



TaiHan Precision Technology 2024 ESG REPORT

ESG.

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## Foreword (Divider Page)

### **Message from the Chairman**

#### **GRI 2-22**

Looking back at 2024, both domestic and international political and economic environments experienced significant turbulence. Combined with a series of major natural disasters, increasing social polarization, and breakthroughs in artificial intelligence (AI) technology, global sustainable development has fallen seriously behind, making the urgency of sustainable business practices more critical than ever.

Therefore, in this year, TaiHan Precision Technology (THPT) is committed to enhancing the Company's resilience, expanding its business deployment, implementing risk control, and maintaining stable profitability. In addition to focusing on its core business, it has also actively fulfilled its responsibilities as a global citizen by inviting suppliers to join efforts in energy conservation and carbon reduction. In 2024, a total of 46 suppliers signed the "Green Low-Carbon Commitment," working together to invest in low-carbon production and gradually increase the use of renewable energy (including green power and green certificates) to actively reduce the impact of the Company's operations on the environment.

#### **Environmental Sustainability:**

In 2024, disasters caused by extreme weather events took place worldwide. Facing potential climate risks, THPT continued to identify short-, medium-, and long-term climate risks and opportunities through the TCFD framework, set specific targets, and estimate the potential financial impact on the Company's operations. To reduce carbon emissions, we plan to install 2,000 kWp of solar panels by 2026 and expand to 4,000 kWp by 2030. We also aim to maintain operational resilience across all factories by adhering to ISO 14064 inventory standards, completing carbon emissions calculations for all facilities, and implementing an internal energy-saving program.

#### **Sustainable Corporate Governance:**

In terms of corporate governance, THPT has ranked within the top 6-20% of TPEx-listed companies for three consecutive years in the Corporate Governance Evaluation, and received a "Silver Award" in its first participation in the TCSA Taiwan Corporate Sustainability Report Award, demonstrating its continued strong competitiveness in sustainable governance and stakeholder communication. In addition, the Company also launched the "Information Month" initiative to enhance colleagues' information security awareness for the first time; and the publication of the "Ethical Corporate Management Procedures and Code of Conduct" to clarify THPT's internal reward and punishment system for ethical conduct, both demonstrate the Company's commitment to sustainable governance.

### **Social Sustainability and Shared Prosperity:**

THPT value talent recruitment and retention. In 2024, we implemented annual salary adjustments, enhanced employee welfare programs, and utilized human rights and satisfaction surveys to track improvements and help employees achieve work-life balance.

In terms of social contribution, THPT's various factories collectively held 10 public welfare activities. Beyond the originally planned blood drives, beach cleanups, and donations, the Company also actively participated in donating materials and funds in response to the powerful typhoons that affected its Vietnam and Philippines factories, contributing to local community relief and subsequent reconstruction efforts, and fulfilling its corporate social responsibility.



## **About the Report**

#### **GRI 2-3**

#### To our esteemed readers

Thank you for reading the fourth Sustainability Report issued by TaiHan Precision Technology (stock code: 1336, hereinafter referred to as "THPT"). Through this report, we will disclose our strategies, management guidelines, and performance regarding each material topic. We hope that our stakeholders can gain a better understanding of our efforts and achievements in implementing sustainable corporate operations.

#### **Basis of Data Calculation**

The statistics of the indicators disclosed in this report are based on the statistics and surveys conducted by the various departments of THPT. The financial data source is the financial statements audited and publicly released by PwC Taiwan. Some of the data is based on data published by government agencies and presented using standard numerical descriptions. Any data requiring conversion will be specifically noted in the report.

#### Standards Followed

Announcement unit	Guidelines and standards followed
Global Sustainability Standards Board (GSSB)	GRI Standards – 2021
AccountAbility (AA)	AA1000 Stakeholder Engagement Standards
	(SES)
Taipei Exchange	Rules Governing the Preparation and Filing of
	Corporate Sustainability Reports by TPEx
	Listed Companies

#### **Report Management Method**

The information in this report was collected and compiled by staff from each department, and then submitted to department heads for review and confirmation. After all data has been compiled, it will undergo a multi-level review by the heads of each department to ensure accuracy. Following external verification, the report will be released upon approval by the Sustainability Committee and the Board of Directors.

#### **Report Quality**

The report has been approved by the Executive Vice President and the Board of Directors, and verified by BSI in accordance with the AA1000AS v3 Type 1 standard based on the GRI framework. This is to ensure that the report meets the core principles of inclusiveness, materiality, responsiveness, and impact

#### **Boundaries and Scope of the Report**

The reporting period is from January 1 to December 31, 2024. The scope of information covers responses and actions related to key topics – environmental protection, social engagement, and corporate governance – at operating locations in Taiwan, China, Vietnam, and the Philippines (the reporting period and scope are consistent with those of the annual report).

#### **Contact Information**

If you have any opinions or inquiries regarding this report, please contact us.

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Tel. 886-3-3112025

#### **About THPT**

Company ProfileGRI 2-1, 2-2

Established in 1987, THPT was listed on the TPEx in 2007. It mainly focuses on the export of mold design, development, and production, as well as plastic injection, coating, and assembly products. We have been adhering to the business philosophy of "Prioritize Customer, Ultimate Quality" for many years, with a vision to become the industry-leading professional mechanical parts supplier. We create a win-win situation with our customers through advanced technology and comprehensive talent cultivation programs

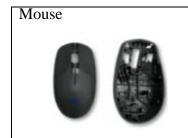
and a robust development environment.

In order to achieve supply chain vertical integration, technological independence, and better customer service, THPT established "TaiHan Mold Products (Dongguan) Co., Ltd." in China in 2004, and added forming, surface treatment, and assembly departments to provide a complete range of services from mold development and finished product injection molding to assembly. In light of Vietnam's strong investment growth potential in recent years, YongHan Precision Technology Co., Ltd. was established in Hai Duong Province, near Hanoi, in 2006 to provide customers with related products and technical services. After more than 15 years of dedicated operation, the Company has achieved significant results. In 2012, the Company expanded its production capacity to the Philippines to align with customer production growth. TaiHan Precision Technology (Philippines) Co., Inc. was established in the LIMA Technology Center near Manila to provide local supply and further expand into the Southeast Asian market. In March 2024, construction began on a second factory in Hai Duong Province, Vietnam, expected to be officially operational in 2025. The new facility, in addition to existing capabilities in mold making, forming, assembly, and printing, will include the latest automated spraying and assembly lines, enabling the Company to offer product sub-assembly services and strengthen customer relationships.

Name of the Company	TaiHan Precision Technology Co., Ltd.			
Industry category	Manufacture of Electronic Parts and Components, Manufacture of			
		national Trade	_	
Main products and			e of various precision mo	olds, jigs, and
services	plastic forming		_	
Address of the	1F, No. 568, S	Section 1, Minsh	eng North Road, Guisha	n District,
Headquarters		(Relocated in A		
Total number of	Four factories in Taiwan, China, Vietnam, and the Philippines.			
operating locations				
Markets served			Hanoi)/Philippines (Mani	la)
Number of employees	1,436 employ			
Net sales	NT\$2.56 billi			
Capital	NT\$780 milli			
Date of establishment	August 28, 19	987		
Production volume and		Molds (set)	972	
value		wiolus (sct)	873	
		Plastic (piece)	391,535,144	

#### **Products and Services**

Item	Introduction	Item	Introduction
Office machines	The mechanical parts of printers and multi-	Video/recording equipment	During the pandemic, demand for remote
	function devices benefit from THPT's years of manufacturing experience, making us a trusted partner to our customers.	equipment (	meetings and videoconferencing surged, and both production and demand grew steadily.



THPT provides customers with highquality, low-cost options to enhance their competitive advantages.

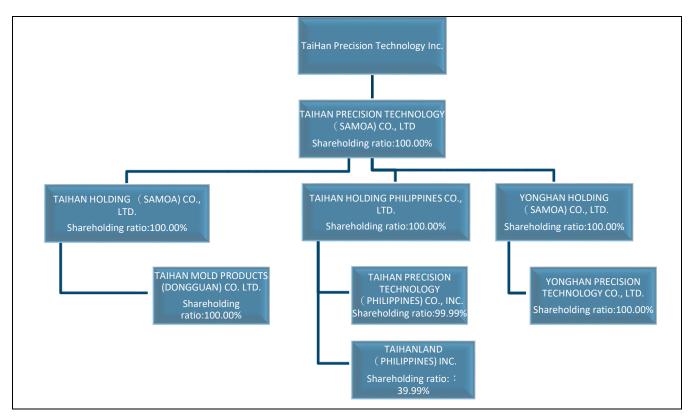


Plastic forming

THPT integrates upstream and downstream companies to provide customers with one-stop services, making communication easier and more accurate for customers at different stages of product development.

Affiliated Enterprises

In order to actively implement overseas investment and achieve vertical integration of the supply chain, technology autonomy, and provide better services to customers, THPT holds equity interests in eight invested companies, namely: TaiHan Precision Technology (Samoa) Co., Ltd., TaiHan Holding (Samoa) Co., TaiHan Mold Products (Dongguan) Co., Ltd., YongHan Holding (Samoa) Co., Ltd., YongHan Precision Technology Co., Ltd., TaiHan Holding Philippines Co., Ltd., TaiHan Precision Technology (Philippines) Co., and TaiHanland (Philippines) Inc. The list is consistent with the scope of the Company's publicly disclosed financial reports. The relevant shareholding ratios are as follows:



## Participation in External Organizations and Initiatives GRI 2-28

In the face of the complex challenges and impacts of the external environment, THPT, as a global corporate citizen, will strive to collaborate with stakeholders to promote sustainable development initiatives, including key issues such as climate change, environmental protection, corporate governance, labor rights, and supply chain management.

governance, labor rights, and supply chain management.

To establish a culture of equality, inclusion, and open communication, THPT has formulated a human rights policy, supporting and adhering to the principles and spirit of international human rights conventions including the United Nations' "Universal Declaration of Human Rights," "Guiding Principles on Business and Human Rights," "Global Compact," and International Labour Organization's "Declaration of Fundamental Principles and Rights at Work".

# 01 Sustainable Management Strategy (Divider Page)

## 1.1 Sustainability Performance

Environmental	Social	Governance
1. The 2024 electricity saving	1. There were <b>no major</b>	1. Ranked among the top 2% -
plan saved 55,621 kWh of	occupational accidents at all	10% of TPEx-listed
electricity.	factories of THPT for three	companies with a
2. Completed the supplier	consecutive years.	capitalization under NT\$5
conflict mineral investigation,	2. Following the powerful	billion in the 10th Corporate
with 0% of suppliers using	typhoon in Vietnam and the	Governance Evaluation.
conflict minerals.	Philippines, the Company	2. TCSA 2024 Sustainability
	immediately provided	Report Award: Silver Award
	assistance with rescue efforts	3. Ethical Corporate
	and donations to support local	Management Training
	reconstruction.	Completion Rate: 100%
	3. Latest News has been added	4. Accumulated <b>net profit</b>
	to the official website; a total	after tax of NT\$160 million
	of four news were published	in 2024
	in 2024.	

## 1.2 Sustainable Management Goals of THPT Technology

Upholding the business philosophy of "Prioritize Customer, Ultimate Quality," THPT pursues steady business operations in the industry and values harmony with the natural environment. In recent years, it has also been committed to sustainable development. The Company regularly tracks short-term and mid-term goals related to environmental, social (human rights), and governance issues through the Sustainability Committee and various internal meetings, steadily progressing towards becoming a sustainable business.

Aspect		Short	t-term Goals (2–3	Implementation	Med	lium- and Long-term
		Years	s) 2025–2027	in 2024	Goals (5–10 Years) 2027–	
					2035	5
E	Environmental	✓	0 violations of	Achieved	✓	Carefully evaluate the
Environmental	Protection		environmental			power-saving efficiency
Issues			protection laws and			of each equipment
			regulations			replacement and replace
		✓	Continue to promote	Continued to be	<b>√</b>	them one by one. The energy use intensity
			water and power	promoted.		(EUI) dropped to 30 GJ/NT\$ 1 million in
			conservation, and track			output value
			the effectiveness		✓	Promote the concept of sustainable production
		<b>✓</b>	quarterly. Promotion of ISO			and secure supplier commitment to signing.
			14064-1 verification across all factories	Continued to be		6
				promoted.		
		<b>✓</b>	The energy use	Continued to be		
			intensity (EUI) dropped to 34 GJ/NT\$ 1 million	promoted.		
			·			
		<b>✓</b>	in output value  Promote the installation	Continued to be		
		*	of solar panels at each	promoted.		
			factory area.	promoted.		
S Social	Social	<b>√</b>	Establish a	Continued to be	<b>√</b>	Establish a zero-accident
(Human	Responsibility	*			•	
Rights) Issues	Responsibility		comprehensive	promoted.		safety work environment.
rugines) issues			occupational safety risk		<b>√</b>	Maintain employee
			assessment to provide a			turnover rate below 30%.
			safe working		✓	Establish an effective
			environment.			cross-factory
		✓	Maintain a turnover rate	Continued to be		performance appraisal
			below 40%.	promoted.		mechanism and welfare
		✓	Continue to increase the	Continued to be		system.
			depth and breadth of	promoted.	✓	Create an environment
			employee education and	F		conducive for work-life
			training.			balance.
		✓	Average annual training	Achieved		outunee.
			hours per employee			
			reached four hours.			
	l	1	Tuestica four flours.	I		

				ı		
		<b>✓</b>	Hold more than eight public welfare activities or charitable donations every year to give back to society.	Achieved		
G Corporate Governance	Corporate Governance	✓	Maintaining a minimum of 40% of the board	Achieved	✓	Perform comprehensive risk assessments for all
Issues			seats for independent directors.			aspects and formulate response strategies.
		<b>✓</b>	Two meetings of the Sustainability	Continued to be promoted.	✓	Continue to improve the Company's corporate
			Committee were held as scheduled to ensure			governance evaluation ranking.
			sustainability.		✓	Increase operating
		<b>✓</b>	Maintain customer satisfaction at 85%.	Continued to be promoted.		revenue by 20% in 2030 compared to 2023.
		✓	Continue to pursue profit and growth.	Achieved	✓	No information security incidents occurred.
		✓	No information security incidents occurred.	Achieved		

## **1.3 Respond to United Nations Sustainable Development Goals** (SDGs)

As a responsible global corporate citizen, THPT aligns its sustainable development goals with the United Nations Sustainable Development Goals (SDGs) through the three pillars of Environmental, Social, and Governance (ESG). This approach enables a more comprehensive assessment of its impact and supports the ongoing creation of greater sustainable value for all stakeholders.

ESG	Responding to SDGs	Management Guideline	GRI	Corresponding
framework			Indicators	Chapter
	12.5 By 2030, significantly reduce waste generation through prevention, reduction, recycling, and reuse.	THPT actively cooperates with customers in the use of recycled materials and continuously improve the packaging material recycling rate. We also track the disposal and potential for recycling of various types of waste.	GRI 306: Waste 2020	4.4 Waste Management
E	13.3 Enhance education and awareness regarding climate change mitigation, adaptation, reducing impacts, and early warning, and strengthen the capacity of institutions and personnel.	Assess the relevant opportunities and risks through the Task Force on Climate-related Financial Disclosures (TCFD) and implement risk control accordingly.	GRI 201-2: Financial implications and other risks and opportunities due to climate change 2016	4.1 Climate Change Risk Analysis (TCFD)
S	1.5 Improve the resilience and post-disaster recovery capacity of impoverished and vulnerable groups by 2030, and reduce their suffering from extreme climate, economic, social (human rights), and environmental impacts and disasters.	Typhoons that struck Vietnam and the Philippines in 2024 had a serious impact on local communities. In response, subsidiaries YongHan Precision Technology Co., Ltd. and TaiHan Precision Technology (Philippines) Co., Inc. promptly provided essential supplies and financial donations to support relief efforts and post-disaster reconstruction.	GRI 401: Employment 2016	3.5 Social Engagement

	4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for all, including persons with disabilities, indigenous peoples, and disadvantaged children.	1. Regularly conduct professional skills and general education training to help employees improve their knowledge.  2. The Company has sponsored the Syin-Lu Social Welfare Foundation to support its ongoing efforts in providing education for preschool children with special needs, helping them better integrate into society and develop healthy social interactions.	GRI 404: Training and Education 2016	3.5 Social Engagement
G	8.8 Protect the rights of workers and create a safe and secure working environment for all workers, including foreign migrant workers, especially women migrant workers and those working in dangerous jobs.	Enhance the Company's economic performance, protect employees' basic human rights, and provide a clean and healthy workplace.	GRI 403: Occupational Health and Safety 2018	3.2 Occupational Health and Safety

## 1.4 Stakeholder Engagement

#### **GRI 2-29**

Based on the GRI Standards and AA 1000 Stakeholder Engagement Standards (SES), THPT has established a materiality analysis process incorporating materiality, inclusiveness, completeness, and sustainability, which serves as the basis for disclosure in its corporate sustainability report. We collect feedback from stakeholders across various sectors to understand their concerns and respond accordingly, ensuring we meet the needs of all parties involved.

#### Stakeholder and Material Topic Identification and Analysis Process of THPT

#### Step 1: Identify stakeholders.

The Sustainability Committee of THPT reviews the business responsibilities of each department and unit, identifies the Company's stakeholders, and references the experiences of each department and the industry. Based on collaborative approaches and considering the importance and relevance of the Company's pursuit of sustainable development, six major stakeholder categories were identified, following the five principles of the AA1000 Stakeholder Engagement Standard (SES): customers, shareholders/investors, suppliers, THPT employees, government agencies, and the local community.

#### Step 2: Gather sustainability issues

In 2021, the Global Sustainability Standards Board (GSSB) published a new version of the GRI Universal Standards based on GRI indicators, and with reference to the TCFD recommendations, Sustainability Accounting Standards Board (SASB), the United Nations Sustainable Development Goals (SDGS), and domestic and international sustainability-related issues, a total of 25 issues were summarized as the basis for communication with stakeholders.

#### Step 3: Questionnaire communication and survey

Through stakeholder engagement and materiality surveys, THPT has advanced beyond ranking issues solely based on levels of stakeholder concern. In 2024, we adopted the GRI Standards 2021 to assess the actual and potential positive and negative impacts of each issue, along with the likelihood of their occurrence. This impact-based approach enabled us to prioritize the significance of 25 key issues to the Company. A total of 139 responses were collected during this process.

#### **Step 4: Materiality identification**

Based on stakeholder questionnaire feedback, we considered the "degree of concern regarding positive and negative sustainability issues" and the "degree of impact of each positive and negative issue as perceived by senior executives." Applying the "materiality matrix analysis" method, we weighted the results based on the number of responses received from each stakeholder. The Company's Sustainability Committee then discussed and adjusted the findings to identify eight material topics for THPT in 2024, relating to the economy, environment, and people (including human rights).

#### Step 5: Management policy formulation and disclosure

After identifying its material topics, THPT's Sustainability Committee adheres to the reporting requirements of the GRI Standards. For each material topic, the Committee collects internal data and information, and develops effective management policies that align with disclosure requirements. The Company also continues to review the effectiveness of its sustainability initiatives, thereby advancing its vision for sustainable development.

#### **Stakeholder Communication Actions of THPT**

We believe that only by understanding and communicating with our stakeholders can we continue to make progress in our corporate social responsibility efforts. Therefore, the Sustainability Committee conducts stakeholder engagement through questionnaires and various communication channels every year to collect issues of concern from stakeholders and identify actual, potential, positive, and negative impacts. The communication frequency and effectiveness of relevant communication channels are reviewed annually, and the status of stakeholder engagement is reported to the Board of Directors. (THPT respects opinions from all sides and has translated the questionnaire into the local languages of

its overseas factories. All responses are kept confidential.)

Stakeholders and		are kept confidential.)		
Purpose of	Issues of Concern	Engagement Channel	Engagement	2024 Engagement
Engagement	issues of concern	Engagement Chamer	Frequency	Effectiveness
Customers THPT is committed to establishing long-term partnerships with customers and providing products and services that meet their needs, enhancing customer satisfaction.	GHG emissions  Talent recruitment and retention  Operational performance  Risk control	1. Customer satisfaction survey 2. Monthly quality delivery review meeting. 3. Product project discussion, customer visits*.  Contact window: alen@thpt.com.tw	<ol> <li>Annually</li> <li>Monthly/quarterly</li> <li>As needed</li> </ol>	<ol> <li>The overall average satisfaction score in the customer satisfaction survey is 84.3.</li> <li>The software and hardware facilities in the factory area meet customer audit requirements.</li> </ol>
Shareholders/Investors Each shareholder/investor is an important supporter of THPT. Therefore, balancing sustainability and continuous profitability has always been a long-term goal for the Company.	Operational performance Risk control Occupational health and safety Ethics and integrity	1. Shareholders' meeting*, annual report, and sustainability report. 2. Financial report 3. Telephone interviews, emails, investor conferences*, official website, press releases, MOPS  Contact window: alen@thpt.com.tw	1. Annually 2. Quarterly 3. As needed	<ol> <li>The Company's spokesperson is responsible for responding to shareholder visits or calls to provide clarification</li> <li>Hold Board of Directors and Audit Committee meetings quarterly as required by law, to regularly review business performance and risks.</li> <li>Hold the annual general meeting to explain the Company's business results and future outlook.</li> <li>Published 35 material information and</li> </ol>

Suppliers THPT maintains good communication with suppliers to reduce potential material shortages and sustainability risks, and provides customers with the best products.	Waste management Biodiversity Supplier sustainability assessment Occupational health and safety	1. Supplier evaluation 2. Emails, interviews, site visits, and phone interviews.  Contact window: alen@thpt.com.tw	1. Annually 2. As needed	5.	announcements on MOPS. EPS of NT\$2.1 in 2024.  The supplier sustainability assessment questionnaire from THPT reveals no significant risks. In 2024, we have received 48 letters of commitment to low-carbon production from suppliers, and are working with them to create a low-carbon production model.
Employees of the Company Outstanding employees are the key to our continuous growth. We are committed to providing employees with a safe and comfortable working environment to enhance employee satisfaction.	Water resource management  Waste management  Biodiversity  Occupational health and safety	1. Employee Welfare Committee 2. Satisfaction survey 3. Complaint hotline, email, employee interviews, satisfaction surveys Contact window: rita_chen@thpt.com.tw	<ol> <li>Monthly</li> <li>Annually</li> <li>As needed</li> </ol>	1. 2. 3.	No violation of laws and regulations reported in 2024. In 2024, the Welfare Committee provided over 10 pieces of internal information regarding employee benefits and actively worked to improve them. The overall employee satisfaction score for 2024 was 76.7
Government Agencies Government agencies are the foundation of corporate development. THPT actively cooperates with the implementation of various policies to enhance its internal	Career development and education and training Occupational health and safety Climate change risks and opportunities Labor relations	Laws and regulations, policy promotion, on-site audits, seminars, workshops, official correspondence, and material information.  Contact window: alen@thpt.com.tw	As needed	1.	The Company's interactions with various government agencies are primarily handled by the Operations Center, Audit Office, Finance and Accounting Management Department, and

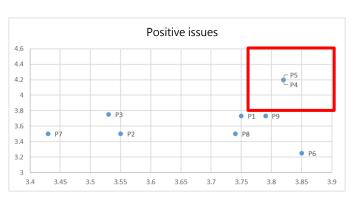
,					A 1
corporate governance					Administrative
capabilities.					Management
					Department.
				2.	The Company ranked
					among the top 6-20%
					of TPEx-listed
					companies in the 10th
					Corporate Governance
					Evaluation.
<b>Local Communities</b>	Information	Company website, participate	As needed	1.	No reports were
Community residents	security	in public welfare events*,			received from
are stakeholders in	Raw material	community visits, and			community members
THPT's sustainability	management	reporting mailboxes.			in 2024.
issues. We will continue	Local social			2.	Visit to neighborhood
to listen to and provide	engagement	Contact window:			and village chiefs from
feedback to the		alen@thpt.com.tw			time to time.
community to minimize	Labor relations			3.	A total of four public
the Company's impact.					welfare activities and
					six charitable
					donations were held
					across all THPT
					factories.

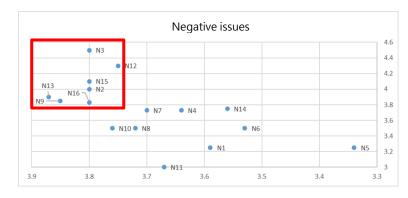
Note 1: Engagement channels marked with an asterisk (\*) are those in which members of the Board of Directors participated in stakeholder engagement.

## 1.5 Material Topic Management

GRI 3-1, 3-2, 3-3

## **Material topic matrix**





## List of key positive/negative material topics for 2024

Prioritization	Number	Sustainability issues
1	P4	Career development and education and training
2	P5	Occupational health and safety
3	P9	Risk control
4	P1	Raw material management
5	Р3	Supplier Sustainability Management
6	P8	Operational performance
7	P6	Talent recruitment and retention
8	P2	GHG emissions
9	P7	Local social engagement

Prioritization	Number	Sustainability issues
1	N3	GHG emissions
2	N12	Operational performance
3	N15	Information security
4	N2	Energy Management
5	N13	Compliance with laws and regulations
6	N9	Occupational health and safety
7	N16	Ethics and integrity
8	N7	Human Rights Assessment and Labor Rights
9	N4	Waste management
10	N14	Climate change risks and opportunities
11	N10	Talent recruitment and retention
12	N8	Labor relations
13	N6	Supplier Sustainability Management
14	N1	Water resource management
15	N11	Local social engagement
16	N5	Biodiversity

Material topic adjustment list
THPT's Sustainability Team considers domestic and international industry trends and stakeholder concerns, and reviews the implications of each sustainability topic for our company. The following adjustments have been made to this year's material topics:

Aspect	Material topic	Adjustment	Adjustment description
		method	
Environmental	GHG	New material	For the new material topics in 2024, the
	emissions	topics	Company will continue to track progress toward
			relevant goals.
Society	Career	New material	For the new material topics in 2024, the
(Human	development	topics	Company will continue to track progress toward
Rights)	and education		relevant goals.
	and training		
Society	Talent	Consolidation	This material topic has been integrated into
(Human	recruitment	of material	career development and education and training
Rights)	and retention	topics	for tracking.
Society	Labor relations	Removal of	Topics not included in the Company's list of
(Human		material	material topics for 2024 will continue to be
Rights)		topics	monitored to track progress toward related goals.

Material topic management guideline

Importance of material topics	Actual and potential positive/negative impacts	Management Guideline
Occupational safety and health THPT is committed to providing employees with a clean and safe working environment and reducing the likelihood of work-related injuries.	Positive potential  A safe and healthy work environment will improve employee work efficiency and reduce personnel and operating costs.  Negative potential  Occupational safety incidents will affect the Company's reputation and increase personnel and operating costs.	<ul> <li>Formulate and implement general/special employee health checkups.</li> <li>Regular hazard and risk assessments and improvements.</li> </ul>
Operational performance  We uphold the business philosophy of "Prioritize Customer, Ultimate Quality" to expand the Group's products and services, providing comprehensive services that best meet customer needs and ensure sound business operations.	Positive actual Good profit and operating performance will enhance stakeholders' investment interest.  Negative potential Inability to continuously improve profitability will reduce stakeholders' investment interest.	<ul> <li>Continue to expand our customer base and product offerings while enhancing quality control.</li> <li>Production cost management and control</li> </ul>
Compliance with laws and regulations THPT complies with local regulations by implementing environmental, social, and economic requirements, strictly adhering to laws to minimize operational risks and penalties.	Negative potential  Any violation of laws and regulations may reduce stakeholder trust and increase the Company's operating costs.	<ul> <li>Conduct periodic reviews of risks related to violations of laws and regulations.</li> <li>Regularly organize relevant courses.</li> </ul>
Information security Only comprehensive information security management can effectively protect the privacy of the Company and its customers, and further enhance the trust of all stakeholders.	Negative potential  The information protection system lacks comprehensiveness, making it vulnerable to hacks or shutdowns that could cause operational disruptions or damage to the company's reputation.	<ul> <li>Establish a reliable and comprehensive information security framework.</li> <li>Strengthen information security protection mechanisms</li> <li>Mitigate losses caused by information security risks.</li> </ul>
Energy Management  Improve enterprise energy efficiency through effective energy management, thereby reducing	Negative actual  Improper energy management leads to increased carbon emissions and rising energy costs.	<ul> <li>Replace low-efficiency, energy intensive equipment first.</li> <li>Periodically review the achievement rate of energy-saving targets.</li> </ul>

costs and GHG emissions, and contributing to the global net-zero emissions goal.		
Career development and education and training  Outstanding employees are the cornerstone of THPT's continuous improvement and growth. Enabling employees to work with peace of mind has always been the Company's top priority.	Positive actual  The diverse training mechanism effectively improves employee work efficiency and reduces talent attrition.	<ul> <li>Increase average training hours per employee.</li> <li>Establish effective employee career plans</li> <li>Enhance the quality of education and training.</li> </ul>
Integrity and ethics  THPT implements a policy of ethical corporate management to prevent any conduct that could damage the Company's reputation and interests.	Negative potential  Any material unethical conduct may result in a loss of trust from stakeholders, which may affect operating revenue and market value.	<ul> <li>Periodically implement education and training.</li> <li>Publish promotional articles from time to time</li> <li>Establish effective complaint channels</li> </ul>
GHG emissions  We are committed to reducing the intensity of GHG emissions and minimizing the environmental impact of our operations and production.	Negative potential  The Company's GHG emissions remain high, resulting in increased carbon fees or carbon trading losses and a declining investor confidence in the company's image.	<ul><li>Regularly track carbon emissions.</li><li>Publish promotional articles from time to time</li></ul>

## Impact boundary of material topics

Торіс	Material	GRI topic			Stal	keholders			Disclosure
•	topic	disclosures	Customer s	Sharehold ers/Invest ors	Suppliers	Employees of the Company	Government Agencies	Local Communitie s	chapter
Social (Hun	Career development and education and training	GRI 404: Training and Education 2016	Δ	*		0		*	3.3 Talent Recruitment and Retention
Social (Human Rights) aspect	Occupational health and safety	GRI 403: Occupational Safety and Health 2018	Δ			0	0	*	3.4 Occupational Health and Safety
	Operational performance	GRI 201: Economic Performance 2016	Δ	0	*	0			2.4 Operational Performance
	Information security	GRI 418: Customer Privacy 2016	0		Δ	0			2.7 Information Security
Gc	Ethics and integrity	GRI 205: Anti- corruption 2016	Δ	*	Δ	0	0		2.2 Ethics and Integrity
Governance aspect		GRI 2-27: Compliance with Laws and Regulations 2021	Δ	*	Δ		0	0	2.6 Compliance with Laws and Regulations
spect	with laws and	GRI 416: Customer Health and Safety 2016	0	*	Δ		0	0	2.6 Compliance with Laws and Regulations
	regulations	GRI 417: Marketing and Labeling 2016	0	*	Δ		0	0	2.6 Compliance with Laws and Regulations
		GRI 206: Anti- competitive Behavior 2016	0	*	Δ		0		2.6 Compliance with Laws and Regulations
Enviro	Energy Management	GRI 302: Energy 2016	Δ	*	Δ				4.2 Energy Management
Environmental aspect	GHG emissions	GRI 305: Emissions 2016	Δ	*	Δ		0	0	4.2 Energy Management

Note:  $\circ$  represents direct impact;  $\times$  represents indirect impact;  $\triangle$  represents impact caused by business relationships

## 02 Sustainable Corporate Governance (Divider Page)

**Management Guideline** 

Management		2024T 1 44 D 14	404 F F	17 / 6 1
Material Topics/Chapter	2024 Strategic Goals	2024 Implementation Results	2025 Targets	Medium- and Long-term Goals
Operational performance	<ul><li>Ongoing profit growth.</li><li>5% increase in operating revenue</li></ul>	<ul><li>Ongoing profit growth ☑</li><li>5% increase in operating revenue</li><li>☑</li></ul>	<ul><li>◆ Ongoing profit growth.</li><li>◆ Increase operating revenue by 3%</li></ul>	Increase operating revenue by 20% in 2030 compared to 2023.
Ethics and integrity	<ul> <li>One hour per person for ethical corporate management training</li> <li>No occurrence of any violation of ethical corporate management</li> </ul>	<ul> <li>In 2024, the signing rate for the senior executive statement of ethical conduct was 100% ☑.</li> <li>No complaint or report of violation of ethical corporate management in 2024. ☑</li> </ul>	<ul> <li>♦ 1 hour of ethical corporate management training per person</li> <li>♦ 0 complaints or reports of violations of ethical corporate management practices</li> </ul>	<ul> <li>ethical corporate management education and training achieved a 100% completion rate</li> <li>0 complaints or reports concerning violations of ethical corporate management.</li> </ul>
Compliance with laws and regulations	0 penalties for violations	◎ 0 penalties for violations ☑	<ul> <li>• 0 penalties for violations.</li> <li>• Each operating location holds at least one compliance inspection annually.</li> </ul>	◆ 0 penalties for violations.
Information security	<ul> <li>No information security incidents occurred.</li> <li>Average information security training: 1+ hours</li> </ul>	<ul> <li>No information security incidents occurred ✓</li> <li>The average information security training duration is more than one hour ✓</li> </ul>	<ul> <li>◆ 1 hour of information security training per person</li> <li>◆ 0 incidents of information security or network security breaches</li> <li>◆ 0 data leakage incidents</li> <li>◆ Completed social engineering email attack drills at all factories.</li> </ul>	◆ 0 incidents of information security or network security breaches

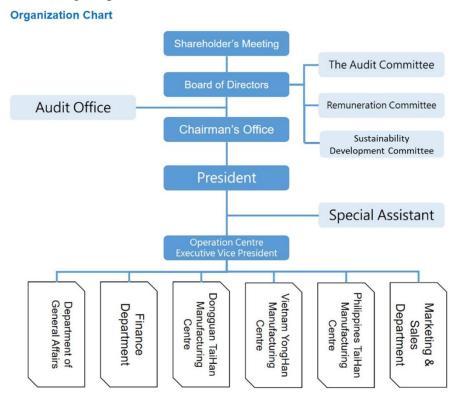
## **2024 Performance Highlights**

Awarded the 10th Corporate Governance		Ratio of local suppliers across the Group's various	88%
Evaluation, placing THPT in the 2%–10%		factories	
bracket for TPEx-listed companies with a capital			
of less than NT\$5 billion.			
Results of the Board of Directors' self-evaluation	4.92 points	Formulate the "Procedures for Ethical Management and Guidelines for Conduct"	Completed
In its first year of participation in the TCSA Taiwan Corporate Sustainability Awards	The Company won a Silver Award	Continue to pass the ISO 27001 information security management system verification.	Completed

### 2.1 Corporate Governance

#### Corporate governance framework

Through an effective corporate governance structure, THPT strengthens the functions of the Board of Directors, safeguards shareholder rights, and incorporates feedback from diverse stakeholders. In line with the "Corporate Governance Best Practice Principles for TWSE/TPEx-Listed Companies," we ensure transparency and openness in operational and financial information. THPT has achieved corporate governance evaluation rankings for three consecutive years in the top 6–20% of all TPEx-listed companies. In 2024, we advanced to the top 2–10% among companies with a market value of less than NT\$5 billion, reflecting a sound and effective internal management mechanism. The Audit Committee, the Remuneration Committee, and the Sustainability Committee have been established to assist the Board of Directors in performing its duties, and to promote and manage various important or sustainability policies through supervisors at all levels.



#### **Board of Directors Operations** GRI 2-9, 2-10, 2-15, 2-17, 405-1

The Board of Directors is the highest governance body of the Company, responsible for formulating the Company's future business strategies and major policies, as well as supervising management, preventing conflicts of interest, and maximizing shareholder value. The current Chairperson, with deep industry knowledge and strong professional expertise, concurrently serves as both Chairperson and General Manager. In terms of the Board of Directors' governance system, THPT has established the *Rules of Procedure for Board of Directors Meetings*, which clearly defines the responsibilities of directors and a system for avoiding conflicts of interest. At least one meeting is held each quarter, during which the management team reports operating performance to the Board of Directors to enhance corporate governance effectiveness. In 2024, THPT held a total of five Board meetings, with an average director attendance rate of 95%.

Rules of Procedure for Board of Directors Meetings of THPT



#### Nomination and selection of the Board of Directors

To ensure the Board of Directors possesses the ability to guide operating strategy and oversee the integrity of the Company's operating system, the selection of directors is based on principles of professionalism and diversity. Each member boasts extensive experience and a strong professional background, and the Company considers the perspectives of stakeholders (shareholders) to ensure the accuracy of the overall Board of Directors' decision-making and leadership direction. In accordance with the Company Act and the Company's *Regulations Governing the Election of Directors*, a Board of Directors comprising eight members with diverse professional backgrounds was selected through a candidate nomination system. Independent directors account for 50% of the board, and female directors represent 12.5%. All directors possess distinct areas of expertise that can assist the Company in addressing various challenges. The term of office for this Board is from June 13, 2023, to June 12, 2026.

Regulations Governing Election of Directors of THPT



#### List Board members of THPT in 2024

Title	Full name	Main education and experience	Positions in the Company and other companies.
Chairperson	SpeedTech Corp. Representative: Tsai Chen-Lung	Department of Information Systems, Western International University, USA; Master of Science in Computer Engineering, Arizona State University; Vice President of Marketing and Sales, Luxshare Precision Industry Co., Ltd.	Chief Strategy Officer, Strategic Committee, Luxshare Precision Industry Co., Ltd.; Director, Stech International Co., Ltd.; Director, Tasson; Corporate Representative, Luxshare-ICT, Inc.; Director, Dongguan Leader Marking Co., Ltd.; Director, Luxshare Precision Industry (Kunshan) Co., Ltd.; Chairperson, Speed Tech ICT SDN. BHD; Director, Castle Rock, Inc.; Chairperson, Assem Technology Co., Ltd.; Director, Speedtech (HK) Co., Ltd.; Chairperson, SpeedTech Intelligence; Director, Cyber Acoustics, LLC; Representative of corporate director, Caldigit Holding Limited; Representative, Fortune Share Corporation; Chairperson, Xinan Investment Co., Ltd.; Chairperson, SpeedTech Corp.; Chairperson, THPT
Director	Representative, SpeedTech Corp.: Li Jin- Cheng	Department of Information Engineering, Hungkuo Delin University of Technology Representative, Luxshare Precision Industry Co., Ltd.	Representative, Castle Rock, Inc. and Representative, Chengxin Investment Co., Ltd.
Director	Chang Chih-Jen, Representative,	Master of Science in Mechanical Engineering,	Assistant to THPT; Director of Speed Tech ICT Sdn Bhd Factory

	SpeedTech Corp.	National Central	
		University	
		Director of the	
		Marketing and Sales	
		Department, SpeedTech	
		Corp.	
Director	Yang Jan-Ping	Department of	Director, Yuguang Investment Co., Ltd.; Chairperson,
		Mechanical Drafting,	Be Ample company Ltd.
		Taipei KaiNan High	
		School	
		Director, Yuguang	
		Investment Co., Ltd.	
Independent	Chuang Wei-	Master of Business	Director of Finance (and Management Department),
director	Min	Administration, The City	Kwan's International Co., Ltd.
		University of New York	
		CFO, Deesse Vivante	
		Biomed	
Independent	Chen Yi-Ping	Master of Finance,	Representative/Director, For Win Assets
director		National Taiwan	Management Ltd.; Representative/Director, Gloria
		University	Beauty Co., Ltd.; Independent Director, U-Neuron
		Director, For Win Assets	Biomedical Inc.; Director, Toplogis Inc.; Director,
		Management Ltd.	Jifute International Marketing Co., Ltd.
Independent	Lin Chun-I	Bachelor of Laws,	Lead Counsel, Heng Sheng Law Firm; Corporate
director		Department of Law, Fu	Director's Legal Representative, Wiselink Co., Ltd.;
		Jen Catholic University	Corporate Director's Legal Representative, Taiwan
		Graduation from the	Sports Lottery; Independent Director, SpeedTech
		42nd Academy for the	Corp.; Independent Director, JYD.
		Judiciary, MOJ	
Independent	Chung Ting-	Master of International	Corporate Director's Legal Representative, LFE
director	Chun	Business, National	Corporation; Corporate Director's Legal
		Taiwan University	Representative, Optima Healthcare Inc.; Corporate
		Director, AB Value	Director's Legal Representative, Transwell Biotech
		Asset Management Co.,	Co., Ltd.; Independent Director, SpeedTech Corp.
		Ltd.	

Note 1: The relevance of the Board members' backgrounds to the Company's 2024 ESG material topics, including information security, compliance with laws and regulations, operational performance, career development, and education and training.

Note 2: Board members include investors/shareholders, Company employees, and other stakeholders.

Diversified core items  Full name of director	Gender	Age	Operational judgment ability	Accounting and financial analysis ability	Management ability	Crisis management ability	Industrial knowledge	International market perspective	Leadership ability	Decision-making ability
Corporate representative, SpeedTech Corp.: Tsai, Chen-Lung.	Male	Age 51 and over	v		v	v	v	v	v	V

Male Male	Age 51 and over 31-50 years old 31-50 years old	v	v	v	v	v	v	v	v
	Age 51 and over		v	v	v	v	v	v	v
Male	Age	v						1	1
				v	v	v	v	v	v
Male	Age 51 and over	v	v	v	v		v	v	v
Female	Age 51 and over	v	v	v	v		v	v	V
Male	31-50 years old	v		v	v		v	v	v
Male	Age 51 and over	v	v	V	v		v	v	V
		ale Age 51 and over	Age 51 and over	Age 51 and over and over and over a second s	Age 51 and over	Age S1 and over a series of the series of th	Agle Age 51 and over a supplied to the supplied of the supplied to the supplined to the supplied to the supplied to the supplied to the suppli	Male V V V V V V V V V V V V V V V V V V V	

Note 1: Board diversity: Ages 30 and under 0%, 31-50 years old 37.5%, ages 51 and over 62.5%; Male 87.5%, Female 12.5%.

Note 2: For other information on the professional qualifications of the Company's directors and the independence of independent directors, please refer to P.9 of the Company's 2024 Annual Report.

#### **Continuing Education of Directors** GRI 2-17

In order to enhance the impact management capabilities, sustainability knowledge, and professional competence of each director regarding diversity issues, THPT arranges at least six hours of professional knowledge courses annually for all directors. This ongoing training and access to the latest domestic and international information aim to improve the Board's collective understanding of environmental, social (human rights), and economic issues. In 2024, the sustainability-related continuing education courses for directors include the "Sustainable Development Practice Promotion" and the "2024 Cathay Sustainable Finance and Climate Change Summit," among others, accumulating a total of 54 hours of continuing education.

Title	Full name	Continuing education time	Name of the course	Training hours
Chairperson	Tsai Chen- Lung	2024/07/03	2024 Cathay Sustainable Finance and Climate Change Summit	6
Director	Li Chin- Cheng	2024/11/28	How to analyze key financial information and strengthen crisis alert capabilities.	
Director	Chang Chih- Jen	2024/08/15	Enhance the functions of internal controls and Board governance, along with an analysis of fraud cases	6
Director	Yang Jan- Ping	2024/09/24	2024 International Green and Smart Mobility Forum - Morning and afternoon sessions	6
Independent director	Chuang Wei-Min	2024/09/12~113/09/13	Class of Continuing Education for the Principal Accounting Officers of Issuers, Securities Dealers, and Stock Exchanges	12
Independent director	Chen Yi- Ping	2024/05/03	Courses for directors, supervisors, and corporate governance officers – Circular economy benefits and business models	3
		2024/05/21	Courses for directors, supervisors, and corporate governance officers – How directors and supervisors oversee the establishment and implementation of a sound risk management system	3
Independent director	Lin Chun-I	2024/05/08	Insider Trading and Ethical Corporate Management – Directors' and Supervisors' Responsibilities in Illegal Securities Cases	3
	Lin Chun-I	2024/11/08	Understanding and Preventing Workplace Harassment (Including the Latest Amendments to the Gender Equality in Employment Act)	3
Independent director	Chung Ting- Chun	2024/05/03	Sustainable Development Practices Workshop	3
	Chung Ting- Chun	2024/11/22	2024 Insider Equity Transaction Legal Compliance Education Seminar	3

Note 1: The relevance of the Board members' continuing education to the Company's 2024 ESG material topics, including energy management, GHG emissions, compliance with laws and regulations, operational performance, ethics, and integrity.

Specific management goals of the Board of Directors				
Gender equality	The Company's Board of Directors also values gender equality, with at least one-third of its			
	members being female.			
Operational and	The Board of Directors of the Company values operational judgment, business management, and			
crisis management	crisis management capabilities. At least two-thirds of the Board members should possess			
capabilities	relevant core competencies.			

	The 13th Board of Directors of the Company consists of eight members, including four independent directors. All of the above conforms to the following conditions.  (1) Neither the person nor their spouse or relatives within the second degree of kinship has/have served as a director, supervisor, or employee of the Company or its affiliates.
Independence	(2) Neither the person nor their spouse or relatives within the second degree of kinship (or anyone acting on their behalf) holds 1% or more of the total issued shares of the Company, nor are they among the top ten shareholders.
	(3) Not serving as a director, supervisor, or employee of a specific affiliated company of the Company (as defined in Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public
	Companies).  (4) The cumulative amount of remuneration received in the last two years did not exceed NT\$500,000 for business, legal, financial, accounting, etc. services.

#### Performance appraisal of the Board of Directors GRI 2-18

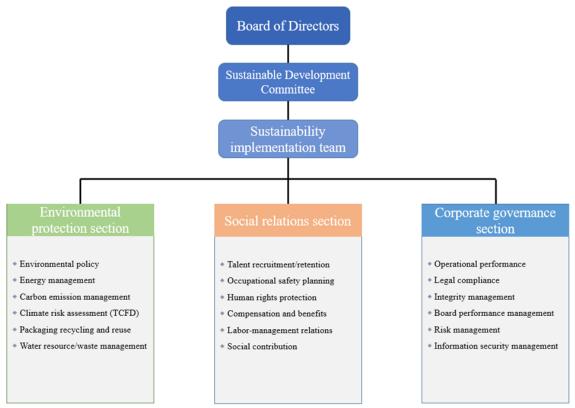
The "Board of Directors Performance Appraisal Measures" of THPT stipulate that a performance appraisal shall be conducted at least once a year for the entire Board of Directors, individual Board members, and functional committees. The evaluation period is from January 1, 2024, to December 31, 2024. The internal self-evaluation of the Board of Directors in 2024 includes six major items for objective evaluation: participation in the Company's operations, improvement of the quality of the Board of Directors' decision-making, composition and structure of the Board of Directors, director selection, internal control, and CSR participation. The scores of the Board of Directors in each aspect are higher than 4.5 (out of 5), indicating that the performance of the Board of Directors is excellent. The evaluation results will be reported to the Board of Directors (reported on March 7, 2025). The Company's Board of Directors undergoes performance appraisals by an external professional independent organization at least once every three years. The most recent evaluation was conducted in 2022 by Taiwan Investor Relations Institute, an external independent evaluation organization, which issued a performance appraisal report on January 30, 2023. (Please refer to the Company's official website)

#### **Sustainability Committee GRI 2-16**

To strengthen the Company's sustainable governance, THPT officially established the Sustainability Committee in November 2023 as a functional committee to assist the Board of Directors in supervising and handling various sustainability issues (stakeholder engagement results, material topic formulation and response, annual sustainability goals and plans, etc.). The committee consists of the Executive Vice President and two independent directors, for a total of three members. The Executive Vice President serves as chairman and assists in formulating sustainability strategies and goals, reporting implementation effectiveness, stakeholder engagement, and the sustainability report to the Board of Directors every six months (0 material events were reported in 2024). To improve the efficiency of sustainable corporate management, a Sustainability Team has been established and divided into three working groups: a corporate governance group, an environmental protection group, and a social

relations group. This structure will facilitate faster coordination and planning across all units, ensuring the implementation of various sustainability strategies and goals.

#### **Audit Committee**



The Audit Committee consists of four independent directors: Chen Yi-Ping, Chuang Wei-Min, Lin Chun-I, and Chung Ting-Chun. Chuang Wei-Min serves as the convener and chair of the Committee, with a term of office from June 16, 2023, to June 15, 2026. The Audit Committee meets at least once a quarter. In 2024, it held a total of four meetings, with 100% attendance from all committee members. Detailed meeting information is available on the Company's official website and in its annual report. The Board of Directors of THPT has approved the "Audit Committee Charter," clearly defining the Audit Committee's execution authority as mainly supervising the following matters:

- ◆Annual Business Report
- ◆ Fair presentation of the Company's financial statements.
- ◆ Appointment/discharge and remuneration of CPAs.
- ◆Effective implementation of the Company's internal controls.
- ◆The Company's compliance with relevant laws and regulations.
- ◆Control of the Company's existing or potential risks.

Audit Committee Charter of THPT



#### **Remuneration Committee GRI 2-20**

The Remuneration Committee consists of four independent directors of the Company. The current members are Chen Yi-Ping, Chuang Wei-Min, Lin Chun-I, and Chung Ting-Chun. Lin Chun-I serves as the convener and chair of the committee. The current term is from June 16, 2023, to June 15, 2026. The Remuneration Committee meets at least twice a year, and held a total of four meetings in 2024. The actual attendance rate for all Audit Committee members was 93.75%. Detailed information on the meetings is available on the Company's official website and in its annual report.

The Board of Directors of THPT passed a resolution approving the Company's "Remuneration Committee Charter." The committee shall faithfully perform the following duties and responsibilities

with the prudence of a responsible steward, and submit its recommendations to the Board of Directors and report to the shareholders' meeting.

- ◆ Periodically review the Remuneration Committee Charter and propose amendment suggestions.
- ◆ Formulate and regularly review the annual and long-term performance targets and remuneration policies, systems, standards, and structures for the Company's directors, supervisors, and managers.
- ◆ Periodically evaluate the achievement of performance targets of the Company's directors, supervisors, and managers, and determine the content and amount of their individual remuneration.

Regulations Governing the Remuneration Committee of THPT



#### **Conflict of Interest Management** GRI 2-15

The functions and operations of the Board of Directors are implemented in accordance with these rules and relevant laws and regulations, and the Board complies with conflict-of-interest policies, supervises the Company's management, and is responsible for the overall operation of the Company to protect the interests of the Company and its shareholders. If a director has a conflict of interest regarding a matter discussed at a Board of Directors meeting, whether for themselves or the legal entity they represent, they must disclose the nature of their conflict at the meeting and recuse themselves from discussion. They may not participate in the discussion. The major shareholder of THPT is SpeedTech Corp. (shareholding ratio: 28.86%). Other controlling shareholders can be found in the Company's annual report (P39), and there is no cross-shareholding with suppliers or other stakeholders. The recusal of directors from motions involving their interests in 2024 is as follows:

#### (I) Date of Board of Directors Meeting: January 22, 2024

Proposal for the distribution of year-end bonuses to managers for 2023.

Recusal of directors due to a conflict of interest: Chairperson Tsai Chen-Lung and Director Li Chin-Cheng recused themselves.

Reasons for recusal and voting participation: The above-mentioned directors have a conflict of interest in this matter. Except for stakeholders who had recused themselves from the relevant discussions and resolutions, all other directors agreed to pass the proposal as it was.

#### (II) Date of Board of Directors' meeting: November 7, 2024

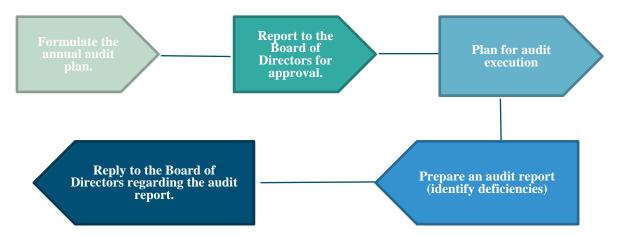
Proposal of 2024 manager salary adjustment case

Recused director: Director Li Chin-Cheng recused himself.

Reasons for recusal and voting participation: The above-mentioned directors have a conflict of interest in this matter. Except for stakeholders who had recused themselves from the relevant discussions and resolutions, all other directors agreed to pass the proposal as it was.

#### **Internal audit**

In accordance with the *Regulations Governing Establishment of Internal Control Systems by Public Companies*, THPT has established an internal control system and set up an "Audit Office" under the Board of Directors. The Company has appointed an audit supervisor and an appropriate number of auditors to independently and objectively evaluate the completeness and effectiveness of the Group's internal controls regarding compliance, financial reporting accuracy, sustainability information, and operational performance (including nine subsidiaries). The audit supervisor also proposes timely improvement suggestions to each unit and participates in relevant courses organized by professional institutions annually to continuously enhance the professional knowledge of internal auditors, ensuring its timeliness and accuracy.



#### The Company's Remuneration Policy GRI 2-19

The remuneration of the directors and managers of THPT has been determined after full consideration of their professional capabilities and the contributions they make in their respective roles. In order to implement sustainable management practices, the Company annually reviews its sustainable development goals and conducts future risk assessments. It also evaluates the environmental and human rights performance of each factory, using these assessments as the basis for remuneration adjustments, thereby strengthening the link between the Company's sustainability performance and its compensation policy. The remuneration and retirement benefits are implemented in accordance with the Company's internal management regulations (Management Regulations for Performance Appraisal, Personnel Retirement and Severance Regulations, Regulations for Directors' Remuneration, etc.), and managers' benefits and retirement benefits are no different from those of general employees.

- The remuneration policy for directors can be divided into two types: fixed directors' remuneration and floating directors' remuneration (with no severance pay, pension, or clawback mechanism). According to Article 17 of the Articles of Incorporation, "When a director performs their duties for the Company, the Company may pay them remuneration regardless of the Company's operating profit or loss. The Board of Directors is authorized to determine the remuneration based on the director's participation in the Company's operations and the value of their contribution." The remuneration to directors is determined in accordance with Article 21 of the Articles of Incorporation, which states, "No more than 3% of profits shall be distributed as directors' remuneration as per the resolution of the Board of Directors. If the Company still has accumulated losses, it shall reserve funds to cover the loss amount first." The CSR participation is also factored into the Board performance appraisal, based on the extent and number of cases discussed related to the Company's CSR initiatives, to strengthen the link between the Company's sustainability performance and remuneration.
- Managers' remuneration policy: In addition to a fixed monthly salary, it also includes bonuses for the three major holidays, a year-end performance bonus, and rewards distributed according to the Company's current year's profit (no severance pay; no clawback mechanism). The remuneration of the Company's managers will be determined with reference to their performance appraisal, prevailing compensation levels for similar positions in the industry, their individual responsibilities, and their contribution to the Company, subject to review by the Remuneration Committee and approval by the Board of Directors.
- Linking manager remuneration with sustainability performance: To incentivize the Company's senior managers (including the General Manager and Executive Vice Presidents) and accelerate sustainable development, THPT has linked performance indicators across its factories with sustainability targets. These indicators are primarily categorized as financial, management, and sustainability indicators. The aim is to provide a more comprehensive assessment of senior managers' contributions to the Company and to provide appropriate rewards, with the weighting and descriptions for each category detailed in the table below.

Target	Indicator item	Weight ratio	Description	
General Manager,	Financial		The Company's financial performance is compared to the	
Executive Vice	indicators 40%		profit levels of its peers in recent years, including operating	
President, and			revenue, gross profit, and budget achievement rate.	
sustainability	Management		Effectiveness of internal control and production	
strategy	indicators	30%	management, including education and training hours, risk	
supervisor of			control, production yield, and inventory ratio, etc.	
each operating	Sustainability		The implementation of publicly disclosed sustainability	
center	Indicators	30%	goals, such as the number of work-related injuries,	
		30%	compliance with laws and regulations, information security	
			incidents, EUI, and green energy installation rate.	

## 2.2 Integrity and Ethics

**Ethical Corporate Management**GRI 205-3

THPT has established a "Sustainability Team" responsible for advancing corporate governance issues such as ethical corporate management, anti-corruption, and anti-bribery. The team is dedicated to building a corporate culture of ethical conduct and has developed its "Ethical Corporate Management Principles" and "Ethical Management Procedures and Code of Conduct" based on the *Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies*. These documents detail the procedures and disciplinary actions for various breaches of ethical conduct, and strictly require all employees and business partners to comply with local anti-corruption and anti-bribery laws and regulations, thereby upholding the Company's image of integrity and honesty. In order to establish a corporate culture of integrity, THPT's Audit Office conducts annual internal control audits. These audits include irregular inspections to verify the integrity of various documents and processes, and to assess the risk of corruption at all operating locations. The 2024 evaluation covered 100% of the Company's locations, with no significant corruption risks identified, and no reports were received through the "whistleblowing and complaint email".

The Company's specific measures for strengthening ethical corporate management in 2024 are as

follows:

Implementation items	Effectiveness	Evaluation
Organized ethical corporate management education and training at each factory.	Taiwan Headquarters: 13 employees received 19.5 hours of training Vietnam plane: 832 employees received 832 hours of training Dongguan plant: 173 employees received 173 hours of training The Philippines plant: 168 employees received 334 hours of training	1. In total, 1,186 employees received 1,358.5 hours of training 2. On average, every employee received one hour of ethical corporate management education and training.
New employee orientation training and signing the Ethical Corporate Management Best Practice Principles.	In 2024, a total of six new employees joined the Company in Taiwan. They completed six hours of ethical corporate management training and signed six copies of the Ethical Corporate Management Best Practice Principles.	The average score of all employees' post-session tests was over 80 points, and the Ethical Corporate Management Best Practice Principles signing rate was 100%.
Formulate the "Procedures for Ethical Management and Guidelines for Conduct"	Specify the penalties and actions for various types of unethical conducts to bolster employee awareness of these behaviors.	The Board of Directors has approved implementation.
Unethical or corruption- related complaints received in 2024	0 cases	This shows that there is currently no significant risk.

#### **Prevention of insider trading**

In order to establish a sound mechanism for handling and disclosing material information, and to prevent the improper disclosure of information, and to ensure the consistency, accuracy, and timeliness of information released by the Company to the public, we have amended the I in accordance with the FSC's Management Procedures for Prevention of Insider Trading and implemented it in our daily operations.

In 2025, an employee of THPT was indicted on suspicion of insider trading during a restricted trading period, potentially violating the *Securities and Exchange Act*. The Company cooperated with the Investigation Bureau of the Ministry of Justice in 2024 as a third party in their investigation. This is an individual's behavior and does not involve the Company, nor does it have a direct impact on its business. In the future, THPT will strengthen the promotion of relevant internal regulations and increase employee education and training regarding the Securities and Exchange Act to prevent similar incidents from happening again.

Regulations Governing the Prevention of Insider Trading at THPT



# Regulations Governing the Handling of Reported Cases of Illegal, Unethical, and Dishonest Conduct GRI 2-25, 2-26

To implement the Company's ethical conduct and ethical corporate management, THPT encourages reporting illegal, unethical, or dishonest conduct and has formulated the "Procedures for Handling Reports of Illegal, Unethical, and Dishonest Conduct". To alleviate stakeholders' concerns regarding the reporting process, THPT promises to maintain the confidentiality of reporters' personal information and any details that could reveal their identity. Both internal personnel, external parties, and stakeholders are encouraged to submit supporting evidence anonymously via the Company's official website or reporting mailbox. These reports will be received directly by the Executive Vice President, ensuring the protection of reporters' rights and preventing unfair treatment. The whistleblower can also provide suggestions regarding the reporting process through all reporting channels, to help the Company improve its reporting procedures. Disciplinary actions will be taken for violations of the "Code of Conduct" or the "Ethical Corporate Management Best Practice Principles" as substantiated by investigation. For serious offenses, the individual will be terminated, and the Company reserves the right to pursue legal action.

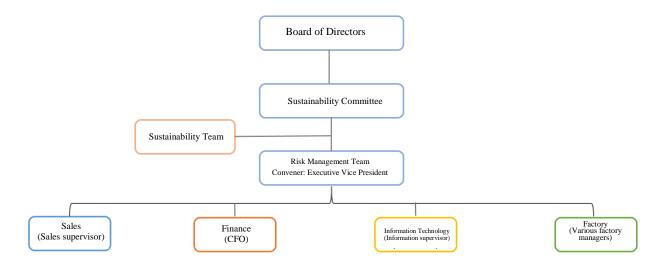
Procedures for Handling Reports of Illegal, Unethical, and Dishonest Conduct at THPT



Whistleblowing Channel	Verification	Final Verdict	Improvement Plan
<ul> <li>Official Website</li> </ul>	1. Spokesperson: Accepts	If the respondent is found to	1. Relevant
< <u>Contact Us</u> >	reports from shareholders,	have violated applicable	units propose
<ul> <li>Whistleblowing</li> </ul>	investors, and other	laws and regulations or the	review and
email	stakeholders.	Company's code of ethics	improvement
relationship@thpt.	2. Operations Center:	and regulations, the	plans.
com.tw	Reports from customers,	Company will immediately	2. Additional
	suppliers, and contractors.	require the respondent to	education and
	3. Human Resources	cease the relevant acts and	training for this
	Department: Accepts	take appropriate action. If	category.
	reports from internal	necessary, the Company will	
	Company staff.	report to the competent	
		authority or refer the matter	
		to the judicial authority for	
		investigation, or seek	
		damages through legal	
		proceedings.	

# 2.3 Risk Management

# **Risk management organization**



The Board of Directors is the highest governing body of THPT. The Risk Management Team is convened by the Executive Vice President, who is responsible for organizing all departments to identify the Company's potential risks and, based on their potential impact, plan appropriate response strategies. The team also establishes the "Risk Control Operation Regulations" and reports implementation results to the Board of Directors annually.

THPT Risk Control Operation Regulations

# 2024 Risk Issues and Management

Based on its operational risks, THPT draws on insights from international organizations, global events, and industry issues, and convenes departments annually to discuss risk mitigation strategies. Each responsible unit reports on the effectiveness of these strategies to safeguard stakeholder rights and ensure sustainable risk management.

Risk Topic	Risk Description	Impact on THPT	Response Strategy	Responding Unit
Foreign Exchange Losses and Interest Rate Risks	When the Company seeks financing to expand its business, it may experience an increase in capital costs or repayment pressure due to factors such as fluctuating interest rates, foreign exchange risk, or excessive financial leverage.	1. Losses on foreign exchange cause a decline in profits, which in turn affects shareholders' equity.  2. When market interest rates rise, the borrowing costs of enterprises will increase, affecting their profitability.	1. The Company hedges its net foreign currency positions arising from its business operations. In addition to closely monitoring international foreign exchange market trends, it also utilizes spot and forward foreign exchange contracts to mitigate risk as appropriate.  2. Diversify idle funds through investments in bank time deposits, money market fund beneficiary certificates, bonds/notes, and repurchase agreements to mitigate interest rate fluctuation risks.	• Finance and Accounting Management Department
Credit and Liquidity Risk	Given the recent significant market volatility, is the Company's credit exposure and liquidity position sufficient to address potential impacts?	If liquidity is insufficient to meet current risk requirements, the Company may need to utilize long-term investments or other assets, which could impact its strategic positioning.	1. Update the credit amount on a regular basis according to the customer or supplier's situation. 2. Plan the budget, monitor accounts receivable, improve collection efficiency, and maintain a sound financial structure.	<ul> <li>Finance and Accounting Management Department</li> </ul>
Information System Interruption	In the event of a power interruption, equipment failure, or malicious attack, the Company's information service systems is interrupted (e.g., ERP, MES, etc.).	Disruption of information services may result in the loss of confidential data and the inability to smoothly capture production-related data, potentially leading to default risks.	1. Implement notification procedures for power outages or system upgrades. 2. Establish and periodically update the information system's backup mechanism. 3. Establish an information security incident reporting and response mechanism, and clarify the recovery time objective (RTO) and recovery point objective (RPO). 4. Ensure that backup generators are functioning properly.	• Information Department

Leakage of Confidential Information	Email and website viruses may infiltrate employees' computers to obtain the Company's confidential information.	The Company's production secrets, customer and employee information may be leaked, which could damage the Company's reputation and result in potential fines for violating the Personal Data Protection Act.	<ol> <li>Increase regular employee awareness and training sessions on virus attacks and prevention methods.</li> <li>Lock down external access and uploading devices.</li> <li>Implement an information asset inventory and data classification system, as well as strengthen data protection levels and access control.</li> </ol>	• All units
Operational Disruption Risk	In recent years, the risk of operational disruptions has continued to rise due to unpredictable external factors such as the pandemic, geopolitics, and large-scale natural disasters.	1. Massive viral outbreak leads to partial operational disruptions. 2. The risk of disruptions to raw material or finished product transportation has increased significantly due to geopolitical conflicts or trade wars. 3. Customer production site relocation.	1. Formulate the pandemic response process in advance and prepare relevant supplies. 2. Ensure that factories maintain sufficient inventory levels and obtain quotations from various transportation providers to enable a swift response to potential risks. 3. Strengthen diversification of operational locations and production, avoid over reliance on suppliers or production bases in a single country, and establish "China+1" or "regional production" strategies.	<ul> <li>Sales         Department     </li> <li>Operations         Center     </li> </ul>
Product/Technology Innovation & R&D	Retention of key R&D personnel and technology development for applications of renewable plastics.	1. A talent drain among skilled professionals leads to a technology gap. 2. Failure to meet customers' low-carbon or renewable production technology needs.	1. Periodically review the salary and benefit levels of professional technical personnel within the same industry and make timely adjustments as needed.  2. Keep abreast of laws and regulations, market information, and consumer acceptance, and invest in the R&D of relevant technologies in advance.	<ul> <li>Sales         Department     </li> <li>Operations         Center     </li> <li>Production         unit     </li> </ul>
Supplier Disruption or Mismanagement	Suppliers' inability to cooperate with low-carbon transformation or their mismanagement causing major adverse events may negatively impact the Company's reputation.	1. Suppliers' inability to meet the Company's carbon reduction requirements may result in a decrease in competitiveness. 2. Significant negative media coverage of	<ol> <li>Establish a backup list of core suppliers in advance.</li> <li>Enhance supplier evaluations and increase the number of on-site audits.</li> <li>Develop supplier awareness and training initiatives.</li> </ol>	<ul> <li>Production unit</li> <li>Procurement unit</li> </ul>

		suppliers may adversely affect the Company's reputation.		
Labor Shortage Risks	Ongoing China-US trade tensions continue to create uncertainty in global supply chains, prompting international manufacturers to relocate to Vietnam. This influx has intensified competition for local talent.	<ol> <li>Talent attrition and a higher turnover rate.</li> <li>Decreased recruitment rates.</li> </ol>	1. Adjust salary levels based on government guidelines and compensation benchmarks from peer companies. 2. Enhance the working environment and employee benefits, such as expanding the rest area, to improve recruitment rates.	<ul> <li>Production unit</li> <li>Management Department</li> </ul>
Energy Interruptions or Price Hikes	Summer load shedding at overseas factories (e.g., Vietnam and the Philippines) causes power shortages, and the sudden voltage surge after an outage may damage equipment.	1. Increase in energy prices results in rising costs. 2. A voltage surge upon power restoration may cause equipment damage.	1. THPT has actively partnered with others to establish and progressively increase its share of renewable energy usage, aiming to mitigate the impact of energy price fluctuations.  2. THPT has continued to propose energy-saving plans. Future implementation directions include: replacing diesel forklifts, replacing baking bins, and replacing air conditioning equipment, etc.  3. Establish a power outage inspection procedure to proactively prevent potential losses from voltage surges during power restoration.	<ul> <li>Production unit</li> <li>Management Department</li> </ul>
Occupational Safety	In the event of a major workplace accident or chemical leak, the Company may be subject to additional compensation, consolation payments, and reputational damage.	1. Workplace safety incidents may lead to significant expenses for compensation and consolation payments 2. Chemical leakage or improper use may cause environmental pollution,	<ol> <li>Increase the number of hours of occupational safety training to enhance employee safety protection and knowledge of relevant regulations.</li> <li>Implement occupational safety inspections to ensure timely use of protective equipment.</li> </ol>	<ul> <li>Production unit</li> <li>Management Department</li> </ul>

		compensation, and damage to the Company's reputation.		
Climate Change	Climate change has increased the likelihood of droughts and torrential rains. Although typhoon frequency has declined, their intensity has risen, thereby impacting the Company's production.	1. Typhoon, flood An increased frequency of severe weather events may cause damage to factory facilities and a loss of daily productivity. 3. Continuous high temperatures result in workplace temperatures exceeding 35°C.	<ol> <li>Strengthen pre-disaster factory inspections to proactively eliminate potential natural disaster hazards.</li> <li>Periodically review the quantity and condition of sandbags.</li> <li>Before any foreseeable major natural disaster, ensure a minimum of three days' supply of inventory is maintained.</li> <li>Purchase cooling or ventilation equipment.</li> </ol>	<ul> <li>Production unit</li> <li>Management Department</li> </ul>

# 2.4 Operational Performance

# TaiHan operational layout

♦ Operational strategy

At current stage, TaiHan's development strategy focuses on molds for industries such as information technology, communications, electronics, optoelectronics, transportation, and high-value products in traditional industries. Looking forward, the changes in downstream industries will become more apparent. The requirements for molds in the information electronics industry will become increasingly stringent, with closer collaboration between mold manufacturers and product manufacturers. The trend towards precision, multifunctionality, and complexity will continue. Additionally, the development of rapid mold technology to quickly produce parts for functional testing will become another key focus.

Facing new industrial environment, the development and implementation of green manufacturing technologies to achieve energy saving, material reduction, process simplification, and manpower efficiency are urgent. In the plastic mold and injection molding industry, these goals can be reviewed from the perspectives of materials, molds, molding equipment, and molding processes. Material savings can be considered through lightweight machine structures, the lightweighting of molds with similar lifespans, the thinning of plastic products, and the use of hot runner systems to reduce runner material. However, lightweighting requires structural design techniques to maintain the original functions of the product, and understanding material characteristics is crucial, which requires a foundation of professional knowledge.

Given that future 3C products and medical devices will continue to develop towards being "light, thin, short, and small," TaiHan will continue to enhance its technical capabilities, focusing on the development of ultra-precision and complex mold manufacturing. In a lean-profit environment, the Company aims to enhance market competitiveness, potentially moving away from a cost-competition operational model and creating new opportunities on the international stage. The production of precision molds also requires a foundation of professional knowledge. The traditional accumulation and transmission of experience from seasoned craftsmen need to be gradually transformed into knowledge-guided design platform operations, utilizing refined system management to accumulate, transmit, and effectively apply experience and knowledge.

#### **♦** Short-and-long term operational development plan

I. Short-term business expansion plan

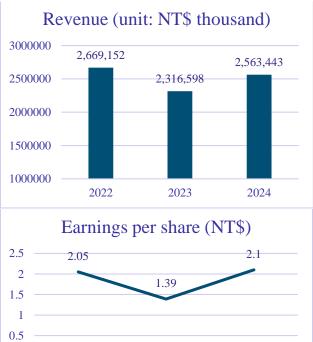
- 1. Enhance the ability to attract and introduce new customers, improving the product and customer structure.
- 2. Optimize product lines and production capacities across various plants to improve capacity utilization and asset efficiency.
- 3. Raise funds through multiple channels to ensure sufficient capital for future development needs.
- 4. Implement education and training, cultivate top talent, fully grasp future opportunities, and create the goal of sustainable operations.

II. Long-term business expansion plan

- 1. Improve mold design capabilities and product process design, focusing on mechanization, automation, and rationalization of processes to reduce reliance on labor, lower costs, and improve quality.
- 2. Actively pursue advancements in ultra-precision and ultra-fine processing technologies and high-speed processing to maintain product market competitiveness, effectively establish market differentiation, and avoid malicious price competition.
- 3. Establish long-term cooperative relationships with customers, increasing demand for the group's mold design and production capabilities to maintain market competitiveness.
- 4. Grow together with employees, strengthen internal talent training, emphasize the transmission of experience, and enhance pre-employment and on-the-job training to improve employee quality, improve working conditions, and promote labor-management harmony.

#### **2024 Financial Performance Table** GRI 201-1, 201-4

In 2024, revenue growth was primarily driven by orders from key printer clients. Steady increases in shipments of videoconferencing systems and consumer products also boosted the revenue share of products beyond multifunction printers and projectors. This helped maintain high production capacity utilization at our facilities in the Philippines and Vietnam, enabling the Company to surpass its revenue growth target with a 5% increase, representing a 10% year-over-year rise. THPT will continue to innovate, diversify, and enhance shareholder returns, while maintaining a balance between sustainable development and profitability.

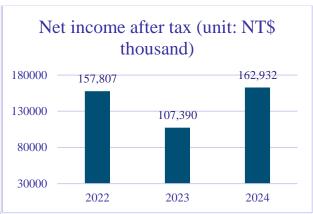


2023

2024

0

2022



(Unit: NT\$ thousand)

Item	<b>Basic Element</b>	2022	2023	2024
Direct economic value generated	Operating revenue (Note 1)	2,669,152	2,316,598	2,563,443
	Operating costs (Note 2)	1,957,800	1,636,913	1,745,473
	Employee salaries and benefits	420,404	448,249	495,051
Distributed economic value	Payments to capital contributors		Cash dividends paid in 2024 for 2023: 32,104.	
	Payment to the government (Note 3)	100,779	91,781	85,952
	Social contributions	46	161	815
Retained economic value (Note 4)		157,807	107,390	162,932

Note 1: Operating revenue refers to sales revenue.

Note 3: Government payments refer to income tax expenses of a profit-making enterprise.

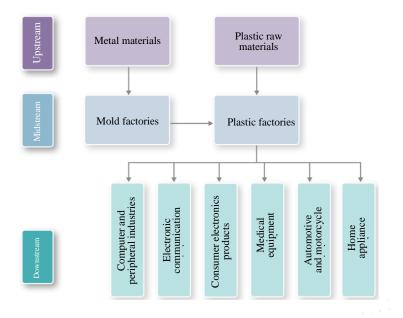
sold + operating expenses.

Note 2: Operating costs refer to cost of goods Note 4: Retained economic value refers to net profit after tax.

# 2.5 Supply Chain Management

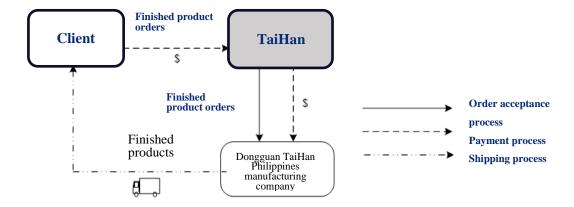
# **Overview of THPT's Supply Chain**

The upstream materials for the mold and plastic industry primarily consist of metals and plastic raw materials. Downstream applications of plastic products span a wide range of industries, including computers and peripherals, electronic communications, consumer electronics, medical equipment, as well as the automotive and motorcycle sectors. The following diagram illustrates the industry's upstream, midstream, and downstream relationships. Steel billets and PC pellets are the primary raw materials for THPT's products. The market is not dominated by any single supplier, and the Company maintains close, long-term relationships with key suppliers, ensuring a stable supply without significant fluctuations.



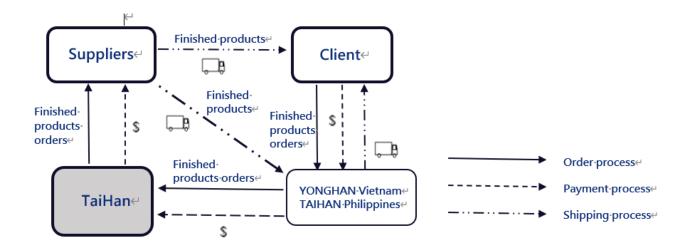
#### (I) Procurement Transaction Operational Process

As a professional manufacturer of various molds, THPT outsources processing to Dongguan TaiHan or its Philippines manufacturing company after receiving customer orders, taking production costs into consideration. The finished products are then delivered directly to the customer's designated location by either Dongguan TaiHan or the Philippines manufacturing company. The operational process flow is illustrated below:



#### (II) Sales Transaction Operational Process

After receiving a customer's mold order, Vietnam YongHan or the Philippines manufacturing company subcontracts part of the order to THPT. THPT then procures the molds from its suppliers and ships them directly to the designated location, Vietnam YongHan, or the Philippines manufacturing company, which subsequently delivers the molds to the final customer destination. The operational process flow is illustrated below:

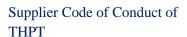


# Supplier Green Low-Carbon Commitment

THPT recognizes that green and low-carbon production is essential for sustainable operations. Besides continuously improving its energy efficiency, the Company actively engages with suppliers to ultimately establish a top-down low-carbon production chain. In 2024, we officially invited all of THPT's suppliers to jointly implement the *Green Low-Carbon Commitment*. We have successfully secured signatures from 46 suppliers (a signing rate of approximately 41%), and are continuously increasing our percentage of self-generated renewable energy while implementing carbon reduction measures in our daily operations, all in an effort to contribute to a better environment.

# Supplier Assessment GRI 2-23, 2-24, 2-26

THPT has formulated the "Supplier Code of Conduct," approved by the Board of Directors, as the basis for supplier selection and evaluation. We also evaluate our suppliers annually. The evaluation content is based on the RBA Supplier Self-Evaluation Questionnaire, which includes aspects such as labor and human rights, health and safety, environment, and business ethics. We require suppliers to not only maintain product quality and prices but also to fulfill corporate social responsibility together with THPT. In case of any serious violation, cooperation with the supplier will be terminated. If supplier partners have any sustainability-related suggestions, they can submit proposals and inquiries through relationship@thpt.com.tw (no reports of illegal or unethical conduct were received from suppliers in 2024).





Tier	Score	Management approach	Number of suppliers
Tier 1	85 or above	Excellent suppliers are entitled to increased procurement.	35
Tier 2	60-84	Qualified suppliers will receive awareness, education, and training programs.	None
Tier 3	Under 60	A supplier classified as Tier 3 for two consecutive years will have its contract terminated.	None

**Supplier Management Approach** 

Supplier Management App	roach	
<b>Supplier Risk Identification</b>	1. New suppliers must pass an evaluation before being included on	
	the list of potential suppliers.	
	2. Conduct regular supplier sustainability evaluations to assess their	
	implementation of human rights, health and safety, environmental	
<b>*</b>	protection, and ethical practices.	
Supplier Risk Response	1. Increase the percentage of local suppliers to reduce the	
	probability of international transportation delays.	
	2. Reduce the percentage of suppliers using non-substitutable	
	materials.	
Supplier Management	1. Establish long-term partnerships with outstanding suppliers.	
Planning	2. Increase supplier participation in sustainability evaluations and	
_	jointly promote sustainable production.	

**Supplier Localization** 

THPT understands that the transportation carbon footprint of the procurement process for raw materials and other components is also a significant source of carbon emissions. Therefore, to implement corporate sustainability, reduce the uncertainty of production raw materials during long-distance

transportation, and support local economic development. The Company is committed to advancing supplier localization. In 2024, the percentage of local suppliers across all factories was 88%, and 93% of production raw materials were sourced locally. Certain raw materials and consumables are customerspecific or have unique specifications, making it challenging to fully transition to local suppliers while maintaining product quality. Nevertheless, the Company will continue to promote supplier localization initiatives in the future.

Type of Supplier	Production Raw Material		Non-production l	Raw Material
	Suppliers		Suppliers	
Definition	Suppliers of product manufacturing		Suppliers of non-p	roduct
	raw materials.		manufacturing raw	materials.
Supplier geographical	Domestic	Overseas	Domestic	Overseas
locations.				
Dongguan factory	75	0	40	0
Vietnam Factory	13	12	177	49
Philippines factory	29	6	57	6
Taiwan	0	0	8	2

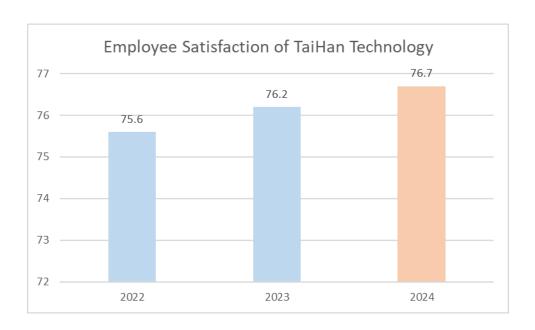
# **Customer Satisfaction Survey**

All factories of THPT have passed the ISO 9001 quality management system certification, ensuring that product quality and internal management meet customer expectations. At the same time, the Company has also formulated "Customer-Related Process Control Procedures" to maintain good partnerships with customers through regular meetings, visits, and performance appraisals. If customers have any questions or concerns regarding our products, processes, or services, we will provide a prompt and professional response in accordance with our internal procedures.

In addition, a customer satisfaction survey is conducted every six months to collect customer feedback on the Company's products and services, track the progress of improvements by relevant departments, and compile data and analysis to formulate clear short-, mid-, and long-term improvement plans to enhance customer satisfaction. In 2024, customer satisfaction with THPT's products and services was 84.3 points, a notable decrease compared to last year. This was primarily due to the Group's strategy of acquiring more new customers in the previous year. Coincidentally, last year's customer satisfaction survey was conducted before customers entered the delivery phase, resulting in multiple preemptive full scores that significantly inflated the overall score. All scores returned to normal this year, and a detailed analysis showed no scores below 75 in any category. We will continue to uphold the business philosophy of "Prioritize Customer, Ultimate Quality" to become our customers' most reliable "sustainable partner".

In addition to communicating with customers through THPT's website, the Company has established "Customer Complaint Management and Control Procedures," which require the Quality Department and Sales Department to investigate customer feedback and promptly respond with the investigation outcome and corresponding improvement plans. (Customer complaint email: alen@thpt.com.tw)

Customer-Related Process Control Procedures of THPT



# **Customer Satisfaction Management Process**

The customer satisfaction survey of THPT includes assessments of product quality, delivery time, service, and complaint handling. Areas with lower satisfaction scores are investigated and reviewed to implement the P-D-C-A cycle, enabling continuous optimization of production processes and customer service, with the goal of delivering better products and services.

Launch customer	Questionnaire	Questionnaire	Propose and track
satisfaction survey	distribution and	collection and	improvement
Set the scope of	communication	analysis	measures
distribution and review	Questionnaire	Summary and analysis	Each department
the questions.	distribution and	of various indicators	proposes improvement
	tracking		plans based on the
			analysis results and
			continues to track their
			progress

# 2.6 Compliance with Laws and Regulations

THPT's operating locations are distributed across multiple countries to meet customer needs. To avoid penalties for non-compliance with local regulations, the Company strictly adheres to applicable laws and regulations in each jurisdiction. Furthermore, the following measures are implemented to mitigate the risk of substantial fines and safeguard the Company's profitability. To ensure compliance with laws and regulations, the Company updates its internal operations in line with regulatory changes and conducts annual audits. In addition, the latest legal information is promptly disseminated to all employees.

The following three measures are implemented to ensure compliance

Diligent monitoring	Monitor updates on the latest regulations and communicate them promptly: The Company disseminates relevant government policies and assesses their applicability to its business.
Prompt revision	In response to revisions in legislation, the Company establishes corresponding procedures and adjusts its internal regulations accordingly.
Regular reviews	Periodically review whether the Company's business operations comply with regulatory requirements to ensure diverse innovation and development while adhering to government regulations.

Compliance with laws and regulations

In order to enhance the transparency of communication with stakeholders, THPT will disclose major incidents that significantly impact the Company's operations, as well as legal violations resulting in penalties exceeding NT\$1 million or non-monetary sanctions (such as revocation of business permits or work stoppages) in its annual sustainability report. In 2025, THPT experienced only one suspected violation of the Securities and Exchange Act by an insider, with no direct impact on the Company's operations (details are available on page 36). No legal proceedings or significant violations related to labor rights, corporate governance, or finances have occurred.

Regulatory risk assessments across various aspects GRI 206-1, 416-2, 417-2

	illents across various aspects OKI 200-1, 410-2, 417-2
Environmental Laws and Regulations	1. No violations of waste disposal regulations; 2. No involvement in water pollution.
Social (Human Rights) Regulations	1. Compliance with Labor Standards Act; 2. No discrimination or forced labor; 3. No infringement on freedom of association.
Corporate Management Laws and Regulations	1. No involvement in monopolistic or anti-competitive behavior; 2. No violation of the Company Act; 3. No violation of business regulations; 4. No involvement in corruption incidents; 5. No violation of any product health, safety, and labeling laws and voluntary regulations.

# 2.7 Information Security

security risks.

In order to strengthen information security management, THPT has formulated the "Cyber Security Management Measures" and passed the ISO 27001 information security certification for the first time in 2023 to ensure the confidentiality, integrity, and availability of the Company's internal information, and to prevent improper use, leakage, tampering, and destruction of information due to human error, natural disasters, and other factors, which may lead to potential risks and hazards for the Company. Consequently, the scope of information security management encompasses data access control, system access control, and network access control, aiming to establish a secure and reliable information operating environment that ensures the protection of systems, data, equipment, and networks. The Company also strengthens information security education and training, enhances employees' information security knowledge, and establishes the concept of "information security is everyone's responsibility" to achieve the goals of information security and business continuity.

Management	Prevent information security threats and minimize the impact of				
Aspect	information security incidents.				
Confidentiality	Ensure that confidential information is not leaked, and prevent the				
Aspect	improper use and unauthorized access of data.				
System Aspect	ect Improve the availability of information equipment and systems,				
	ensuring the normal operation of information systems.				
Awareness	Enhance employees' information security knowledge and promote				
Aspect	awareness of their responsibilities and obligations regarding				
_	information security.				

# **Information Security Management Committee Framework**

In order toimprove information security governance, THPT established the Information Security Committee inDecember 2022, which is divided into an information control unit, including one information supervisor and several professional information. They are responsible for formulating all internal information management measures and relevant operations, as well as building comprehensive information security protection capabilities and good information security awareness among colleagues. Moreover, the information security supervisory unit includes one audit supervisor andseveral full-time auditors, responsible for overseeing the implementation of internal information security. If a defect is found, the Information Department must propose relevant improvement plans and specific initiatives immediately. The Information Security Management Committee is required to hold at least one meeting

a year to help minimize internal information

Chairperson

General Manager

Information Security Management Committee

Information audit unit (Information Department)

# 0 information security incidents

# **Implementation of the 2024 Information Security Plan**

In recent years, many well-known domestic and foreign manufacturers have experienced data breaches involving confidential documents or important customer information, which may result in significant financial losses and directly impact their corporate image. In light of this, THPT has expanded the scope of the material topic "information security" by setting "zero information security incidents" as its annual target. This goal is supported by three key strategies including "THPT Information Month," "Internal Control Plan," and "External Resource Introduction." The Company aims to integrate information security into the daily routines of all employees, from top to bottom, thereby strengthening overall protection. In 2024, THPT reported no information security incidents.

#### **THPT Information Month (August)**

- 1. Organized two information security-related courses: In 2024, all operating locations completed two courses, with a total of 1,176 participants and 1,567 hours of training.
- 2. Published one daily leak risk awareness notice: In 2024, a total of three information security awareness emails were sent, and three promotional materials were published on the bulletin board.
- 3. A social engineering phishing exercise was conducted. In 2024, all operating locations completed the exercise, and awareness training was provided to employees who clicked the phishing link.

#### **Internal Control Plan**

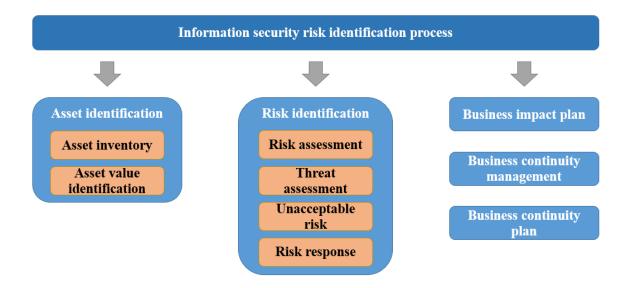
- 1. Periodically update the firewall to block suspicious IPs: In 2024, we blocked a total of 5,934 virus attacks and 16,854 suspicious IPs.
- 2. Disable USB port write functions via the system registry, ensuring 100% coverage across the Company.
- 3. Conduct internal information security audits annually: one audit was completed in 2024 and no major deficiencies were discovered.

#### **Introduction of External Resources**

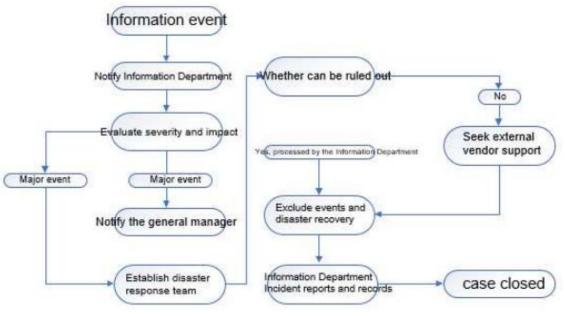
- 1. Conduct ISO 27001 external information security audits to ensure compliance with international standards and regulatory requirements. Third-party verification has been completed, and the Company continues to maintain the requirements of its internal management system.
- 2. Monitor the risk of leakage at all times using Palo Alto Cortex XDR: No significant leakage risks were identified in 2024.

# **Information Security Risk Identification Process**

THPT continues to identify risks in existing processes. In 2024, only one unacceptable risk, "risk of power outages," was identified. As the Company's headquarters is located in a leased building, power outage risks are not within our control. The relevant remedial plans include periodic maintenance of the UPS (uninterruptible power supply) and periodic verification of the data backup system, to reduce losses caused by unacceptable risks to THPT's operations. Additionally, the Company continuously promotes various information security precautions to prevent potential risks from threatening the Company's information security.



# **Information Security Reporting Procedure**



\* [Definition of major incidents]: According to Item 26, Article 4 of "The Verification and Public Disclosure Procedures for Significant Information of Listed Companies.

# Protection of Customer Privacy and Implementation of the Personal Data Protection ActGRI 418

To protect customer privacy, THPT has established the Personal Data Protection Management Regulations. This regulation defines a data confidentiality framework based on the sensitivity of information provided by customers, suppliers, and employees, implements data access controls and data owner review mechanisms, and applies to all operating locations, subsidiaries, customers, and suppliers. The Company also requires employees to implement the personal data protection management policy and comply with the personal data protection and management system, thereby safeguarding the rights of individuals whose personal data is processed. Furthermore, the Company conducts annual announcements, awareness campaigns, and training sessions for employees. Any internal access to or deletion of personal data must be performed in accordance with applicable regulations.

If a personal data incident is suspected, the responsible units (Information and Legal Affairs Departments) will investigate and address the matter in accordance with the Personal Data Protection Act and the Company's internal regulations. Should any violation of laws, regulations, or Company policies be identified, the responsible party will be subject to appropriate disciplinary measures. There were no incidents of customer privacy infringement or loss of customer data in 2024 that resulted in damage to customer rights. (The implementation status in 2024 is shown in the table below)

Personal Data Protection Management Regulations of THPT

Implementation items	Implementation results
Signing by new hires	In 2024, a total of 737 Employee Confidentiality Agreements were
	signed, with a 100% signing rate among new hires.
Privacy-related awareness	In 2024, one email regarding personal data protection awareness was
campaigns	sent.
Education and training	In 2024, a total of 1,589 hours of education and training related to
	personal data protection were conducted.

# 03 Social Sustainability and Shared Prosperity (Divider Page)

**Management Guideline** 

Material	2024 Strategic Goals	2024 Implementation Results	2025 Targets	Medium- and Long-term Goals
Topics/Chapter				
Occupational health and safety	<ul> <li>♦ 0 disabling injury cases</li> <li>♦ No major employee rights violations occurred.</li> <li>♦ No employees have any recordable occupational diseases.</li> </ul>	<ul> <li>No major employee rights violations occurred in 2024. ✓</li> <li>In 2024, there was one reported case of occupational disease at the Dongguan factory. ✓</li> <li>O disabling injury cases ✓</li> <li>THPT provides all employees with health checkups exceeding legal requirements (including general and specialized checkups).</li> </ul>	<ul> <li>No occurrence of any serious work-related injuries.</li> <li>◆ 0 occupational safety regulation violations in 2025.</li> <li>◆ 0 recordable occupational diseases in 2025.</li> </ul>	<ul> <li>No occurrence of any serious work-related injuries.</li> <li>◆ 0 occupational safety regulation violations in 2025.</li> <li>◆ 0 recordable occupational diseases in 2025.</li> </ul>
Career development and education and training	New material topics		<ul> <li>◆ Average training hours per employee: At least four hours.</li> <li>◆ Course satisfaction of 75 points or higher</li> <li>◆ No complaints related to recruitment and appointment violations.</li> </ul>	<ul> <li>◆ Average training hours per employee: At least five hours.</li> <li>◆ Course satisfaction of 80 points or higher</li> </ul>

**2024 Performance Highlights** 

The Group's turnover rate decreased compared with the previous year.	11%	Average training hours per employee	17.2
Major occupational accidents over the last three consecutive years	0 cases	Total public welfare activities and donations	Over eight times

# 3.1 Personnel Overview and Workplace Diversity

## **Employee Distribution** GRI 2-7, 2-8

We recognize that employees are a vital asset to the Company. In recent years, we have conducted a comprehensive review of salaries, benefits, and internal systems, aiming to provide a supportive and welcoming work environment where employees feel a strong sense of belonging. As of December 31, 2024, there were a total of 1,436 employees and 343 workers who are not employees. Male and female employees account for 56% and 44% of the workforce, respectively. The higher percentage of male employees is primarily due to the physical demands of certain positions, which results in a slightly higher overall male-to-female ratio. The Company treats all employees equally in recruitment, employment, performance appraisal, and promotion, and does not discriminate based on age, gender, race, religion, political stance, marital status, trade union affiliation, or any other background. The Company is committed to the principles of fairness and diversity in employment.

	Distribution of Employees by Job Type at THPT										
Facto	Factories Taiwan		Vietnam Factory		Dongguan factory		Philippines factory		Total		
Gender	Age	Number of people	Percentage	Number of people	Percentage	Number of people	Percenta ge	Number of people	Percentage	Number of people	Percentage
	Ages 30 and under	1		160		30		85		276	
Male	31-50 years old	10	58%	257	52%	58	68%	162	60%	487	56%
	Age 51 and over	3		23		15		3		44	
	Ages 30 and under	2		128		9		62		201	
Female	31-50 years old	6	42%	248	48%	33	32%	107	40%	394	44%
<b>-</b>	Age 51 and over	2		24		7		1		34	
Tot		24	100%	840	100%	152	100%	372	100%	1	,436

Note 1: The number of employees is based on those employed by the Company as of December 31 of the current year.

Note 3: The number of employees at the Dongguan factory includes two males aged 31-50 and one female temporary employee aged 31-50.

# Distribution of workers who are not employees

Factory/gender	Taiwan	Vietnam Factory	Dongguan factory	Philippines factory	Total
Male	0	67	47	174	186
Female	0	48	6	135	157

Note 1: workers who are not employees include dispatched workers and contractors. The Company does not employ apprentices, home workers, interns, independent contractors, subcontractors, or volunteers. Note 2: The number of workers who are not employees is calculated based on headcount as of December 31 of the current year.

December 31 of the current year.

Note 3: In 2024, the number of workers who are not employees increased slightly compared to the previous year (by approximately 39%), primarily due to rising annual production capacity needs and an increase in dispatched workers hired to fulfill customer orders.

#### **Annual New Hire Rate** GRI 401-1

In 2024, THPT saw a significant increase in new hires compared to the previous year, reaching 737 people, representing 51% of the total workforce. Of these new hires, approximately 63% were male and 37% were female. The primary factors were the improved overall market environment, sustained growth in customer demand, and the upcoming opening of the new Vietnam factory, all of which significantly increased manpower requirements.

Factories	Age	Ages 30 a	Ages 30 and under		31-50 years old Ages		Ages 51 and over		Percentage of new hires (%)
Taiwan	Male	0	0%	2	20%	0	0%	24	17%
Tarwan	Female	0	0%	1	17%	1	50%	2-1	1770
Vietnam	Male	239	149%	130	50%	8	35%	940	69%
Factory	Female	135	105%	67	27%	1	4%	840	69%
	Male	30	100%	9	16%	0	0%	152	81%

Note 2: The statistics above are for full-time and temporary employees. The Company does not employ hourly or part-time employees, and there have been no significant changes compared to the previous year.

Dongguan factory	Female	17	189%	10	30%	0	0%		
Philippines	Male	31	36%	15	9%	0	0%	420	21%
factory	factory Female	21	34%	20	19%	0	0%	420	2170
Total	Male	300	109%	156	32%	8	18%	1 /26	510/
Total	Female	173	86%	98	25%	2	6%	1,436	51%

Note 1: New hire rate (%) = Number of new hires in the current year for that category / Total number of employees in that category.

Note 2: Number of new hires excludes dispatched workers and those who are not yet full-time employees.

Note 3: The total number of employees is based on the number of full-time employees employed by the Company as of December 31.

#### **Annual Turnover Rate**

THPT provides all employees with a comfortable and safe working environment, regularly reviews their salaries, benefits, and labor conditions to ensure compliance with local regulations, and conducts interviews with resigning employees to understand their reasons for leaving, using this feedback to guide future company policy improvements. In 2024, a total of 622 employees resigned from THPT, representing approximately 43% of the Company's total workforce. Of these, approximately 63% were male and 37% were female. Although this exceeded the Company's target of keeping the resignation rate below 40%, it marked a significant improvement, down 11 percentage points from 54% in 2023. The turnover rate of the Company in 2024 remained relatively high, likely due to major brands establishing factories in Vietnam in response to de-sinicization, which has led to intense competition for local talent. The Company will continue to assess employee needs to guide future management policies and create a work-life balance work environment.

Factories	Age	_	30 and der	31-50 y	ears old	Ages 51	and over	Total number of employees	Turnover rate (%)	
Taiwan	Male	0	0%	1	10%	0	0%	24	17%	
	Female	0	0%	3	50%	0	0%			
Vietnam	Male	200	125%	128	50%	6	26%	840	61%	
Factory	Female	103	80%	77	31%	1	4%			
Dongguan	Male	18	60%	13	22%	0	0%	152	39%	
factory	Female	17	189%	11	33%	1	14%			
Philippines	Male	11	13%	14	9%	0	0%			
factory	Female	9	15%	9	8%	0	0%	420	10%	
Total	Male	229	83%	156	32%	6	14%	1 426	420/	
1 otal	Total Female	129	64%	100	25%	2	6%	1,436	43%	

Note 1: Turnover rate (%) = (Number of employees who resigned in the category during the year) / (Total number of employees in the category).

Note 2: Resigned employees include those who voluntarily resigned, were involuntarily dismissed, retired, or died in the line of duty.

Note 3: Number of employees who have resigned, excluding dispatched workers and employees who have not been converted to full-time employee status.

Note 4: The total number of employees is based on the number of full-time employees employed by the Company as of December 31.

# 3.2 Labor Relations

#### **Human Rights Policy** GRI 406, 407, 408, 409

In order to establish a culture of equality, inclusion, and open communication, THPT has formulated its human rights policy with reference to the International Labour Organization Convention (ILO Convention) and the Universal Declaration of Human Rights (UDHR) of the United Nations. The Company regularly reviews its human rights violations risks annually and formulates relevant regulations and documents as a basis for implementation, such as personnel appointment procedures, work rules, administrative rewards and punishments, and attendance management regulations. We continue to uphold fairness and respect in the implementation of labor policies and their underlying principles. Discrimination based on race, color, gender, age, sexual orientation, disability, religion, political affiliation, or marital status is strictly prohibited, as are sexual harassment, violence, threats, and intimidation. These measures ensure that employees can fully exercise their human rights at work and that these principles are embedded in their daily responsibilities.

Human Rights Policy of THPT



#### **Human Rights Survey**

Each year, THPT compiles human rights issues from the RBA and relevant international conventions, as well as the supply chain situation, to adjust the content of its questionnaires. After anonymous questionnaires are distributed and collected, the Company proposes improvement action plans and mitigation measures for issues with low scores, using this as a basis to set the target score for the next year. In 2024, a total of 1,403 questionnaires were collected (with a coverage rate of over 90%), achieving a score of 76.2. This marked the third consecutive year of growth, reflecting a certain level of employee recognition for THPT's human rights protection measures.





# **Human Rights Due Diligence**

Since 2022, THPT has conducted annual human rights due diligence with the aim of understanding its impact on all stakeholders and preventing any human rights violations. Through an anonymous internal survey, we assess employee satisfaction with the Company's approach to human rights issues and implement improvements and training in areas with lower scores. At the same time, the implementation of human rights policies by suppliers will be included in our supplier evaluation. Suppliers with serious violations of human rights policies will be replaced. The survey methods for various stakeholders are illustrated in the following table:

Target	Human Rights Issues	Survey Method
	Freedom of association and the right to collective	Employee Satisfaction
Employees	bargaining, working hours, diversity and fair treatment,	Survey
Employees	sexual harassment, occupational health and safety, non-	Internal Human Rights
	discrimination, and maternal protection.	Survey
Cumplions	Occupational health and safety, prohibition of forced	Supplier evaluation
Suppliers	labor.	
Customers	Customer privacy and information security	Customer Satisfaction
Customers		Survey

# **Measures for Mitigating Human Rights Risks**

THPT has developed mitigation measures to address various human rights risks and integrated them into daily operations. By establishing clear grievance channels for all employees, the Company aims to

foster a culture of human rights protection and prevent any violations.

Stakeholders	Human Rights	Mitigation Measures	2024 Performance
	Prohibition of human trafficking and forced labor.  Freedom of association and the right to collective	*Contracts are signed with employees according to local regulations, strictly prohibiting slavery, human trafficking, employment of child labor, or any practice violating human rights.  *The "Work Rules" of THPT stipulate maximum daily and weekly working hours, with regular reviews to prevent excessive overtime and forced labor, ensuring sufficient rest for all employees.  *THPT respects and encourages employees to organize and join trade unions, while protecting their rights to collective bargaining and freedom of association.	All contracts are in compliance with laws and regulations, and there is no excessive overtime or forced labor.  Currently, unions have been established at the factories in Vietnam and the Philippines
	Diversity, inclusion, and non-discrimination.	*In terms of recruitment, promotion, and remuneration, THPT does not discriminate on the basis of race, color, age, gender, disability, pregnancy, religion, political affiliation, ideology, or marital status.	to enhance employees' collective bargaining rights. No complaints of discrimination or differential treatment were received.
Employees	Occupational health and safety	*Periodically conduct comprehensive occupational safety risk assessments, promptly implement improvements and continue to monitor items with higher risks or potential employee hazards. The goal is to create a zero-accident workplace.	No major occupational accidents occurred.
	Eliminate inhumane treatment and sexual harassment.	*THPT strictly prohibits any violations of human rights, including corporal punishment, verbal abuse, psychological oppression, sexual harassment, and sexual assault. The Company has also established management measures such as the "Declaration on Sexual Harassment," "Statement on the Prohibition of Workplace Violence," and "Regulations for Reporting and Disciplinary Actions Regarding Sexual Harassment Prevention in the Workplace."	*No complaints of sexual harassment or inhumane treatment were received. *Reinforce sexual harassment prevention awareness
	Maternity protection	*THPT protects the rights of mothers in accordance with local laws and regulations, and clearly outlines protections for female employees before and after childbirth in its "Work Rules." Female employees are permitted to apply for a department transfer without any impact to their salary or annual performance review.	In 2024, a total of 62 employees applied for parental leave, and no complaints were filed by any employee.
Suppliers	Labor rights	*THPT has stipulated the "Supplier Management Guidelines" and conducts annual supplier evaluations accordingly to review their	The supplier evaluation results meet the requirements,

		implementation of employee human rights, providing individual	and no risk of human rights
		guidance to suppliers with lower scores. If any serious human rights	violations was identified.
		violations are identified, the partnership with the company will be	
		terminated.	
	Customer privacy	*THPT has established the "Personal Data Protection Management	No information security
	and information	Regulations" and the "Cyber Security Management Regulations,"	incidents occurred.
Customers	security	and formed an Information Security Committee to regularly review	
Customers		information leakage risks across all areas.	
		*Regularly implement education and training to strengthen	
		colleagues' information security awareness.	

#### **Sexual Harassment Prevention**

THPT is committed to providing employees with a fair and dignified working environment, ensuring a workplace and service environment free from sexual harassment for employees, dispatched workers, and job seekers. To protect the rights and privacy of all parties involved, and in accordance with Article 13, Paragraph 1 of the Gender Equality in Employment Act and relevant regulations issued by the Ministry of Labor, the Company has established the "Regulations for Reporting and Disciplinary Actions Regarding Sexual Harassment Prevention in the Workplace".

THPT Communicating the Regulations for Reporting and Disciplinary Actions Regarding Sexual Harassment Prevention in the Workplace to Employees



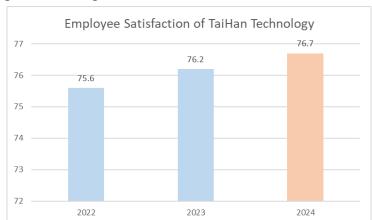
# **Employee Communication**

THPT values its employees' opinions on various matters and have established a timely and transparent communication environment to keep them informed of the Company's operations. The Company also facilitates communication among employees through regular satisfaction surveys, employee suggestion boxes, trade unions, employee care interviews, and Welfare Committee meetings. At the same time, we provide employees with clear grievance channels. Employees at all factories can submit suggestions or complaints anonymously, which are received, communicated, and investigated by a dedicated unit to ensure every employee's voice is heard and valued. Improvements are implemented based on the issues raised. In 2024, a total of 21 pieces of feedback were received across all factories, all of which were taken into consideration when implementing improvements, and no complaints were received.

Type of issue	Number of cases	Handling status
Dining hall (environment, dishes, tableware, etc.)	4	All suggestions have been acknowledged
Salary (bonus, subsidies, etc.)	7	and either addressed directly or
Benefits (leave, break room, festival gifts, etc.)	9	incorporated into subsequent improvement plans.
Other matters	1	

# **Employee Satisfaction Survey**

To enhance employee well-being and provide a healthy and safe workplace, THPT places great importance on employee opinion surveys. The survey conducted in 2024 aimed for an employee satisfaction score of 80 or higher. While the actual score of 76.7 points did not meet this target, it represents a slight increase from last year's 76.2 points. Furthermore, employee satisfaction scores have risen year-over-year for the past three years. The questionnaire contains questions with lower scores, including the effectiveness of the Company's system and remuneration and benefits. The Company will prioritize analyzing the weaknesses identified in the questionnaire results, along with industry standards and local employee benefits, to make appropriate adjustments. The goal is to bolster connections with employees and foster a positive workplace.



Survey Participant	All employees						
Aspect of the issue	Aspects include working environment and ambiance, sense of belonging						
	and communication, systems and benefits, supervisor satisfaction, and						
	employee development satisfaction.  1.424 questionnaires/90%						
Number of	1,424 questionnaires/90%						
questionnaires/Coverage							
percentage							
Unit responsible for the	Management Department						
survey							
Survey frequency	Annually						
Survey results	The overall employee satisfaction at the Company is higher than the						
	industry average, with 76.7% of employees expressing positive						
	sentiment. This represents a slight increase compared to last year.						
Improvement Plan	The Company has adjusted the salary levels of certain employees in						
	reference to industry and local remuneration standards, and will						
	continue to adjust employee salaries based on profitability and						
	performance appraisals.						
	• Effectiveness of the Company's system: The Company continues to						
	improve various internal regulations in accordance with sustainable						
	management practices and local regulatory requirements, and						
	ensures policy implementation through its internal audit system.						

# **Employee Benefits** GRI 401-2

We value the physical and mental wellbeing of our employees and have established an "Employee Welfare Committee" to plan a variety of benefits in accordance with the law. In addition to the fixed contribution from employee salaries, the Company also contributes a monthly benefits fund based on

profit to support employee welfare measures. In 2024, THPT held a total of eight Welfare Committee meetings to discuss employee welfare measures, and regularly organized employee birthday celebrations and family day activities to promote parent-child interaction and boost employee morale. (The following are the employee benefits provided in Taiwan.)

( The same of the				
<b>Bonuses and Benefits</b>	Year-end bonuses, employee bonuses, employee stock options			
<b>Dining Benefits</b>	Employee cafeteria, meal allowance.			
Cash Gifts and Subsidies	Birthday cash gifts, bonuses for three festivals, Labor Day gifts, meal allowances, maternity allowances, travel subsidies, employee training subsidies, wedding and funeral subsidies, dinner subsidies, year-end party lucky draws, etc.			
Leave System	Annual leave, maternity leave, paternity leave, bereavement leave, sick leave, family care leave, return to Taiwan leave (overseas factories)			
Health and Care	Labor and health insurance, group life and accident insurance, overseas travel insurance for expatriates and business travelers, employee health checkups, and resident nurses (at overseas factories).			



THPT family day and ESG beach cleanup event



Labor Day rice distribution in the Philippines factory



THPT 2024 year-end banquet lucky draw



THPT employee birthday celebration

#### **Trade Union**

We encourage employees to form trade unions to jointly identify employee needs and continuously improve the working environment. Currently, only THPT factories in China and Vietnam have established labor unions; factories in Taiwan and the Philippines have not yet submitted relevant requests. Employees who have not yet established or joined a union are still entitled to all benefits provided by THPT. The Company also protects the working environment and rights of all employees.

Factories	Trade Union Member	Total number of employees	Percentage of Employees Who are Union Members
Vietnam Factory	771	840	92%
Dongguan factory	152	152	100%

Note 1: While THPT allows employees to form a labor union, currently no employees in Taiwan or the Philippines have expressed a desire to do so.

# Minimum Notice Period for Significant Operational Changes GRI 402-1

For labor-management issues arising from significant operational changes that seriously impact employee rights, THPT will notify employees in advance as required by the Labor Standards Act or other applicable local laws and regulations. The basic requirements for lay-off notice periods will be in accordance with the THPT Resignation and Retirement Management Regulations.

- 1. If an employee has worked for more than three months but less than one year, they must provide 10 days' notice.
- 2. If an employee has worked for more than one year but less than three years, they must provide 20 days' notice.
- 3. If an employee has worked for more than three years, they must provide 30 days' notice.

# 3.3 Talent Recruitment and Retention

#### **Talent Recruitment**

In reference to local regulatory requirements and the international organization recommendations, THPT has established a complete "selection, training, education, employment, and retention" mechanism, and combined various recruitment channels to continuously recruit new talent and maintain the quality of the Company's human resources. To maintain the stability of our human resources and attract more outstanding talent, our main recruitment channels include online platforms, human resources agencies, and employee referrals. We provide high-quality job opportunities to a wide range of candidates, prioritizing the recruitment of local talent and contributing to local employment, thereby fulfilling THPT's corporate social responsibility.

**Local employment** 

THPT actively promotes talent localization and provides robust education and training programs to cultivate local talent. At the same time, by hiring locally, we promote job opportunities and stimulate economic development in the community. In 2024, our overall local hiring rate was 97%, with 81% for

management positions.

manugument positions.								
	Taiwan		Vietnam		Dongguan		Philippines	
	Local	Non-local	Local	Non-local	Local	Non-local	Local	Non-local
	employment	employment						
Management positions	11	0	72	20	31	5	67	18
Non- management positions	13	0	740	8	122	0	662	0
Local hiring ratio	10	0%	97	7%	97	7%	98	3%

**New Hires Retention Program** 

Starting in 2024, THPT comprehensively reviewed and strengthened its new hires retention plan, enhanced orientation training and support, and assisted all new hires in better adapting to the Company's culture and job responsibilities. We hope to help new employees integrate into the THPT family through the following five measures.

tuning through the following five measures.					
Introduction to the	Dedicated personnel will familiarize new hires with the factory environment and				
Factory Environment	dormitory facilities.				
<b>Counselors for New Hires</b>	Each group of new hires is assigned a dedicated specialist to address questions				
	regarding work, company systems, and dormitory life.				
<b>Education and Training</b>	After the orientation to the environment, THPT will arrange an introduction to				
for New Hires	the Company, training on ethical business practices, occupational safety, and				
	professional skills.				
Performance Appraisal	Upon completion of the probation period, new hires receive performance				
and Rewards for New	feedback from their supervisors, which serves as the basis for salary				
Hires	adjustments.				
<b>Interview with New Hires</b>	Upon completion of the probation period, employees will be interviewed by a				
	specialist to gather feedback on their experience with the Company.				

#### New Birth IncentivesGRI 401-3

To protect the employment rights of female employees, show consideration for the hard work of childbirth and family care, and promote work-life balance for employees. This enables employees to start a family with peace of mind, supported by the Company's welfare policy. All THPT factories provide maternity leave, paternity leave, and childbirth allowances. In 2024, 62 employees applied for parental leave (including paternity leave), and 22 of them returned to work, with a return-to-work rate of 42%. This is primarily due to the cultural norms at the Vietnam factory, where most female employees plan to return home after their parental leave to focus on family care. The Company will continue to monitor and support employees during and after their leave, and enhance relevant care benefits.

	Return-to-work and retention status of employees returning from parental leave								
Item		Taiwan		Vietnam Factory		Philippines factory		Dongguan factory	
		Male	Female	Male	Female	Male	Female	Male	Female
Annual	Number of employees eligible for parental leave in the current year	0	1	0	44	8	9	0	0
status	Number of employees on parental leave in the current year	0	1	0	44	8	9	0	0
Return-	A: Estimated number of employees returning to work after parental leave in 2024		1	0	34	8	9	0	0
to-work status	B: Number of employees who returned to work after parental leave in 2024	0	1	0	5	8	8	0	0
	Return-to-work rate = $B/A$	N/A	100%	N/A	15%	100%	89%	N/A	N/A
	C: Number of employees who returned to work after parental leave in 2023	0	0	0	18	7	11	0	0
Retention status	D: Number of employees who continued working for one year after parental leave in 2023	0	0	0	17	4	9	0	0
	Retention rate = $D/C$	N/A	N/A	N/A	94%	57%	82%	N/A	N/A

Note 1: There is no unpaid parental leave system in overseas factories. The above parental leave statistics are based on maternity and paternity leaves and are disclosed based on the actual number of applicants.

#### **Talent Cultivation** GRI 404-1

We treat every employee as our most valuable asset. Only through continuous improvement can the Company continue to grow. We encourage all employees to participate in training courses offered by consulting firms, training institutions, or government and industry organizations, and to obtain domestic and international certifications, to enhance their professional skills and broaden their knowledge across different fields. The Company allocates training funds every year to encourage employees to actively participate in the above courses. In addition, to help new employees quickly adapt to their roles, preemployment training is provided, with courses tailored to different job categories. In 2024, the total hours of education and training for all employees were 24,766.5 hours, averaging 17.2 hours per person. The table below shows the average education and training hours received by gender and job category. The Company will continue to review and increase relevant course offerings for employees with insufficient education and training hours, and for different roles, to help them develop more diversified abilities and knowledge.

Factories						Total
Job Category	Gender	Taiwan	Vietnam Factory	Dongguan factory	Philippines factory	Average Training Hours
Management	Male	97.5	513	105	20	5.2
positions	Female	22.5	484	22	16	7.5
Non-	Male	82.5	9,473	612.5	2,474	19.1
management positions	Female	133	8,239	178.5	2,278	19.3

Average education and	13.0	22.3	6.0	11 /	17.2
training hours	13.9	22.3	0.0	11.4	

Note 1: Employees in Taiwan management positions refer to those at or above the section level.

Note 2: Overseas factory management personnel refers to employees at or above the production line leader level.

# **Type of Education and Training**

In the fourth quarter of each year, THPT conducts an employee education and training needs assessment. Based on the needs of each department, it drafts relevant education and training plans and budgets, categorizing courses into new employee training, professional skills training, information security training, environmental health and safety training, and general education training. This five-pronged approach allows for a more comprehensive review of how to continuously improve the Company's education and training programs, and ensures colleagues are promptly provided with corresponding course information for enrollment. The education and training hours for the five major aspects in 2024 are shown in the table below.

Туре	New employee education and training (hr)	Professional skill education and training (hr)	Information security education and training (hr)	Environmental safety education and training (hr)	General education and training (hr)
Male	1,608	9,325.5	674	3,920.5	651.5
Female	1,150	7,961.5	915	3,394.5	460

Note 1: To clearly present the Company's education and training effectiveness across different categories, courses that fall into multiple categories are counted in each relevant category. As a result, the sum of hours by category may differ from the overall total shown above.

New employee orientation	Professional skill education and training	Information security education and training	Environmental safety education and training	General education and training
The company's environment, culture, and current operations are introduced to help new employees integrate quickly.	Professional knowledge and skills courses in production, sales, finance, engineering, etc.	Information security risk and prevention measures, etc.	Accident prevention, disaster drills, and knowledge of hazardous chemicals.	Law, ethical corporate management, human rights, health seminar, etc.

# **Performance Appraisal**

THPT has established a remuneration system linked to performance appraisal, with salary determined by job band and educational background, irrespective of gender or age. Performance is measured through organizational management indicators and team goals, and this appraisal serves as a reference for promotions, salary adjustments, employee compensation, and the distribution of year-end and performance bonuses. Furthermore, it allows for targeted improvement of employee weaknesses. Performance appraisals are conducted annually, with all operating units following established regulations. A Remuneration Committee, composed of independent directors, reviews the salary policies for managers. Currently, the Company evaluates only indirect personnel, with a total of 813 employees having undergone evaluation.

Employees who received performance appraisal in 2024.							
Occupation/ge	nder	Number of employees to be evaluated	* ·				
Management	Male	137	137	100%			
positions	Female	76	76	100%			
Non-management Male		370	370	100%			
positions	Female	230	230	100%			

Note 1: In 2024, only indirect employees participated in the performance appraisal; the above data excludes direct employees.

Note 2: The employee performance appraisal is conducted annually in September, which is why there is a slight discrepancy between the number of management/non-management positions and the employee distribution statistics.

# Salary and Benefits at THPT GRI 2-21

In order to attract and retain top talent, THPT has established incentive mechanisms and regularly reviews its salary and benefits packages to ensure market competitiveness. Employee salaries are adjusted as needed to maximize the value created by our outstanding personnel. For 2024, the Company's annual total compensation ratio was 3.78, with an annual total compensation change ratio of 1.33, and both allocated based on internal performance appraisals.

#### Annual total compensation ratio = 3.78

Highest individual annual total compensation within the organization.

Median total annual compensation of all employees (excluding the highest – paid individual).

Year - over - year change in total compensation. = 1.33

Percentage increase in the total annual compensation of the highest – paid individual.

Note 1: The above information only includes employees in Taiwan (consistent with the information disclosed in 3.3 "Employee Distribution").

Note 2: The Company's total annual remuneration is calculated primarily based on total cash compensation, including basic salary, bonus, cash dividends, and other forms of cash payment.

# Ratio of Standard Entry-level Salary to Local Minimum Wage GRI 202-1

All salaries and benefits at THPT meet and exceed local regulations. We do not discriminate based on gender, color, marital status, race, or religious beliefs. Meanwhile, the Company will adjust employee salaries in a timely manner based on industry and local employment conditions, to maintain a competitive edge in attracting talent and meet employee expectations.

Factories	Vietnam Factory	Dongguan factory	Philippines factory			
Employee salary/local minimum wage	1.14	1.58	1.06			
Note 1: Not applicable, as there is no production operation in Taiwan.						

Note 2: The above employee salaries are based on the standard salary for production line personnel. Note 3: Standard salary includes: base salary, meal allowance, and shift allowance.

Percentage increase in the median total annual compensation of all employees, excluding the highest – paid individual.

According to the Securities and Exchange Act, THPT's calculation for the number of non-management compensation reports excludes employees who have worked for the Company for less than six months and managers. Based on this definition, in 2024, there were a total of 19 full-time employees in non-management positions, with an average salary of NT\$1,027,000 and a median salary of NT\$782,000.

Information on Salaries for Full-time Non-management Employees					
Year 2023 2024 Percentage increase/decrease (%)					
Number of people	16	19	19%		
Average salary (NT\$)	934,441	1,027,000	10%		
Median salary (NT\$)	708,289	782,000	10%		

Note 1: This data includes only employees in Taiwan; employees at other overseas factories are not included in this table.

# **Retirement System**

In accordance with the statutory retirement system, THPT contributes the full amount of pension funds required for employees, with 100% employee participation in the retirement plan. All employees in Taiwan who were hired on or before July 1, 2005, are entitled to seniority under the old pension scheme in accordance with the *Labor Standards Act* and the *Labor Pension Act*. Based on relevant laws and regulations, THPT sets aside funds annually and commissions an actuary at year-end to calculate pension liabilities, guaranteeing employees' future retirement benefits and ensuring full contributions are made. All employees at overseas factories have retirement systems in place that comply with local regulations, ensuring financial security in their retirement.

Factories	Compliance with Laws and Regulations	ws Pension Contribution Rate		
Taiwan	Labor Standards Act Labor Pension Act	Employer (old system)	4%	
		Employer (new system)	6%	
		Employees (new system)	0-6%	
Dongguan	Interim Procedures of the	Employer	15%	
factory	State Council Concerning Workers' Retirement and Resignation of Workers	Employees	8%	
Vietnam	Labor Law	Employer	14%	
Factory	Social Insurance Law	Employees	8%	
Philippines	Social Security System	Employer	9.5%	
factory		Employees	4.5%	

# 3.4 Occupational Health and Safety

# **Occupational Safety and Health Committee**

Both the Vietnam and Philippines factories of THPT have established Occupational Safety and Health Committees, composed of factory occupational safety and health personnel and supervisors from relevant management departments. The Occupational Safety and Health Committee is responsible for planning, executing, supervising, and improving the working environment in the factory area. Regularly assess hazards and risks to employees posed by equipment and work processes through occupational safety risk assessments, and conduct accident investigations following any occupational incidents. THPT ensures that employees are protected from any form of penalty or retaliation for expressing opinions or concerns regarding occupational safety hazards or risks. If employees report concerns to the factory's environmental safety personnel or the committee's labor representative, or provide anonymous feedback through the suggestion box, the Company will address and resolve the issue through discussions within the Committee, ensuring effective communication and grievance channels.

# **Identification of Occupational Safety Risks** GRI 403-2

To effectively reduce the risk of work-related injuries to employees, THPT regularly conducts occupational safety risk assessments to strengthen personnel safety and health awareness, and minimize risks within the factory. When identifying risks, each unit is required to classify the possible hazards caused by different working environments, equipment, or manufacturing processes, and convert them into risk levels based on the frequency of occurrence, severity, and likelihood of causing losses. Occupational safety risks with a risk rating of 40 or above are listed as "unacceptable risks." If there is unacceptable risk, improvements must be proposed within a specified timeframe to eliminate it as quickly as possible. For risks that cannot be completely eliminated, the Company will implement mitigating measures to minimize potential harm.

8				
Risk Identification	The safety and environmental protection units (all of whom have			
A	obtained local occupational safety certificates) work together with other			
	units to conduct a potential risk factor survey based on past incidents,			
	industry incidents, and current events.			
Hazard Assessment	Each unit collaborates with the Finance and Accounting Department to			
A	assess the severity of risks in terms of their impact on employee safety,			
	as well as potential damage and losses to the Company.			
Risk Management	Propose management measures for each risk and regularly track			
A	improvement status.			
Process Management	The Occupational Safety Committee reviews the effectiveness of each			
<u> </u>	process annually.			

# Occupational Accidents and Occupational Diseases GRI 403-9, 403-10

THPT's occupational accident statistics are compiled and reported in accordance with local laws and regulations. The total number of regular employees across all domestic and overseas operating sites is 1,436 (excluding non-regular employees). Occupational accident statistics for all employees are shown in the table below. In 2024, there were zero deaths and zero serious work-related injuries across all factories. There were only five recordable work-related injuries, all employees received subsequent medical treatment and have returned to work. Further analysis of the causes of these accidents is underway to improve safety and reduce future incidents, with the goal of creating a safe, zero-injury work environment.

2024 Occupational Accident Statistics						
Item Gender		Taiwan	Vietnam Factory	Dongguan factory	Philippines factory	Workers who are not employees
Total working hours	(hr)	4,4176	2,110,080	305,216	1,048,320	752,250
Percentage of	Male	0	0	0	0	0
fatalities resulting	Female	0	0	0	0	0

from work-related						
injuries.						
Percentage of	Male	0	0	0	0	0
serious work- related injuries	Female	0	0	0	0	0
Percentage of	Male	0	1.81	0	4.81	0
recordable work- related injuries	Female	0	0	0	0	0
Number of	Male	0	2	0	3	0
recordable work- related injuries	Female	0	0	0	0	0
Recordable	Male	0	0	1	0	0
occupational disease (cases)	Female	0	0	0	0	0

Note 1: Serious work-related injuries: work-related injuries resulting in death, or injuries that prevent or significantly hinder a worker's return to their pre-injury health status within six months.

Note 2: Recordable work-related injuries: work-related injuries resulting in death, serious injuries, and injuries requiring treatment away from the workplace (both on- and off-site) are recorded. This does not include traffic accidents during employee commutes.

Note 3: Total working hours = Total number of employees (based on the number of employees employed by the Company as of December 31) × number of working days × daily working hours (eight hours) Note 4: Fatality rate from work-related injuries: Number of fatalities from work-related injuries x 1,000,000

÷ total working hours

Note 5: Percentage of serious work-related injuries: Number of serious work-related injuries x 1,000,000 ÷ total working hours

Note 6: Percentage of recordable work-related injuries: Number of recordable work-related injuries x 1,000,000 ÷ total working hours

Note 7: No employee of THPT has yet contracted any occupational disease.

Note 8: Workers who are not employees refer to contractors (e.g., catering, cleaning, security, and repair personnel) and dispatched workers engaged in the Company's regular operations.

# **Occupational Hazard Risk Control**

In 2024, the number of work-related injuries at THPT saw a slight increase compared to the previous year, mainly still due to employee distraction or inattention during work, which led to accidents. The Company will monitor the causes of these incidents through the occupational safety unit and will continue to promote preventive measures to employees to reduce potential injury risks. The improvement results will also be compiled and reported to the Occupational Safety and Health Committee. In the event of an immediate danger in the workplace, workers may stop work and retreat to a safe location without endangering other workers, and must immediately report to their supervisor. These regulations are outlined in the employee handbook to create a safe, zero-accident work environment.

Types of Work-related Injuries	Number of Incidents in 2024	Improvement Measures
Pinching and rolling injuries	3	We will strengthen equipment inspection and occupational safety education and training, and implement hazard identification, labeling, SOPs, and follow-up management measures.
Burns	1	The SOP has been adjusted to require a check for power and heating after mold conversion, and all personnel who may come into contact with the mold must wear gloves to reduce accidental injury.
Charger explosions	1	Before using the equipment, inspect the appliance and electrical wires for any damage to prevent minor explosions caused by short circuits.

# Occupational Disease Prevention Management GRI 403-7

THPT's production model minimizes the risk of occupational diseases for employees, while the Company continues to enhance the work environment. High-risk areas and potential occupational disease hazards are identified through annual occupational safety risk assessments, with corresponding preventive measures implemented. Daily implementation of the 8S Methodology ensure that all protective equipment and safety protocols are consistently followed. At the same time, employees' health status is monitored continuously through special health checks, and they will be promptly notified of any abnormalities and, if necessary, reassigned to other positions. In 2024, the Company recorded only one case of occupational disease. This occurred because the position had not previously been classified as hazardous due to high noise levels, resulting in the absence of pre-employment health checkup records and hazard-specific regulations. Upon suspicion of an occupational disease, the Company immediately transferred the employee to a position without noise exposure and, in compliance with local regulations, accompanied them through relevant testing and subsequent compensation process. Moving forward, the Company will broaden testing to include potential hazard risk areas and ensure the effective implementation of protective measures through regular inspections.

Type of Occupational Disease	Hazard Factors	Preventive Management Measures
Physical	Noise from machines and waste powder crushing.	Pre-employment hazard education and training, personal protective equipment (PPE) donning (ear muffs, earplugs), special health checkups (hearing tests)
	Organic solvents	Local exhaust devices installed, pre-
Chemical	Dust	employment hazard education and training, wearing personal protective equipment (masks), special health checkup (respiratory function, benzene operation test).
Enconomics	Long-term heavy lifting (lower back pain, herniated disc, etc.)	Replace/reduce manual handling of heavy objects, assign nurses to provide preliminary diagnosis to employees, and
Ergonomics	Long-term computer use (carpal tunnel syndrome, cervical displacement, etc.)	share health information periodically.

# Occupational Accident Emergency Response GRI 403-5, 403-7

To enhance employees' ability to respond to emergency events and equip relevant personnel with the necessary knowledge and skills, THPT holds biannual fire safety drills and emergency response training at each of its factory sites. This ensures that effective disaster response measures are implemented at all stages of an emergency, minimizing injuries, property damage, and environmental impact. The Company also ensures employees are familiar with evacuation routes, the nearest emergency exits, and the designated assembly points to expedite personnel accounting after an evacuation. Reduce personnel injuries caused by confusion during disasters.





Fire drill evacuation and assembly at YongHan (Vietnam)

YongHan (Vietnam) Firefighting drill conducted by the in-house fire brigade

# **Occupational Safety Training**

In 2024, THPT provided environmental, safety, and fire safety-related education and training courses to a total of 3,445 participants, totaling 7,060 hours. These courses included new employee occupational safety training, equipment and operational risk identification, hazardous chemical awareness, and fire drills. With employee safety as its highest priority, the Company annually reviews risk management training across all production processes through a dedicated committee, striving to create a work environment free of occupational accidents.

Statistics on Fire Safety and Occupational Safety Education and Training					
Environmental safety and health fire safety	Number of employees	3,445 employees			
education and training	Hours of education	7,060 hours			

### **Health Promotion** GRI 403-6

THPT has set up blood pressure monitors so employees can check their blood pressure at any time, and has placed thermometers and hand sanitizer at all entrances and exits for employee use. We organize health seminars and promote health knowledge through events such as "Understanding Stress and Promoting Physical and Mental Well-being" and "High Risks of Cardiovascular Diseases." We also manage cafeteria ingredients to encourage healthy eating habits, helping employees cultivate overall physical and mental health awareness.

Health Information	Periodic health seminars and health information promotion.			
Healthy Working	Employee working hour supervision, occupational disease and			
Environment	operational risk assessment.			
Healthy Living Habits	Regular and special health checkups, healthy employee meals			

# **Employee Health Checkup** GRI 403-3

We care about the health of our employees and provide general health checkups in conjunction with special health checkups tailored to each employee's work environment and risk factors to monitor their physical condition. If any abnormalities are detected or a doctor determines an employee is no longer suited for their current role, we will assist in transferring them to a less hazardous position and continue to follow up on their progress and assess their overall well-being.

Health Checkup Type/Factories	Taiwan	Vietnam Factory	Philippines factory	Dongguan factory
General Health Checkup (number of employees)	12	560	517	46
Special Health Checkup (number of	N/A	288	288	50

Note 1: No employees in Taiwan are engaged in high-risk operations, therefore no personnel have participated in special hazard operation health checkups.

Note 2: Special health checkups in the factory are conducted in accordance with local government determinations of high work-related injury risk and are tailored to the specific hazards employees may be exposed to. These examinations include benzene testing, hearing tests, X-rays, and lung dust tests.

## **Contractor Safety Management**

THPT places great importance on the safety management of contractors and suppliers. To enhance the safety of operations within the factory, all dangerous work is accompanied and supervised by dedicated personnel, and pre-operation risk assessments are conducted for high-risk tasks to ensure operator safety. Before contractors enter the factory, a physical and mental health assessment, temperature measurement, and alcohol disinfection will be conducted to ensure all personnel entering the factory are in optimal condition.

# 3.5 Social Engagement

All factories of THPT organize public welfare and social care activities annually in response to the United Nations Sustainable Development Goals (SDGs). In 2024, we focused on community engagement, with the hope of bringing warmth and giving back to the local area during production. Moreover, the climate pattern in Asia shifted dramatically in the second half of 2024 due to the El Niño phenomenon. A series of powerful typhoons severely affected villages near our factories in Vietnam and the Philippines, causing significant damage to the homes of some employees. THPT has immediately adjusted its annual plan to prioritize local disaster relief efforts, hoping to provide timely assistance and leverage its corporate influence.

Philanthropic Projects	Location	Manpower Invested (Number of Employees)	Expenditure (NT\$)
Syin-Lu Social Welfare Foundation - Donations for Disadvantaged Children	Taiwan	1	50,000
Keelung Peace Island Beach Cleanup & Family Day	Taiwan	32	88,130
Donation to Neihu High School Volleyball Team	Taiwan	5	500,000
TaiHan Dongguan - Community Blood Drive	Dongguan	10	-
TaiHan Dongguan - "6.30" Village Revitalization Donation	Dongguan	3	9,023
YongHan Vietnam - Donation of Supplies to Elementary Schools in Jinfu Village	Vietnam	3	96,200
YongHan Vietnam - Donation to the MTTQ for Recovery Efforts After Typhoon No. 3.	Vietnam	3	38,412
THPT and TaiHan Philippines participated in a tree planting activity hosted by the LIMA Duty-free Zone Environmental Protection Society.	Philippines	2	11,430
2024 TaiHan Philippines - Red Cross Lipa Branch Blood Drive	Philippines	50	8,422
TaiHan Philippines - Donated disaster relief supplies for the victims of the debris flow caused by Typhoon Kristine	Philippines	10	13,287

## **Community Feedback**

#### **Donation to Neihu High School Volleyball Team**

By a fortunate coincidence, THPT visited Neihu High School and came across the volleyball team in training. Upon learning more, we discovered that these players were regular contenders in the High School Volleyball League (HVL) finals and ranked among the best in the country. Behind the dedicated training of these young athletes lies a need for greater support in areas such as competition venue fees, transportation costs, and daily equipment — all of which are currently in short supply. Consequently, the Chairperson decided to donate NT\$500,000 to the Neihu High School Volleyball Team, with the hope that the players can train without concern, fully showcase their skills on the court, and inspire a spirit of sportsmanship among the Company's colleagues and more students.



2024 44th National Volleyball Championship - Senior High School Men's Division, 2nd Place



Taipei City Education Cup Volleyball Tournament -Senior High School Men's Division, 1st Place

### Donations of Funds and Supplies for Post-disaster Relief in Vietnam and the Philippines.

In 2024, due to the El Niño phenomenon, several powerful typhoons devastated the Asian region within a short period of time. The third typhoon in Vietnam (Typhoon Yagi) struck the Hanoi area, which is not usually affected by typhoons, causing power outages, flooding, and debris flows. This resulted in over 2,000 casualties and significant financial losses. YongHan Vietnam immediately donated 30 million Vietnamese dong (approximately NT\$35,000) to MTTQ, a social organization established by the local government, to provide immediate relief supplies and support post-disaster reconstruction efforts.

Typhoon Trami (also known as Kristine in the Philippines) brought level-13 winds and heavy rain to the northeastern part of Luzon Island, causing floods, debris flow, and other damages. Nearly 160,000 people were forced to evacuate their homes. TaiHan Philippines immediately purchased daily necessities and food for 46 families (about 130 people) who were forced to stay in the evacuation center after being affected by the debris flow.



Group photo of YongHan Vietnam's donation activity.



TaiHan Philippines distributed relief supplies.

#### Syin-Lu Social Welfare Foundation - Donations for Disadvantaged Children

THPT is committed to supporting vulnerable communities and has donated to the Syin-Lu Social Welfare Foundation for three consecutive years, totaling NT\$150,000. This contribution aims to help children with developmental delays and disabilities thrive in the Foundation's nurturing educational environment, providing them with quality early childhood education, special education, social work, and rehabilitation services, ultimately enabling them to integrate more fully into society.



THPT attends Syin-Lu Social Welfare Foundation's press conference

### **Environmental Conservation**

#### **Keelung Peace Island Beach Cleanup & Family Day**

THPT has long been dedicated to environmental sustainability. On June 1, the Company led colleagues and their families from Taiwan Operation Headquarters in a cleanup of the coastline at Peace Island (Keelung City, Heping Island GeoPark). To let employees and children further understand the hazards of marine waste, we first participated in a course and lecture organized by AdagioIsland, and learned that approximately 10 million tons of garbage flow into the ocean each year, potentially causing marine animals to ingest it, and accumulating to form a garbage island 44 times the size of Taiwan. Through simple course briefings, interactive games, and participation in the International Coastal Cleanup (ICC) system for systematic marine waste classification, we gain a deeper understanding of the marine waste problem and learn to apply this knowledge in our daily lives.

Under the leadership of the Company's Chief Sustainability Officer, THPT removed 69 kilograms of waste from the coast of Heping Island. The most removed items were fishing nets and buoys used in fisheries. Other items included polystyrene, lighters, PET bottles, and bottle caps, all of which were bagged and cleared according to the ICC classification standards to prevent them from re-entering the ocean and harming marine life. The beach cleanup event also enabled participants to understand the importance of reducing plastic at the source. Using eco-friendly tableware and bags helps gradually reduce plastic waste while teaching children the importance of conserving the natural environment.



Lecture courses organized by AdagioIsland



Colleagues stoop to collect debris along the beach.

# TaiHan Philippines Participated in the "Plant a Tree" project organized by the LIMA Duty-free Zone.

In response to the local Environmental Month, TaiHan Philippines participated in the "Plant a Tree" project organized by the Environmental Protection Society of the LIMA Duty-free Zone. On July 12, we donated 50 saplings and, embracing the belief "Plant a Tree, Grow a Hope," joined representatives from other companies in the industrial zone to plant trees in Sta. Rosa, Alaminos, Laguna. We hope our small contribution can bring more hope for a better environment.



"Plant a Tree" Program donation certificate



Group photo of the TaiHan Philippines tree planting event

# 04 Environmental Sustainability (Divider Page)

**Management Guideline** 

Material Material	2024 Strategic Goals	2024 Implementation	2025 Targets	Medium- and Long-term
<b>Topics/Chapter</b>		Results		Goals
Energy Management	Energy consumption per unit of revenue decreased to 32 GJ per NT\$ million in production value	◆ The Vietnam factory maintained its ISO 14064-1 certification in 2024   ◆ The energy consumption per unit of revenue in 2024 was 36.73 GJ/NT\$ million production value (target: below 32; 2023 = 34.88)	◆ Lower the energy consumption per unit of revenue to 34 GJ/NT\$ million production value	<ul> <li>Lower the energy consumption per unit of revenue to 30 GJ/NT\$ million production value</li> <li>The percentage of renewable energy usage accounts for 5% or more of the total annual electricity consumption.</li> </ul>
<b>GHG</b> emissions	New material topics		<ul> <li>◆ Complete the GHG inventory for all factories</li> <li>◆ 2025 total carbon emissions to be reduced by 2% compared to 2024.</li> </ul>	Total carbon emissions in 2035 to be reduced by 20% compared to 2024.

# **2024 Performance Highlights**

Total water withdrawal in 2024 decreased compared to 2023.	4%	Electricity savings from the implementation of the 2024 power-saving plan.	55,621 kWh
Survey suppliers' usage of conflict mineral raw materials.	None were used.		

## **4.1 Climate Change Risk Analysis (TCFD)**

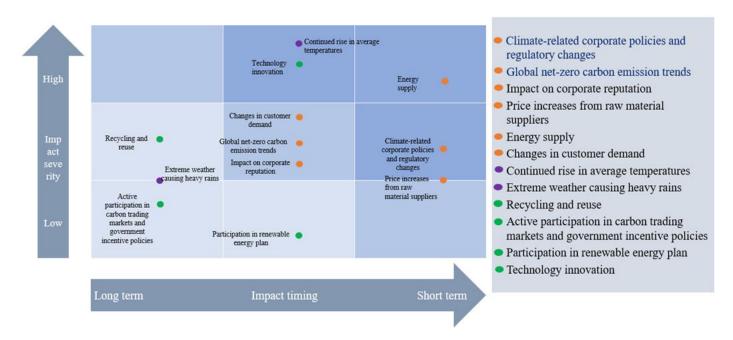
## Climate change management framework

To better understand the impact of climate change on TaiHan, we adopted the TCFD (Task Force on Climate-Related Financial Disclosures) framework in 2022. This framework helps the Company identify risks and opportunities, assess potential financial impacts, and develop response plans based on the identification results.

Item		Management strategies and actions	ions Implementation status			
Governance	<b>A</b>	The Board of Directors regularly reviews climate change-related risks and opportunities.  The Sustainability Development Committee regularly plans and supervises the current implementation status.	Through the sustainability promotion team, related goals and plans are regularly advanced and climate change risk management strategies and sustainable development directions are reported to the board of directors.			
Strategy	> >	Departments collaboratively discuss and establish short, medium, and long-term response plans. Identified the potential operational impacts of climate change on the company. Conducted physical and transitional risk scenario analysis with reference to IPCC guidelines.	Short, medium, and long-term goals are set for identified opportunities and risks, and potential financial impacts of transitional risks are assessed through STEP and NZE scenario analyses from IEA WEO 2023.			
Risk management	<b>A A A</b>	Completed the risk and opportunity identification process following TCFD guidelines. Prioritized identified risks to plan response strategies. Conducted TCFD education and training.	A TCFD risk and opportunity identification questionnaire is sent to team members and senior executives to assess the impacts of climate change. Based on this assessment, relevant strategies and response actions are formulated.			
Metrics and targets	Bas acc	sed on greenhouse gas emissions inventory ording to ISO 14064-1. Formulated carbon reduction targets. Formulated climate change management goals.	TaiHan conducts annual greenhouse gas inventories for each plant referencing ISO 14064 and has set targets to reduce electricity and water usage by 1% annually and increase waste reuse rates, meanwhile renewable energy installation plans are continuously evaluated.			

Climate Change Risk and Opportunity Materiality Matrix

THPT pays close attention to climate-related international initiatives and conducts identification of climate risks and opportunities following the methods recommended by the TCFD. We collect potential impacts of climate change through surveys, gathering assessments from our managers regarding the severity of these impacts and their anticipated timelines. This information is used to establish a Climate Change Risk and Opportunity Materiality Matrix for the Company, which guides subsequent response and planning efforts. The Company expects to strengthen its climate risk resilience and reduce the financial impact of climate risks.



### Climate Risk GRI 201-2

In recent years, the operational impacts of climate change have been increasing and are becoming increasingly uncertain. Therefore, THPT referenced issues of concern to international organizations, the TCFD, and its peers, and through a questionnaire survey, identified 6 transition risks, 2 physical risks, and 4 potential opportunities. The company has also established the following response strategies and management methods to reduce the potential financial impact of various climate change factors.

**Climate Risk Identification Results** 

Risk type	Relevant issues	Potential financial risks	Impact time point	Response Strategy
	Climate policy and regulatory changes	Total GHG control, carbon fees, carbon taxes, and carbon trading lead to increased costs.	Short- term	<ol> <li>Plan for renewable energy power generation equipment in new factory buildings.</li> <li>Plan to purchase renewable</li> </ol>
Transitional	International Net Zero Trend	Increased costs for the installation of renewable energy and the procurement of low-carbon equipment.	Mid- term	energy certificates.  3. Plan for renewable energy power generation equipment in new factory buildings.  4. Gradually replace old, energy intensive machines.
risks	Impact on corporate reputation	The impact of the decrease in revenue caused by the failure to meet customer needs.	Mid- term	<ol> <li>Periodically publish the sustainability report to disclose the Company's sustainability direction.</li> <li>Actively participate in sustainability evaluations</li> </ol>
	Raw material decarboniz	Raw material suppliers pass on decarbonization or carbon tax costs, leading to an increase in	Short- term	Application of recycled plastic and recyclable plastic technologies

		raw material procurement costs.		
	Changes in customer needs	Customer requirements for environmental friendliness during the production process.	Mid- term	<ol> <li>Increase the percentage of renewable raw material production.</li> <li>Actively develop a diverse customer base.</li> </ol>
	Energy supply	Energy shortages, production disruptions, and rising electricity costs are caused by national energy transition policies or geopolitical factors.	Short- term	Increase the percentage of renewable energy used.
Physical risks	Increased severity of torrential rain, flooding, or droughts caused by extreme weather.	An increased number of extreme weather days, along with a higher likelihood of flooding and water shortages, leads to work stoppages, reduced production, and equipment damage.	Long- term	<ol> <li>Improve water-use efficiency within the factory.</li> <li>Always check if the factory is located in a high-risk area for drought or flooding.</li> </ol>
	The average temperature continues to rise.	Increased use of cooling equipment leads to increased consumption of refrigerant and electricity.	Mid- term	<ol> <li>Set appropriate air conditioner temperature.</li> <li>Internal initiatives to promote energy saving and carbon reduction.</li> </ol>

**Climate Opportunity Identification Outcome** 

Type of opportunity	Relevant issues	Potential opportunities	Impact time point	Response Strategy
Resource efficiency	Recycling and reuse	Packaging materials are recycled and reused.	Long- term	Use recyclable packaging materials and encourage customers who haven't yet adopted them to do so.
Energy source	Actively participate in carbon trading markets and government incentive policies.	Additional carbon credits obtained through carbon trading markets and government incentive policies.	Long- term	We have made proactive preparations by constructing solar power facilities and vigorously cooperating with government policies to

Renewable energy project	Build solar power in advance, and invest surplus renewable energy in carbon trading or sell it to the power company.	Mid-term	replace energy- intensive equipment, aiming to earn carbon credits.
Technology innovation	Reduced energy consumption and pollutants per unit of product, resulting in a decrease in overall production costs.	Mid-term	Actively discuss the application of recycled plastics and other technologies with customers and suppliers.

**Scenario Analysis - Physical Risks**Based on the scenario information provided by the IPCC, THPT faces potential property losses under the SSP1-2.6 (very low emission mitigation) and SSP5-8.5 (very high emission) scenarios.

External scenarios	Description	Fees	Countermeasures
SSP1-2.6 (very low emission mitigation scenario)  SSP5-8.5 (very high emission scenario)	Based on data provided by the IPCC, estimations for future sea-level rise, 2050 flood levels, and total rainfall were made under two scenarios. Considering these projections, the probability of equipment damage due to flooding and torrential rain at the factory site before 2050 is relatively low. Therefore, we calculated the financial loss resulting from a single day of factory shutdown caused by extreme weather events.	Estimated production value lost per day of shutdown at various factories.  Vietnam factory: NT\$3 million Dongguan factory: NT\$1 million Philippines factory: NT\$2 million	<ul> <li>Currently, we have installed backup generators, uninterruptible power systems, and secured relevant insurance coverage</li> <li>We plan to acquire additional water pumps as needed, based on the flooding risk at each plant.</li> </ul>

Scenario Analysis – Transition Risk
The carbon fee is calculated according to the scenario parameters outlined in the IEA WEO 2023.

The earted fee is earestated according to the scenario parameters outsined in the IEIT 1120 2023.					
External scenarios	Description	Fees			
Carbon fee STEPS based on the current scenario.	Simulate future scenarios according to the established policies (Stated Policies Scenario).  ➤ Developing countries 2030→NT\$1,280/tonne CO2e (approx. US\$40); 2050→NT\$5,120/tonne CO2e (approx. US\$160)	<ul> <li>These carbon reduction measures are to be implemented by 2030, resulting in annual carbon emissions of about 16,150 tonnes of CO2e. No exemptions are expected, and the carbon fee will be approximately NT\$19.38 million.</li> <li>Under the same scenario, carbon emissions in 2050 will be roughly 12,750 tonnes of CO2e, requiring a carbon fee of approximately NT\$61.2 million.</li> </ul>			

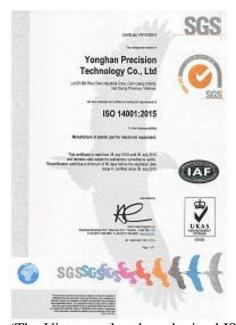
Carbon fee in the NZE2050 scenario	Simulate future scenarios based on the Net Zero Emissions by 2050 Scenario.  ➤ Developing countries 2030→NT\$2,880/tonne CO2e (approx. US\$90); 2050→NT\$6,400/tonne CO2e (approx. US\$200)	<b>A</b>	These carbon reduction measures are to be implemented by 2030, resulting in annual carbon emissions of about 15,300 tonnes of CO2e. No exemptions are expected, and the carbon fee will be approximately NT\$ 41.31 million.  Under the same scenario, carbon emissions in 2050 will be roughly 9,350 tonnes of CO2e, requiring a carbon fee of approximately NT\$ 56.1 million.
Carbon reduction transition technologies	<ul> <li>The cost of a corporate low-carbon transition by 2030 is about NT\$9,000/ton (Source: Industrial Development Administration).</li> <li>It is expected that electricity consumption will decrease by 5% in 2030 compared to 2023.</li> <li>It is expected that electricity consumption will decrease by 25% in 2050 compared to 2023.</li> </ul>	>	Reduce CO2e emissions by 1% in 2030, approximately 170 tons of CO2e, with carbon transition costs of around NT\$15 million. It is estimated that it will cost at least NT\$20 million in 2050 to achieve a 1% annual reduction.
Install renewable energy systems	<ul> <li>Under the STEPS scenario, renewable energy systems will not be installed.</li> <li>Under the NZE scenario:</li> <li>→By 2030, the cumulative share of renewable energy will reach 5% (170 tonnes of CO2e).</li> <li>→By 2050, the cumulative share of renewable energy will reach 20% (3,400 tonnes of CO2e).</li> </ul>	>	Accumulated installation cost of NT\$15.86 million by 2030. Accumulated installation cost of NT\$310 million by 2050.

**Climate Change Response Strategies** 

Chimate Change Response	Strategies	
Short-term strategies (0–3 years):	Mid-term strategies (3–5 years):	Long-term strategy (6–10 years):
2025–2026	By 2030	By 2040
5% less carbon emissions than in 2022	15% less carbon emissions than in 2022	30% less carbon emissions than in 2022
We have integrated the Company's various departments and established a Sustainability Committee and a promotion team. We have also consolidated relevant domestic and international issues and the expectations of our suppliers and customers to define goals and develop response strategies, which are implemented in our daily operations.  Continue to promote energy conservation and carbon reduction.  All of the Company's energy comes from purchased electricity, thus it is difficult to reduce carbon emissions through process improvements.  Consequently, we are actively replacing old, energy intensive equipment to reduce energy consumption.	<ul> <li>➢ Plan renewable energy use         Assess the area available for         renewable energy installations at         each factory and implement the         initiative in a progressive manner.         ➢ Seek opportunities to purchase             carbon credits</li> <li>Obtain carbon credits in preparation         for the Company's carbon         neutrality, and continue to review its         energy allocation ratio.</li> </ul>	Low-carbon production in the factory area.  Identify opportunities to reduce carbon emissions throughout the production process and across the supply chain Strive to achieve carbon neutrality.  Increase the installation rate of renewable energy.  Gradually replace the Company's gasoline/diesel vehicles with electric or hybrid vehicles.

# **Environmental Management System**

Since 2004, all THPT factories have been certified under the ISO 14001 environmental management system standards to minimize and prevent potential environmental damage and pollution. Through the reduction of pollution, resource recycling, energy conservation, and waste reduction, we ensure the achievement of sustainable goals that balance economic development and environmental protection. Based on eco-friendly and green manufacturing practices in its corporate operations, the Company has also established reduction targets and related regulations for energy management, GHG emissions, water resource management, and waste management. These measures aim to minimize the environmental impact of the production process and fulfill our social responsibility as a member of the industry.



(The Vietnam plant has obtained ISO 14001 certification.)

## 4.2 Energy Management

## **Energy Consumption 302-3**

In 2024, THPT's electricity consumption relied entirely on non-renewable energy sources, totaling 96,327.11 GJ—a significant increase from 80,810.33 GJ in 2023, representing a rise of approximately 15,576 GJ. The Company will continue to monitor the energy management policies and effectiveness of each facility to minimize the environmental impact of production.

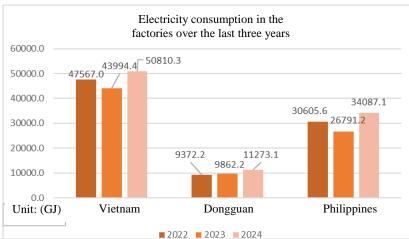
Factories	Taiwan	Vietnam Factory	Dongguan factory	Philippines factory	Total Volume
Electricity (GJ)	156.66	50,810.28	11,273.11	34,087.05	96,327.11
NT\$ million production value	N/A	1,279.48	281.18	1,060.57	2,563.44
Energy consumption per unit production value	N/A	39.71	39.95	32.14	37.57

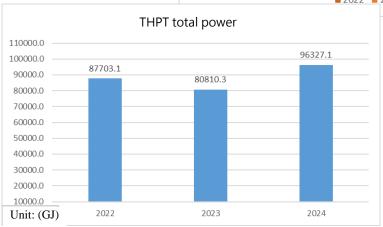
Note 1: kilowatt-hours (international unit symbol: kWh), commonly called a kWh, "1 kWh" = 1,000 Wh = 1 kilowatt. Hour (1 kWh), 1 kWh = 3,6 MJ. The energy conversion coefficient is based on information provided on the Bureau of Standards, Metrology and Inspection website of the Ministry of Economic Affairs (MOEA).

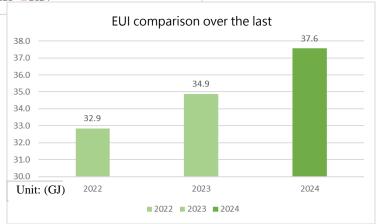
Note 2: The production value of each factory varies due to exchange rate differences; therefore, the total production value and the sum of individual factory values will have some discrepancies.

## Comparison of total power consumption of THPT over the last three years

In 2024, THPT's EUI rose from 34.88 GJ/NT\$ million production value to 37.57 GJ/ NT\$ million production value, failing to meet the Group's annual target of 32 GJ/NT\$ million production value. The primary reasons for this include: 1. Increased overtime production during customer demand peaks to fulfill the resurgence in consumer electronics demand, leading to suboptimal energy management; 2. Acceptance of lower-priced orders as part of the Group's annual strategic initiatives, resulting in a lower conversion rate to production value. The Company has strengthened its monthly data control and will report power consumption and power saving achievement rates to the Sustainability Committee on a quarterly basis. We are actively planning the establishment of renewable energy facilities, aiming to achieve a 2025 EUI target of 34 GJ per million in production value.







## **Power Saving Statistics**

We attach great importance to power efficiency during production. In addition to planning an annual power-saving plan, we also regularly track relevant data. Specific energy-saving measures include replacing energy intensive lamps, machinery, and air conditioning systems. We also actively promote electricity-saving practices among our colleagues. For instance, employees are encouraged to turn off office equipment, such as computers, monitors, lights, and other electrical devices, when leaving the office for extended periods. This helps reinforce the concepts of environmental protection, energy conservation, and carbon reduction, while minimizing unnecessary energy waste. In 2024, a total of 55,621 kWh of electricity was saved. Detailed electricity savings are shown in the table below.

Power Saving Measures	Environmental Protection Expenditure (NT\$)	Electricity Savings (kWh)	Estimated electricity cost savings of approximately (NT\$)
Replaced 48 LED light tubes/bulbs.	24,960	27,393.60	62,400
Replaced 17 energy-saving air conditioners.	202,725	17,992.80	80,967
Replaced 2 energy-saving air conditioners.	179,459	5,110.00	12,815
Some lights are turned off.	0	5,124.60	12,853
Total	407,144	55,621.00	169,035

## **GHG Emissions Management**

GHGs are the main cause of global climate anomalies, and addressing them is key to mitigating environmental damage and meeting stakeholder expectations. Since 2022, THPT has been voluntarily conducting GHG inventories for the seven major types of GHGs: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride. To gain a clear understanding of the basis for GHG emissions and reductions. Although currently not legally

required to conduct an inventory and reduction control, we voluntarily perform GHG emissions inventories.

Factories	Taiwan	Vietnam Factory	Dongguan factory	Philippines factory	Total
Scope 1 (tonnes CO2e/year)	2.10	212.00	120.08	159.06	493.24
Scope 2 (tonnes CO2e/year)	21.54	9,303.93	1,785.85	6,110.93	17,222.25
Scope 3 (tonnes CO2e/year)	N/A	16,425.47	N/A	N/A	N/A
Total (excluding Scope 3)	23.64	9,515.93	1,905.93	6,269.99	17,715.49
NT\$ million production value	N/A	1,279.48	281.18	1,060.57	2,563.44
Emission intensity per unit of production value	N/A	7.43	6.78	5.91	6.71

Note 1: Since 2022, THPT has voluntarily completed the carbon inventory of all factories using the operational control method.

using the operational control method.

Note 2: Taiwan electricity carbon emission factor: Calculated based on 0.494 (kg CO2e/kWh) as published by the Energy Administration in 2023.

Note 3: The overseas factories are calculated based on the locally published electricity carbon emission factor. (Vietnam factory: 0.676 kg CO2e/kWh; Dongguan factory: 0.570 kg CO2e/kWh; Philippines factory: 0.712 kg CO2e/kWh)

Note 4: Global Warming Potential (GWP) values are based on the IPCC 2021 Sixth Assessment Report (AR6).

Note 5: Emission intensity per unit of production value = carbon emissions (tons, excluding Scope 3) / NT\$ million production value.

# 4.3 Water Resource Management

THPT recognizes the critical importance of water resources for sustainable operations. In addition to ongoing promotion of water conservation measures and monitoring of water usage, we have set a target to reduce water withdrawal by 1% annually, using 2022 as the baseline. Through these efforts, we aim to balance maximizing shareholder value with environmental protection and sustainable business practices.

#### Water Risk Assessment

The "Aqueduct Water Risk Atlas," developed by the World Resources Institute (WRI), indicates that THPT's facilities are located in areas with water stress below 20%. An assessment confirms this will

not impact local water consumption.

Item	Taiwan	Vietnam	Dongguan	Philippines
		factory	factory	factory
Water resource risk	Low	Medium-low	Low	Medium-low
Water source	Dahan River,	Ta Binh River,	Water of	Groundwater of
	Shihmen	Yuehe Reservoir	Dongjiang Lake	Lima (The No. 6
	Reservoir		55 5	deep well)
Discharge outlet	North District	Sewage	Chang-An Water	Lima Water
management	Water Resource	Treatment	Supply Company	Company (No. 1
	Recycling	System, Futian		and No. 2 outlets)
	Center, Taoyuan	Industrial Park		ĺ
Location of final	Nankan River	Sông Sặt River	Maozhou River	Tiguero Creek
wastewater discharge				_

## Water Withdrawal GRI 303-2, 303-3, 303-4, 303-5

THPT's production process does not generate water pollution, and the majority of water usage is dedicated to cooling and domestic needs during production. All wastewater is discharged into the legal sanitary sewer system and treated, posing no threat to the ecosystem or natural water bodies. Meanwhile, the water consumption of each factory is relatively small compared to the total local water withdrawal and does not pose a burden on local water resources. The total water withdrawal for 2024 was 62.862 ML, a decrease of 2.75 ML from 2023, achieving the annual target of a 1% reduction. We will continue to implement water resource management and minimize our impact on the natural ecology.

Item	Vietnam Factory	Dongguan factory	Philippines factory	Total (ML)
Water withdrawal from third-party sources (ML)	24.893	11.918	26.051	62.862
Effluent discharge volume (ML)	19.914	-	22.795	42.709
Water consumption	4.978	-	3.256	8.234
Water withdrawal intensity	0.019	0.042	0.024	0.024

Note 1: In 2024, there is no surface water, groundwater, or internally-stored water.

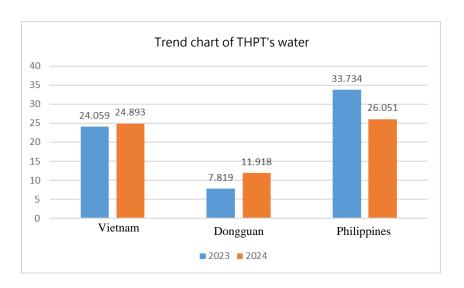
Note 2: The unit of water withdrawal is megaliters (ML).

Note 3: Statistics are reported to the third decimal place and are not rounded.

Note 4: Taiwan Operation Headquarters is only a small office for general administrative purposes, and due to the difficulty in separately measuring its water withdrawal and discharge from other shared-space tenants, it is excluded from the calculation.

Note 5: Due to difficulties in distinguishing floor pipelines in the leased building at the Dongguan factory, effluent discharge volume is not currently being calculated.

Note 6: Water withdrawal intensity = Water sourced from third parties (ML) / NT\$ million production value.



## 4.4 Waste Management GRI 306-3

In order to reduce the environmental impact of waste generated by THPT's production and operations, all waste generated by the Company will be sorted, and reusable resources will be prioritized for recycling within the factory. We uphold the concept of environmental sustainability, promote various waste reduction measures and policies, reduce waste generated from employees' daily operations, and increase the ratio of in-house waste recycling and reuse. The waste generated by the Taiwan headquarters office is combined with that of other tenants in the leased building, making it difficult to measure separately. Since the office only produces a small amount of waste from daily employee activities, the data is excluded from the statistics.

#### **Waste Disposal Method**

### General industrial waste

In 2024,a total of 511.78 tonnesof general industrial waste, including waste paper and waste packaging materials, were recycled or disposed of by a waste disposal company along with other non-recyclable general domestic waste. THPT also encourages employees to use reusable, eco-friendly tableware and shopping bags to reduce waste generated in daily life.

#### Hazardous industrial waste

In 2024, THPT generated a total of 6.44 tonnes of hazardous industrial waste, all of which was disposed of by qualified waste disposal companies in accordance with the law to ensure comprehensive waste management.

#### **Waste Disposal Flow**

The Company monitors waste generation and disposal in compliance with the law. Waste disposal data is collected through qualified contractors, who are also regularly reviewed to prevent illegal practices and to ensure proper disposal of all waste.

		Waste Disposal	Statistics Table		
Type/disposal method (tonnes)		Vietnam Factory	Dongguan factory	Philippines factory	Total Volume
General industrial	Recycling and reuse	0	0.18	182.91	183.09
waste	Incineration	273.86	9.84	0	283.70
waste	Landfills	0	0	44.98	44.98
Hazardous industrial waste	Recycling and reuse	0	0	2.32	2.32
	Incineration	1.77	0.60	0	2.37
	Landfills	0	0	1.75	1.75

Note 1: The Taiwan Operation Headquarters generates only a small amount of daily office waste. Since it is recycled and disposed of together with the building's overall waste, it is not currently included in the statistics.

Note 2: All hazardous/non-hazardous waste is collected by a third-party licensed contractor for proper disposal.

# 05 Appendix

## **Errata**

## **2023 THPT Salary and Benefits**

When calculating the figures for the first time in 2023, some overseas personnel who had returned to Taiwan for work were mistakenly included, which led to adjustments in the highest total annual remuneration. Details are provided below.

## **Before Adjustment**

In 2023, the Company's annual total compensation ratio was 5.13, with an annual total compensation change ratio of 3.58.

#### Annual total compensation ratio = 5.13

Highest individual annual total compensation within the organization.

Median total annual compensation of all employees (excluding the highest – paid individual)

Year — over — year change in total compensation. = 3.58

Percentage increase in the total annual compensation of the highest — paid individual.

Note 1: The above information only includes employees in Taiwan (consistent with the information disclosed in 2.4 "Employee Distribution").

Note 2: The Company's total annual remuneration is calculated primarily based on total cash compensation, including basic salary, bonus, cash dividends, and other forms of cash payment.

## **After Adjustment**

In 2023, the Company's annual total compensation ratio was 4.22, with an annual total compensation change ratio of 4.87.

### Annual total compensation ratio = 4.22

Highest individual annual total compensation within the organization.

Median total annual compensation of all employees (excluding the highest – paid individual).

Year – over – year change in total compensation. = 4.87

Percentage increase in the total annual compensation of the highest – paid individual.

Note 1: The above information only includes employees in Taiwan (consistent with the information disclosed in 2.4 "Employee Distribution").

Note 2: The Company's total annual remuneration is calculated primarily based on total cash compensation, including basic salary, bonus, cash dividends, and other forms of cash payment.

Note 3: Employees who were previously stationed overseas and have returned to Taiwan for less than one year are excluded from the remuneration statistics.

Percentage increase in the median total annual compensation of all employees, excluding the highest – paid individual.

Percentage increase in the median total annual compensation of all employees, excluding the highest - paid individual.

# **GRI Standards Comparison Table**

Statement of Use	The 2024 Sustainability Report of THPT is published in accordance with the GRI Standards, with data and information covering January 1 to December 31, 2024.
GRI 1 Version Used	GRI 1: Foundation 2021
<b>GRI Standards Application</b>	None

# **GRI 2: General Disclosure: 2021**

Report   For non-disclosure   number	Disclosure Item	Chapters of the	Note / Undisclosed information and reasons	Page
Organization and reporting   2-1 Organizational   THPT   07		_		_
Details   THPT   2-2 Entities Included in the Organization's Sustainability Reporting   Foreword - About THPT   07	Organization and reporting			
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Critical Concerns	Governance		
2-17 Collective	2.1 Corporate		20
Knowledge of the Highest	Governance		30
Governance Body	2.1.6		
2-18 Evaluation of the	2.1 Corporate		
Performance of the	Governance		31
Highest Governance			
Body	210		+
2-19 Remuneration	2.1 Corporate		34
Policies	Governance		1
2-20 Process to	2.1 Corporate		32
<b>Determine Remuneration</b>	Governance		
2-21 Annual Total	3.3 Talent		
<b>Compensation Ratio</b>	Recruitment and		67
	Retention		
2-22 Statement on	Foreword - Message		
Sustainable Development	from the Chairman		04
Strategy			
2-23 Policy Commitments	2.5 Supply Chain		46
	Management		40
2-24 Embedding Policy	2.5 Supply Chain		46
Commitments	Management		40
2-25 Processes to	2.2 Ethics and		
Remediate Negative	Integrity		37
Impacts			
2-26 Mechanisms for	2.5 Supply Chain		
Seeking Advice and	Management		37
Raising Concerns	_		
2-27 Compliance With	2.6 Compliance with		<b>50</b>
Laws and Regulations	Laws and Regulations		50
2-28 Membership	Foreword - About	THPT has not yet participated in any	07
Associations	THPT	associations	07
2-29 Approach to	1.3 Stakeholder		1.7
Stakeholder Engagement	Engagement		15
2-30 Collective	None	THPT is currently not a member of any	
<b>Bargaining Agreements</b>		collective bargaining organization	-

**2024 Material Topics of THPT** 

Disclosure Item	Disclosure Item	Chapters of the Report	Note / Undisclosed information and reasons for non-disclosure	Page number
	3-1 Process to Determine Material Topics	1.4 Management of Material Topics	reasons for non-disclosure	15
GRI 3: Material Topics 2021	3-2 List of Material Topics	1.4 Management of Material Topics		19
Topics 2021	3-3 Management of material topics	1.4 Management of Material Topics		21
Occupational health		Waterial Topics		
3-3 Management of	*	1.4 Management of Material Topics		55
GRI 403:	403-2 Hazard Identification, Risk Assessment, and Incident Investigation	3.4 Occupational Health and Safety		69
Occupational Safety and Health	403-3 Occupational Health Services	3.4 Occupational Health and Safety		72
2018	403-5 Worker Training on Occupational Health and Safety	3.4 Occupational Health and Safety		71

	403-6 Promotion of	3.4 Occupational	72
	Worker Health	Health and Safety	72
	403-9 Work-related	3.4 Occupational	69
	Injuries	Health and Safety 3.4 Occupational	
	403-10 Occupational Disease	Health and Safety	71
Career development	t and education and training		
		1.4 Management of	55
3-3 Management of	material topics	Material Topics	55
<b>GRI 404: Training</b>	404-1 Average Hours of	3.3 Talent	
and Education	Training per Year per	Recruitment and	65
2016	Employee	Retention	
Information security	y	4435	1
3-3 Management of	material topics	1.4 Management of	24
	418-1 Substantiated	Material Topics	
GRI 418:	Complaints Concerning		
Customer Privacy	Breaches of Customer	2.7 Information	51
2016	Privacy and Losses of	Security	31
2010	Customer Data		
Ethics and integrity		I	1
	4	1.4 Management of	24
3-3 Management of	material topics	Material Topics	24
GRI 205: Anti-	205-3 Confirmed	2.2 Ethics and	
corruption 2016	Incidents of Corruption	Integrity	36
	and Actions Taken	Integrity	
Compliance with lav	ws and regulations		
3-3 Management of	material topics	1.4 Management of	24
		Material Topics	
GRI 206: Anti-	206-1 Legal Actions for	2.6 Compliance with	
competitive	Anti-Competitive Behavior, Anti-Trust,	2.6 Compliance with Laws and	50
Behavior	and Monopolistic	Regulations	30
Deliavioi	Practices	Regulations	
	416-2 Incidents of Non-		
GRI 416:	Compliance Concerning	2.6 Compliance with	
<b>Customer Health</b>	the Health and Safety	Laws and	50
and Safety	Impacts of Products and	Regulations	
·	Services		
	417-2 Incidents of Non-		
GRI 417:	<b>Compliance Concerning</b>	2.6 Compliance with	
Marketing and	<b>Product and Service</b>	Laws and	50
Labeling	Information and	Regulations	
0 4 1 6	Labeling		
Operational perform	папсе	14 Management of	
3-3 Management of	material topics	1.4 Management of Material Topics	24
	201-1 Direct Economic		
	Value Generated and	2.4 Operational	34
GRI 201:	Distributed	Performance	37
Economic	201-2 Financial		
Performance 2016	Implications and Other	4.1 Climate Change	
	Risks and Opportunities	Risk Analysis	34
	<b>Due to Climate Change</b>	-	
<b>Energy Managemen</b>	t		
3-3 Management of	material tonics	1.4 Management of	78
	IIIII topics	Material Topics	70
GRI 302: Energy	302-3 Energy Intensity	4.2 Energy	85
2016		Management	
GHG emissions			

3-3 Management of material topics		1.4 Management of Material Topics	78
GRI 305: Emissions 2016	<b>305-1 Direct (Scope 1)</b>	4.2 Energy	86
	<b>GHG Emissions</b>	Management	00
	305-2 Energy Indirect (Scope 2) GHG Emissions	4.2 Energy Management	86
	305-4 GHG Emissions Intensity	4.2 Energy Management	86

**General Topics of THPT in 2025** 

Disclosure Item	Disclosure Item	Chapters of the Report	Note / Undisclosed information and reasons for non-disclosure	Page number
GRI 202: Market Presence 2016	202-1 Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage	3.3 Talent Recruitment and Retention		67
GRI 303: Water and Effluents 2018	303-3 Water Withdrawal	4.3 Water Resource Management		88
	303-4 Water Discharge	4.3 Water Resource Management		88
	303-5 Water Consumption	4.3 Water Resource Management		88
GRI 306: Waste 2020	306-3 Waste Generated	4.4 Waste Management		90
	306-4 Waste Diverted From Disposal	4.4 Waste Management		90
GRI 404: Training and Education 2016	404-3 Percentage of Employees Receiving Regular Performance and Career Development Reviews	3.3 Talent Recruitment and Retention		66
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of Governance Bodies and Employees	2.1 Corporate Governance		28
GRI 401: Employment 2016	401-1 New Employee Hires and Employee Turnover	3.3 Talent Recruitment and Retention		56
	401-2 Benefits Provided to Full-Time Employees That Are Not Provided to Temporary or Part-Time Employees	3.3 Talent Recruitment and Retention		61
	401-3 Parental Leave	3.3 Talent Recruitment and Retention		64

# **SASB Comparison Table**

Number	Description of Indicator	Chapter / Explanation for non-applicability			Page number	
TC-HW-230a.1	Describe the risk identification and management methods for product information security.	2.7 Information Security	53			
TC-HW-330a.1	Gender ratio of (1) management; (2) technical personnel; (3) all other	Type/gender Management positions	Male 126	Female 70		
	employees	Technical personnel (R&D/production personnel)	384	390	-	
		All other employees (sales/administrative staff)	326	326		
TC-HW-410a.1	Percentage of annual revenue from products containing substances subject to IEC 62474 declaration requirements.	The Company is not a brand owner and does not manufacture complete products; therefore, this indicator is not applicable.			-	
TC-HW-410a.2	Percentage of annual revenue from products that meet EPEAT or equivalent requirements.	om The Company is not a brand owner and does not manufacture complete products; therefore, this indicator is not applicable.			-	
TC-HW-410a.3	Percentage of annual revenue from products meeting ENERGY STAR® standards.  The Company is not a brand owner and doe not manufacture complete products; therefore this indicator is not applicable.			s; therefore,	-	
TC-HW-410a.4	Total weight and recycling rate of scrapped products and electronic waste	1. Scrapped products: Ou B2B and we do not recycled 2. Total weight of recycled recycling ratio: Our produ and are recycled only for sfurther reuse.	-			
TC-HW-430a.1	Percentage of tier 1 suppliers that have passed the RBA audit (VAP) or equivalent audit: (a) all suppliers and (b) high-risk suppliers.	The Company has not yet audits (VAP) for tier 1 sup information is available for future, we will continue to	-			
TC-HW-430a.2	Percentage of tier 1 suppliers (1) that did not pass the RBA Validated Audit Process (VAP) or equivalent audit, and (2) the improvement rate for (a) major and (b) other deficiencies.	feasibility of implementing relevant regulations.			-	
TC-HW-440a.1	Describe the risk management of using critical substances.	Except for a few products with customer- specified materials, the Company's raw materials are not subject to the risk of monopoly or oligopoly, and over 80% of the production raw materials are provided by local suppliers.				
<b>Activity Indicator</b>						
TC-HW-000.A	Production volume by product category	Molds (set)	_	873	-	
		Plastic (piece)		391,535,144		
TC-HW-000.B	Production equipment area	Trade secrets are not disclosed		-		
TC-HW-000.C	Percentage of production from in- house manufacturing facilities	The Company owns all of its production equipment			-	

# **Third-party Verification Statement**







#### INDEPENDENT ASSURANCE OPINION STATEMENT

### TaiHan Precision Technology Co., Ltd. 2024 Sustainability Report

The British Standards Institution is independent to TaiHan Precision Technology Co., Ltd. (hereafter referred to as THPT in this statement) and has no financial interest in the operation of THPT other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of THPT only for the purpose of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by THPT. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to THPT only.

#### Scope

The scope of engagement agreed upon with THPT includes the followings:

- The assurance scope is consistent with the description of TaiHan Precision Technology Co., Ltd. 2024 Sustainability Report
- 2. The evaluation of the nature and extent of the THPT's adherence to AA1000 AccountAbility Principles (2018) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

This statement was prepared in English and translated into Chinese for reference only.

#### Opinion Statement

We conclude that the TaiHan Precision Technology Co., Ltd. 2024 Sustainability Report provides a fair view of the THPT sustainability programmes and performances during 2024. The sustainability report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the THPT and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate THPT's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurors in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that THPT's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards were fairly stated.

#### Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a review of issues raised by external parties that could be relevant to THPT's policies to provide a check
  on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 2 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000AP (2018).

#### Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP (2018) and GRI Standards is set out below:

#### Inclusivity

This report has reflected a fact that THPT has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the THPT's inclusivity issues.

#### Materiality

THPT publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of THPT and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the THPT's management and performance. In our professional opinion the report covers the THPT's material issues.

#### Responsiveness

THPT has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for THPT is developed and continually provides the opportunity to further enhance THPT's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the THPT's responsiveness issues.

#### Impact

THPT has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. THPT has established processes to monitor, measure, evaluate, and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the THPT's impact issues.

#### **GRI Sustainability Reporting Standards (GRI Standards)**

THPT provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the THPT's sustainability topics.

#### Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

#### Responsibility

The sustainability report is the responsibility of the THPT's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

#### Competency and Independence

The assurance team was composed of auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064, and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.



For and on behalf of BSI:

Osth

Peter Pu, Managing Director BSI Taiwan

...making excellence a habit."

Statement No: SRA-TW-810724

2025-07-15

Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.

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ESG