584.90	7.57	Including the Chang Yih Office, Zhubei Plant has added Bade Plant.
2024	146,918.53	12,090.99	12.15	Taipei, Longtan, Bade, Zhubei, Philippines

Note1:Scope 1 refers to direct emissions directly from sources owned or controlled by the Company. Scope 2 covers energy indirect emissions, which are indirect GHG emissions resulting from the consumption of purchased electricity, heat, or steam. Scope 3 includes other indirect emissions, which are emissions generated by the Company's activities that are not energy-related and originate from sources owned or controlled by other entities.

Note2:Greenhouse Gas Inventory Standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note3:The intensity of GHG emissions can be calculated per unit of product, service, or revenue: however, it is mandatory to specify at least the data calculated based on revenue (NT$ million).

1-1-2 Greenhouse Gas Assurance Information

Description of the assurance situation over the past two years, including the scope of assurance, assurance institutions, assurance standards, and assurance opinions.

Year	Assurance Scope	Assurance Institution	Assurance Standards	Assurance Opinions
2022	Taiwan Plant + Philippines Plant	TUV NORD	ISO14064-1	Scope 1 and 2: Reasonable Assurance: Scope 3: Limited Assurance
2023	Taiwan Plant + Philippines Plant	TUV NORD	ISO14064-1	Scope 1 and 2: Reasonable Assurance: Scope 3: Limited Assurance
2024	Taiwan Plant + Philippines Plant	TUV NORD	ISO14064-1	Scope 1 and 2: Reasonable Assurance: Scope 3: Limited Assurance

Note:The assurance institution complies with the requirements for sustainability report assurance as established by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

1-2 Greenhouse Gas Reduction Targets, Strategies, and Action Plans

Describe the base year and its data for GHG reductions, the reduction targets, strategies, specific action plans, and the progress toward achieving the targets.

Based on the Company's GHG emissions distribution, electricity is identified as the main source of emissions. In the future, the Company will continue to implement reduction plans for electricity use and increase the use of renewable energy. Using 2024 as the baseline year, the Company targets a 2% reduction in emissions from 2024 to 2026 compared with the baseline. From 2027 to 2030, annual reductions of 4–8% are planned relative to the baseline year, resulting in a cumulative 30% reduction by 2030, equivalent to an estimated decrease of 17,214 tCO_2e.

Note:The base year should be the year in which the greenhouse gas inventory was completed according to the consolidated financial reporting boundary. For companies with a capital of over NT$10 billion that have completed the inventory in advance of the consolidated financial report, the earlier year may be used as the base year. Additionally, the base year data may be calculated using a single year or the average of multiple years.

Sustainability Disclosure Indicators — Semiconductor Industry

Number	Item	Indicator Type	Annual Disclosure Status	Unit	Remarks
I	Total energy consumption, percentage of purchased electricity, and renewable energy usage rate	Quantification	440,681.9843 GJ 99.55% Renewable Energy Usage Rate: 0.15%	One billion GJ, Percentage (%)	
II	Total Water Withdrawal and Total Water Consumption	Quantification	1,338,726 m^3 229,310 m^3	Cubic Meter (m^3)	
III	Weight of hazardous waste generated and percentage recycled	Quantification	468.2419 t 65.52 %	Metric ton (t), Percentage (%)	
IV	Description of Occupational Hazard Categories, Number of Cases, and Rates	Quantification	Temporary Total Disability: 12 cases Recordable Total Recordable Incident Rate (TRIR) Taipei 1.01, Bade 1.98, Longtan 0, Zhubei 1.11, Philippines 2.15	cases ratio	Please refer to the occupational health and safety section for details on work-related incidents
V	Disclosure on product lifecycle management: including the weight of scrapped products and electronic waste, and the percentage recycled	Quantification	In 2024, the weight of scrapped products and electronic waste (including metal scraps) amounted to 60.22 tons, with a recycling rate of 8.09%.	Metric ton (t), Percentage (%)	
VI	Description of risk management related to the use of critical materials	Qualitative Description	The Company currently has sufficient supply of raw materials. Please refer to the supplier management section for details.	NA	
VII	Total monetary losses resulting from legal actions related to anti-competitive conduct	Quantification	None	Reporting Currency	
VIII	Main Product Output by Product Category	Quantification	2,753,463	ea	Different product types require the use of different units.

ISO 14064-1: 2018 Independent Third-Party Assurance Statement

TÜVNORD

OPINION

Greenhouse Gases Verification Opinion
ISO 14064-1 : 2018

Gives to

TONG HSING ELECTRONIC INDUSTRIES, LTD.

Office Address

No. 88, Ln. 1125, Heping Rd., Bade Dist., Taoyuan City, Taiwan (R.O.C.)

The quantity of Greenhouse Gas of the above organization and found to be in accordance with ISO 14064-3:2019. (detailed information please refer to next page)

Report Year	:	2024	
Greenhouse Gases			
Direct Emissions	:	763.6594	CO2-e Tonnes/ year
Energy Indirect Emissions(Category2)	:	63,860.0185	CO2-e Tonnes/ year
Other Indirect Emissions (Category3-6)	:	82,294.8608	CO2-e Tonnes/ year
Sum	:	146,918.539	CO2-e Tonnes/ year
Materiality	:	5%	
Reasonable Assurance	:	Direct and Energy Indirect Emissions	
Limited Assurance	:	Category3-6	

Opinion No.: GHG-253336100
Version: V1.1
Verify Date: 2025-05-05

Issue Date: 2025-06-30

Verification Body
at TUV NORD Taiwan Co., Ltd.

TUV NORD Taiwan Co., Ltd.
Room A1, 9F, No.333, Sec.2,
Tun Hua S. Rd.
Taipei 10669 Taiwan, R.O.C.

Further clarifications regarding the scope of this opinion and the applicability of the standard may be obtained by consulting the organization

TUV NORD Taiwan Co., Ltd. Room A1, 9F, No. 333, Sec. 2, Tun Hua S. Rd., Taipei, Taiwan www.tuv-nord.com/tw/en

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OPINION

Appendix to Opinion No. GHG-253336100
ISO 14064-1 : 2018

TUV NORD Taiwan Co., Ltd (hereinafter referred to as "TUV NORD") has been contracted with TONG HSING ELECTRONIC Industries, LTD. (hereinafter referred to as "TONG HSING"), No. 88, Ln. 1125, Heping Rd., Bade Dist., Taoyuan City, Taiwan (R.O.C.) for the verification of direct and indirect greenhouse gas emissions in accordance with ISO 14064-3:2019. In the GHG Opinion in the form of GHG report covering GHG emissions of the period 2024-01-01 to 2024-12-31.

Roles and responsibilities

The management of TONG HSING is responsible for the organization's GHG information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of GHG emissions information and the reported GHG emissions.

TUV NORD conducted a third party verification to express an independent GHG verification opinion on the GHG emissions as provided in the GHG Opinion for the period year 2024.

Level of Assurance

The level of assurance agreed are that of reasonable assurance for category 1 and 2; Limited level assurance from category 3 to 6.

Scope

Verification of GHG emissions within the organization's boundary and is based on ISO 14064-3:2019.

Location/Boundary of the activities:

Company	Address
TONG HSING ELECTRONIC Industries, LTD.	No. 88, Ln. 1125, Heping Rd., Bade Dist., Taoyuan City, Taiwan (R.O.C.)
	No. 55, Ln. 365, Yingtao Rd., Yingge Dist., New Taipei City 239, Taiwan (R.O.C.)
	No. 108 and 77, Ln. 365, Yingtao Rd., Yingge Dist., New Taipei City, Taiwan (R.O.C.)
	No. 84, Taihe Rd., Zhubei City, Hsinchu County, Taiwan (R.O.C.)
	Rm. 1, 2, 3, 5, 6, 7 & 8, 6F., No. 1, Huanke 1st Rd., Zhubei City, Hsinchu County, Taiwan (R.O.C.)
	No. 10, Mayuan 7th St., Zhubei City, Hsinchu County, Taiwan (R.O.C.)
	No. 21, Longyuan 5th Rd., Longtan Dist., Taoyuan City, Taiwan (R.O.C.)
	No. 500, Meilong Rd., Longtan Dist., Taoyuan City, Taiwan (R.O.C.)
	103 Prosperity Ave., Carmelray Ind'l Park Canlubang, Calamba City Philippines

- Types of GHGs included: CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3
- The IPCC 2021 AR6 GWP values are applied in the inventory.
- GHG information for the following period was verified on 2025-03-25 to 2025-05-05.

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The GHG emissions are described as below:

GHG emissions categorization		Description	GHG emission (tonnes of CO_2e per year)
Direct Emissions/ Category 1		Occur from GHG sources inside organizational boundaries and that are owned or controlled by the organization.	763.6594
Energy Indirect Emissions	Category 2	Indirect GHG emissions from imported energy	63,860.0185
Indirect Emissions	Category 3	Indirect GHG emissions from transportation	3,805.7376
	Category 4	Indirect GHG emissions from products used by an organization	78,489.1232
	Category 5	Indirect GHG emissions associated with the use of products from the organization	Undisclosed
	Category 6	Other sources	Undisclosed
Direct Emissions and Indirect Emissions			146,918.539

The GHG emissions categorization are based on Annex B of ISO14064-1:2018.

Intended User of Verification Opinion: Organizations use for their own reference.

Confidentiality

The reports and appendix are not allowed to be edited, duplicated, or published without the clients' agreement.

Avoidance of Conflict of Interest

The reports was verified with fairness and honestly.

Verifiers Group

According as the above opinion were judgement by TUV NORD.

Verification Body
at TUV NORD Taiwan Co., Ltd.

TUV NORD Taiwan Co., Ltd.
Room A1, 9F, No.333, Sec. 2,
Tun Hua S. Rd.
Taipei 10669 Taiwan, R.O.C.

Further clarifications regarding the scope of this opinion and the applicability of the standard may be obtained by consulting the organization

TUV NORD Taiwan Co., Ltd. Room A1, 9F, No. 333, Sec. 2, Tun Hua S. Rd., Taipei, Taiwan www.tuv-nord.com/tw/en

TÜV NORD Verification Statement

TÜVNORD

Assurance Statement

TONG HSING ELECTRONIC INDUSTRIES, LTD. Sustainability Report

TUV NORD Taiwan Co., Ltd. (hereinafter referred to as TUV NORD) was commissioned by TONG HSING ELECTRONIC INDUSTRIES, LTD. (hereinafter referred to as TONG HSING ELECTRONIC) to perform the 2024 Sustainability Report Verification (hereinafter referred to as Sustainability Report) in accordance with the AA1000 Assurance Standard Version 3 and the GRI Sustainability Reporting Standards (GRI Standards) and related assurance standards.

The Scope of Statement and Assurance Standards

1) The scope of assurance is consistent with the scope of disclosure in TONG HSING ELECTRONIC 2024 Sustainability Report, which covers the period from 1 January 2024 to 31 December 2024.
2) The verification of compliance with the AA1000 Principles of Accountability for TONG HSING ELECTRONIC bases on the AA1000 Assurance Standard, Third Edition, Application Type I that does not include verification of the reliability of the information/data disclosed in the report.
3) Sustainability Accounting Standards Board (SASB) Semiconductor industry sustainability accounting metrics.
4) Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Sustainability Disclosure Indicators – Semiconductor Industry.
5) TCFD Climate Related Financial Disclosure Recommendation.

Intended Users

The intended users of this statement are the stakeholders of TONG HSING ELECTRONIC.

Assurance Type and Level

In accordance with the requirements of the AA1000 Assurance Standard, Third Edition, Application Type I Moderate of Assurance Level.

Opinion Statement

TONG HSING ELECTRONIC complies with the GRI sustainability reporting and AA1000 accountability principles of inclusivity, materiality, responsiveness and impact. The sustainability report presents the commitment of top management, the needs and expectations of stakeholders. To achieve sustainability performance indicators by stakeholders' engagement.

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We assure that TONG HSING ELECTRONIC complies with the SASB Semiconductor industry sustainability accounting standards to disclose relevant metrics

We assure that TONG HSING ELECTRONIC complies with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Sustainability Disclosure Indicators – Semiconductor Industry.

We assure that TONG HSING ELECTRONIC complies with TCFD's climate-related financial disclosure recommendations and discloses relevant metrics.

Methodology

The verification is in accordance with the above stated assurance standards and the TUV NORD Sustainability Report Verification Agreement.

Our verification includes the following activities:

* Collect objective evidence of relevant performance metrics, as mentioned in the report.
* Assurance of expectations of local or national regulations; international standards as set forth in public opinion and/or expert opinion are relevant to such general considerations.
* Document review records and report content assessment in the context of GRI criteria application requirements.
* Interviews with managers and related staff on issues of concern to the company's stakeholders.
* Interviews with personnel involved in sustainability management, information gathering and report preparation.
* Review significant organizational developments and review internal and external audit findings.
* Review AA1000 (2018) Principles of Accountability and other compliance requirements.

Conclusion

The results of the AA1000 accountability standard for inclusivity, materiality, responsiveness and impact in the report are set out below.

Inclusivity

TONG HSING ELECTRONIC identifies 8 stakeholders and their concerns via the questionnaire method, and decides materiality through stakeholder discussions, sustainability committees and experts. There are 5 material topics determined among the 18 sustainability topics including economic, governance, social, human rights and climate impact.

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Materiality

TONG HSING ELECTRONIC complies with the GRI Standard , SASB Semiconductor industry sustainability Indicators disclosure related metrics, Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Sustainability Disclosure Indicators – Semiconductor Industry, and TCFD Climate Related Financial Disclosure Proposed Indicators to fully disclose the company's material risks and opportunities, taking into account the extent of impact on the company and prioritize the materiality of the report.

Responsiveness

TONG HSING ELECTRONIC Sustainability Report clearly describes the relationship between sustainability and organizational strategy and the performance metrics corresponding to the materiality and their achievement status and adequately addresses the main issues of concern to stakeholders.

Impact

TONG HSING ELECTRONIC Sustainability Report fully identifies materiality that reflect the significant economic, environmental, and social impacts on the organization. The company has established a robust process to monitor and measure the impact and establish short, medium, and long-term strategic planning through corporate governance.

GRI Sustainability Reporting Standards

TONG HSING ELECTRONIC Sustainability Report complies with the GRI 1 to GRI 3 Universal Standards and the GRI 200 Series, GRI 300 Series and GRI 400 Series topic standards, and meet the requirements for disclosure.

Limitations

The financial report was certified by Klynveld Peat Marwick Goerdeler (KPMG Taiwan), the accounting firm appointed by the company.

Independent Statements and Competence

TUV NORD Group is a leader in the supervision, testing and certification. It operates businesses and provides services in more than 150 countries around the world. The services include management systems and product certification; quality, environmental safety, social and moral audits and training; corporate sustainability report assurance.

TÜVNORD

TUV NORD and TONG HSING ELECTRONIC are mutually independent organizations, and there is no conflict of interest with TONG HSING ELECTRONIC or any of its affiliates or interested parties when performing the verification of the sustainability report. Regarding the sustainability report of TONG HSING ELECTRONIC, TUV NORD bases on the TONG HSING ELECTRONIC verification agreement, and does not assume any legal or other responsibilities. TONG HSING ELECTRONIC is responsible for responding to any questions that intended users concerned.

The verification team is composed of experienced chief reviewers such as ISO 9001, ISO 14001, ISO 14064-1, ISO 14067, ISO 45001, SA 8000, ISO 50001, ISO 27001 etc., and has received the CSAP verification practice qualification certification of AA1000 AS v3 accountability training. The verification team bases on extensive knowledge and experience in the industry to provide professional advice in this assignment.

Jack Yeh
General Manager
Date of Issuance: 2025.07.21
TUV NORD Taiwan Co., Ltd.
Room A1, 9F, No. 333, Sec. 2, Tun Hua S. Rd., Taipei 10669 Taiwan, R.O.C.

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