



Tsang Yow Industrial Co., Ltd,
Environmental Social Governance
ESG Report



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About This Report

■ Report Summary

Tsang Yow Industrial Co., Ltd. (hereinafter referred to as “Tsang Yow”) has compiled the 2024 Sustainability Report starting from 2025. This report provides a comprehensive overview of Tsang Yow’s strategies, implementation efforts, and achievements in the areas of Environmental, Social, and Governance (ESG), demonstrating the company’s proactive advancement on the path toward sustainable development.

In terms of environmental performance, Tsang Yow is committed to reducing its carbon footprint by implementing energy efficiency improvement programs and adopting various measures to reduce waste and pollutant emissions, including the use of renewable energy, promotion of circular economy practices, and introduction of environmentally friendly technologies. Regarding social responsibility, Tsang Yow focuses on employees’ well-being and employee benefits, offering diverse training and career development opportunities while ensuring a safe and healthy work environment. At the same time, the company actively participates in community development, supporting education, health, and cultural initiatives to promote harmonious social development. In terms of governance, Tsang Yow adheres to the highest standards of corporate governance by establishing a transparent, fair, and efficient management system, strengthening the supervisory functions of the Board of Directors, and formulating strict internal control mechanisms to ensure compliant and ethical operations while safeguarding shareholder interests.

Through this report, Tsang Yow presents its ongoing efforts and accomplishments in ESG, demonstrating that the company is committed not only to creating economic value but also to considering its long-term impact on the environment and society. We will continue to improve and innovate, working together with all stakeholders to advance sustainable development.

■ Report Compilation Principles

Sustainability Reporting Standards (GRI Standards 2021) and the Taiwan Stock Exchange’s “Rules Governing the Preparation and Filing of Sustainability Reports by Listed Companies.” (Task Force on Climate-related Financial Disclosures, TCFD) . It also references the Sustainability Accounting Standards Board (SASB) guidance for non-financial information disclosure in the automotive parts industry, as well as the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. The initial draft of this report was compiled and revised through the joint participation of department heads convened by the Sustainability Promotion Committee. It was subsequently reviewed by the

Sustainability Development Committee and finally submitted to the Board of Directors for approval and release.

■ Reporting Period

The disclosure period covered in this report is from January 1, 2024, to December 31, 2024. This is Tsang Yow's first sustainability report. Beginning in 2025, the report will be published annually, with the next edition expected to be released before August 31, 2026. Each year's report will be available for download on the Tsang Yow official website.

■ Scope and Boundary of the Report

This report fully covers Tsang Yow's operational performance based on financial data, while non-financial performance indicators primarily encompass corporate governance, product safety, customer satisfaction, information security, environmental safety, employee relations, and social welfare. Any data adjustments or estimations will be separately explained within the report content.

The content of this report primarily covers Tsang Yow's three plant areas and four operational sites in Taiwan—Zhongshan Plant, Stamping Plant (No. 45 / No. 45-1), and Chenggong Plant—and does not include the performance of other subsidiaries. It is intended for disclosure to Tsang Yow employees, customers, suppliers, and investors, with a focus on major topics. Other information is presented using standard descriptive text and numerical values, while financial data is expressed in New Taiwan Dollars (NTD) or in thousands of NTD.

■ Report Quality and Assurance

This report is compiled and finalized using information and data provided by various departments of Tsang Yow, consolidated and edited by the Sustainability Promotion Committee, and subsequently reviewed by the Sustainability Development Committee and the Board of Directors prior to publication. As this is the first year of publication, external assurance has not yet been sought for this report. However, future editions will progressively adopt external assurance for sustainability reporting by independent organizations to ensure transparency and accuracy, thereby continuously enhancing Tsang Yow's performance in sustainability.

■ Contact Information

If you have any questions or suggestions regarding the content of this report, or any valuable feedback for Tsang Yow, you are welcome to contact us through the following means.



Tsang Yow Official Website :

<https://www.tsangyow.com.tw>

Tsang Yow Annual Report :

https://www.tsangyow.com.tw/page7_4.php?vv=eyJwZyI6NCwicGdjIjo0LCJwZ2QiOjF9

Tsang Yow Financial Statements :

https://www.tsangyow.com.tw/page7_2a.php?vv=eyJwZyI6MiwicGdjIjoyLCJwZ2QiOjJ9

0. About Tsang Yow

Tsang Yow Industrial Co., Ltd. (Stock Code: 1568), established in 1985, is a specialized manufacturer of transmission system components, including automatic transmission parts, heavy-duty truck clutch components, and industrial machinery components. Our core technologies include precision machining, stamping, gear cutting, laser welding, assembly, and stamping die design. Drawing on over 20 years of accumulated capabilities in reverse engineering and OEM development within the automotive aftermarket sector, Tsang Yow serves a global customer base, including Tier 1 automotive component manufacturers such as BorgWarner, Valeo, and Magna, establishing itself as a world-class transmission system producer.

Tsang Yow passed the ISO 9002:1994 quality assurance certification as early as 1999, followed by the QS 9000 quality assurance certification for the automotive industry in 2000, and the ISO/TS 16949 quality assurance certification for the automotive industry in 2004. In 2018, Tsang Yow successfully transitioned to the IATF 16949:2016 certification and, in 2020, passed the AS 9100 D: 2018 aerospace system certifications. Tsang Yow has always adhered strictly to its quality goal of "Adhering to standards, ensuring quality, continuous improvement, and exceeding demands." From raw material procurement to finished product shipment, the company implements strict quality control to produce high-precision products and continuously innovating production processes. Tsang Yow continues to invest in high-precision machinery and equipment, introduces quality management systems, and establishes comprehensive information management platforms to strengthen the existing foundation. This ensures that the company's products meet higher stability and precision requirements, guaranteeing that all processes comply with the highest standards demanded by customers and maintain consistent quality. Below is a table summarizing Tsang Yow's basic information :

0.1. Basic Information of Tsang Yow

Company Name	Tsang Yow Industrial Co., Ltd.
Date of Establishment	January 16, 1985
Industry Category	Automobile and Auto Parts Manufacturing Industry (Automotive Components)
Chairman	Su, Chi-Tse
Total Capital Amount	NTD 1,030,865,590

Type of Listing/Issuance	Listed Company (Stock Code: 1568)
Date of Listing	May 14, 2014
Company Location	No. 18, Zhongshan Road, Fule Village, Minxiong Township, Chiayi County
Other Operating Locations	<p>Zhongshan Plant: No. 18, Zhongshan Road, Minxiong Industrial Park, Chiayi County (Head Office)</p> <p>Chenggong Plant: No. 38, Chenggong 2nd Street, Minxiong Industrial Park, Chiayi County</p> <p>Stamping Plant: No. 45 and No. 45-1, Zhongshan Road, Minxiong Industrial Park, Chiayi County</p>

0.2. History of Tsang Yow

Since its establishment in 1985, Tsang Yow has been committed to technological innovation and high-quality service, gradually expanding into global markets. The following presents the development milestones of Tsang Yow.

Year	Major Milestones
1985 Year	Established 「Tsang Yow Industrial Co., Ltd.」 with a registered capital of NTD 5 million.
2001 Year	Passed the qualification assessment for defense industry manufacturers.
2003 Year	Approved for public issuance of shares on July 16. Merged with subsidiary Tsang Yow Gear Co., Ltd.
2004 Year	Completion of the Zhongshan Plant. Approved for OTC (over-the-counter) listing on June 11. Processed capital increase of NTD 56.07 million from earnings and NTD 24.03 million from capital surplus, raising the total capital to NTD 480.6 million.
2007 Year	First issuance upon exercise of employee stock options.
2008 Year	Completion of the Stamping Plant (No. 45, Zhongshan Road). Received the BorgWarner Best Supplier Award.
2014 Year	Conducted a cash capital increase of NTD 114,550 thousand in May, raising total capital to NTD 1,031 million. Listed and began trading on the Taiwan Stock Exchange centralized market starting May 14.
2016 Year	Completion of the Stamping Plant at No. 45-1, Zhongshan Road. Established the Tsang Yow Social Welfare and Charity Foundation in Chiayi County.
2021 Year	Received the 「2021 Outstanding Healthy Workplace – Active Vitality Award」 from the Health Promotion Administration, Ministry of Health and Welfare
2022 Year	Obtained qualified supplier status from aerospace customers. Received the 「2022 Outstanding Healthy Workplace – Health Management Award」 from the Health Promotion Administration, Ministry of Health and Welfare.
2023 Year	Certified as a qualified supplier by a major international semiconductor equipment manufacturer. Disposed of the subsidiary Wuxi Tsang Yow Automotive Parts Co., Ltd. in Mainland China. Invested in and jointly established YORU TECH SDN. BHD. in Malaysia.

Year	Major Milestones
	<p>YORU TECH. PTE.LTD. Jointly established YORU TECH PTE. LTD. in Singapore. Board approved long-term equity investment in Thailand. Received the 「2023 Outstanding Healthy Workplace – Active Vitality Award」 from the Health Promotion Administration, Ministry of Health and Welfare.</p>
2024 Year	<p>Received the 「2024 Outstanding Healthy Workplace – Comprehensive Wellness Award」 from the Health Promotion Administration, Ministry of Health and Welfare. Awarded First Place in Workplace Smoking Cessation Participation Achievement by the Chiayi County Public Health Bureau.</p>

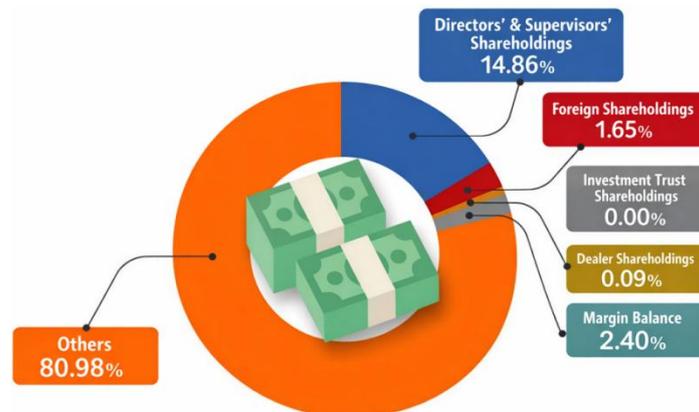
0.3. Shareholding Structure

Shareholding Distribution of Tsang Yow (Information as of December 31, 2024)

Unit: Thousand Shares

Item	Number of Shares Held	Shareholding Percentage
Directors' and Supervisors' Shareholdings	15,320	14.86%
Foreign Shareholding	1,710	1.65%
Institutional Investor (Investment Trust) Shareholding	4	0.00%
Dealer (Proprietary Traders) Shareholding	97	0.09%
Margin Balance	2,477	2.40%
Others	83,479	80.98%
Total	103,086	100.00%

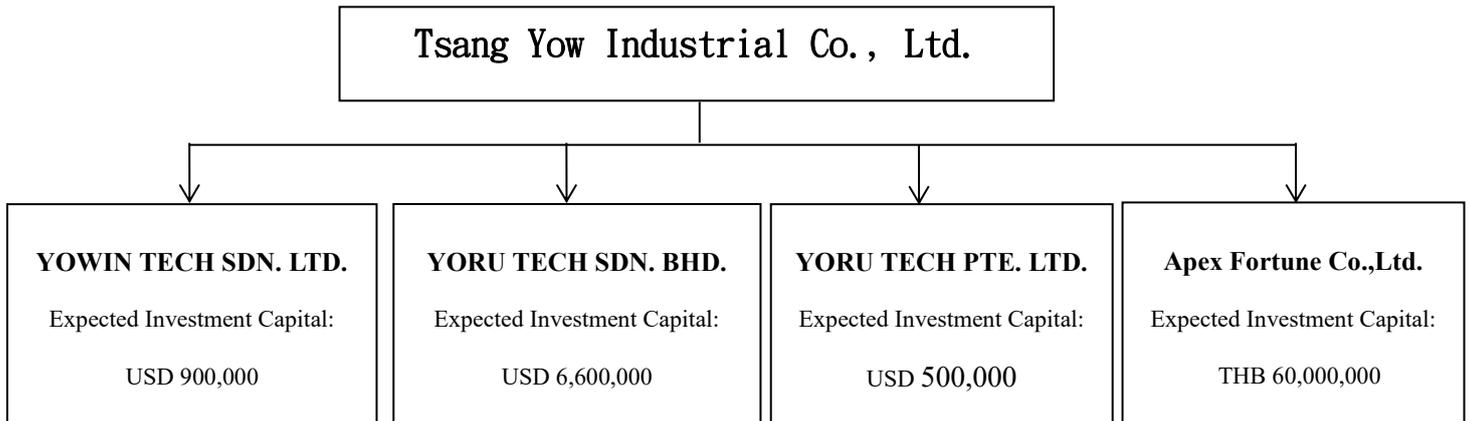
Note : The total shareholding ratio of all directors of Tsang Yow is handled in accordance with the 「 Regulations Governing the Shareholding and Verification of Directors and Supervisors of Public Companies 」 issued by the competent authority.



0.4. Investments in Subsidiaries and Affiliated Companies

The evaluation, investment, and management procedures for Tsang Yow's investment activities are conducted in accordance with the 「 Regulations Governing the Acquisition and Disposal of Assets by Public Companies 」 and the 「 Regulations

Governing the Establishment of Internal Control Systems by Public Companies,」 along with the company’s own 「 Procedures for Acquisition or Disposal of Assets,」 to achieve management objectives and investment effectiveness.As of the end of 2024, information regarding investment amounts and revenues related to investee companies can be found in Schedule 3 of the 2024 Consolidated Financial Statements.



1. Sustainable Operations

1.1. Message from the Management

1.1.1. Message from the Chairman

The impact of global climate change on human life is intensifying, and sustainable development has become a crucial issue in the global automotive industry. Against this backdrop, Tsang Yow, focused on automotive transmission system manufacturing, feels a profound sense of responsibility. While driving innovation in the industry, it actively responds to environmental protection and fulfills its social responsibilities.

「Create profit, share with employees, and give back to society」 has always been the management philosophy upheld by Tsang Yow. In terms of environmental protection, several measures have been adopted to reduce greenhouse gas emissions, water resource waste during the manufacturing process, and to monitor energy waste while replacing energy-saving equipment alternatives to improve energy efficiency. We are also actively increasing the proportion of products related to new energy vehicles, including transmission technologies for electric and hybrid vehicles, to reduce environmental impact. As a corporate citizen, Tsang Yow is committed to creating a safe and healthy working environment for its employees. We offer comprehensive training and career development opportunities to empower the personal and professional growth of our workforce. We have strengthened our information system security measures to protect customer privacy and confidential documents, in response to the increasing cyber threats. Additionally, we actively participate in community development, supporting educational and charitable activities.

Tsang Yow adheres to high standards of transparency and integrity, establishing a sound internal control system to mitigate risks and ensure the legality and ethics of the company's operations. We place great importance on communication with shareholders, sharing the company's operations and future plans with both internal and external stakeholders through investor relations, regular reports, and meetings in an information-symmetrical manner.

Looking ahead, Tsang Yow will continue to focus on climate change issues and industry development trends. We will continue to invest in smart manufacturing and digital transformation capabilities, not only to enhance the competitiveness of our products but also to promote the entire industry's development toward more sustainable and environmentally friendly practices. Collaboration with global supply chain partners is essential to achieving this goal, and we will continue to strengthen resource integration and communication with suppliers to ensure the sustainability of the entire value chain.

Furthermore, Tsang Yow will continue to focus on activities that improve the quality of life in the community and promote environmental protection. We believe these efforts will not only create value for shareholders but also make a positive contribution to society. Ensuring Tsang Yow remains agile and responsive in the rapidly changing market environment, strengthening governance structures and processes, is the key to maintaining competitiveness, attracting investment, and gaining consumer trust. In the future, we will continue to drive industry transformation and progress in our current technological fields, making greater contributions to global sustainable development and establishing Tsang Yow as the best partner in the transmission system industry.



1.1.2. Message from the General Manager

The turbulence of the global situation in 2024 has not only brought unprecedented pressure to the international economy but also highlighted the importance of ESG (Environmental, Social, and Governance) sustainable development.

In response to the severe challenges posed by climate change, Tsang Yow continues to make significant investments in carbon reduction technologies and green energy, committed to reducing the environmental impact of its operations. We recognize that reducing greenhouse gas emissions and achieving more efficient resource utilization are key factors in ensuring the company's long-term development and environmental sustainability. In 2024, the organization's greenhouse gas emissions decreased by approximately 6.8% compared to 2023. Additionally, the total electricity and water usage in 2024 decreased by about 3.1% and 3.7% respectively compared to 2023. Renewable energy generation accounted for 17.8% of the company's total annual electricity consumption in 2024.

In terms of occupational safety and health management, Tsang Yow continually improves operational processes and safety standards, actively fosters a health-promoting culture, and creates a healthy workplace environment to ensure employee health and safety. The company also integrates environmental protection thinking into its core operations, reducing environmental impacts through the implementation of environmental management systems and management programs. The company also considers customer privacy and data as one of its most valuable assets. Information security management is given top priority, led by the management team to promote the information security management system and build an information security risk management framework. Through the establishment of the "Information Security Committee," we strengthen the protection and risk control of information systems, trade secrets, and intellectual property to guard against the increasing threats from cyberattacks, malicious and false information, and the negative effects of artificial intelligence.

Tsang Yow is not only a business entity but also a company with a strong sense of social responsibility. To give back to society, Tsang Yow established the 「Tsang Yow Social Welfare and Charitable Foundation」 committed to promoting diversified social welfare activities. The company actively participates in community services, including funding educational programs, supporting environmental protection initiatives, and caring for vulnerable groups, all aimed at improving the quality of life in the communities where we operate. We hope that through these efforts, we can bring about positive change in society and allow more people to enjoy the beauty of life.

Moving forward, Tsang Yow will continue to explore new technologies and improve products, enhance operational efficiency, and reduce environmental impact. Additionally, we will continue to optimize supply chain management to ensure that all partners meet high standards for environmental protection and social responsibility.

Looking ahead, Tsang Yow will continue to implement ESG policies and explore new methods to enhance performance in environmental, social, and governance areas. We believe that through these efforts, Tsang Yow will continue to grow and make a positive impact globally.

1.2. Business Objectives

With 「Sustainable Tsang Yow」 as the core concept, we deeply integrate ESG principles into our business policies. We are committed to continuing profitability while actively promoting energy conservation and carbon reduction, ensuring that business development complements environmental protection. Tsang Yow not only focuses on improving economic benefits but also values social responsibility. By actively participating in community development and charitable activities, we aim to achieve co-existence and mutual prosperity with society. Additionally, we uphold high standards of corporate governance, ensuring transparency and fairness to meet the expectations of all stakeholders. Through these efforts, we aim to achieve short-term performance while laying a solid foundation for the company’s long-term sustainable development.

Tsang Yow’s Sustainable Business Objectives



1.2.1. Sustainability Development Committee

Tsang Yow has 「Sustainable Tsang Yow」 as its core concept, deeply integrating ESG principles into its business policies. Over the years, it has continuously and actively promoted corporate governance, environmental sustainability, and the promotion of social prosperity. To implement the ESG vision and mission, the 「Sustainability Development Committee」 was established on August 7, 2024, under the Board of Directors, with three independent directors serving as committee members.

The committee has established the 「Sustainability Promotion Committee」 composed of various functional departments. The General Manager serves as the chairperson, coordinating three working groups focused on 「Environmental Sustainability」(E), 「Social Sustainability」(S), and 「Corporate Governance」(G). These groups are responsible for coordinating, planning, and implementing the company’s sustainability policies, goals, strategies, plans, and continuous improvements.

Tsang Yow Industrial Co., Ltd.



1.2.1.1. Committee Operation Method

The committee meets at least once a year to exercise the following powers, and the results are compiled and reported to the Board of Directors at least once a year. It also formulates, promotes, and strengthens the company’s sustainability policies, annual plans, and strategies.

- (1) Review, track, and revise the implementation and effectiveness of sustainability development.
- (2) Supervise sustainability information disclosure matters and review the sustainability report.
- (3) Supervise the execution of the company’s sustainability development code of business or other sustainability-related tasks approved by the Board of Directors.

The Board of Directors receives regular reports from the management team every year and urges adjustments by the management team when necessary to ensure the achievement of sustainability development goals.

1.2.2. Tsang Yow’s Short, Medium, and Long-Term Sustainability Development Goals

Topic	Risk	Short-term (2024)	Medium-term (2025~2028)	Long-term (2029 and beyond)
Environmental (E)	Energy Usage Risk	<ul style="list-style-type: none"> • Solar renewable energy facilities, with a capacity of 916.54 kWp • Established an environmental control (energy) management information system to effectively monitor and analyze energy usage • The average annual electricity savings rate from 2015 to 2024 is 	<ul style="list-style-type: none"> • Expand solar renewable energy facilities • Replace and dispose of energy-consuming equipment, introduce energy-efficient multifunctional composite processing equipment, and implement energy efficiency improvement measures to reduce energy consumption • Continuously optimize the environmental control (energy) 	<ul style="list-style-type: none"> • Further expand the proportion of renewable energy usage to achieve comprehensive energy savings and optimization

		<p>greater than 1%</p> <ul style="list-style-type: none"> • Process improvements to reduce machine hours and labor hours manufacturing costs, achieving higher process yields and energy savings 	<p>management information system, expand monitoring equipment, effectively supervise and analyze energy usage, and ensure the implementation of control measures to prevent waste</p>	
	Carbon Emission Risk	<ul style="list-style-type: none"> • Completed the 2023 organizational greenhouse gas inventory (unverified) 	<ul style="list-style-type: none"> • Passed third-party verification of the organizational greenhouse gas inventory and achieved the emission reduction target • Promote the circular economy to enhance resource use efficiency and reduce carbon emissions. 	<ul style="list-style-type: none"> • Increase the utilization of renewable energy and reduce carbon emissions
	Water Usage Risk	<ul style="list-style-type: none"> • Incorporate water resources into the environmental monitoring and control information system to promote efficient water use within the factory and reduce waste. 	<ul style="list-style-type: none"> • Promote a circular economy, enhance resource utilization efficiency, and reduce carbon emissions 	<ul style="list-style-type: none"> • Promote the optimization of the internal water recycling system in the factory
	Waste Management Risk	<ul style="list-style-type: none"> • Reduce the amount of waste generated during 	<ul style="list-style-type: none"> • Strengthen the depth of waste classification and recycling 	<ul style="list-style-type: none"> • Promote the "circular economy" to

		<p>production and implement a waste classification program</p>	<p>programs, aiming to increase the recycling rate to a high level</p> <ul style="list-style-type: none"> • Promote a circular economy to reduce waste, raw material consumption, and disposal 	<p>efficiently recycle resources, reduce waste, raw material consumption, and disposal, and gradually achieve "zero waste" with a full cycle of material resources</p>
<p>Social (S)</p>	<p>Employee Health and Safety Risk</p>	<ul style="list-style-type: none"> • Establish the "Health Promotion Committee" to create diverse health promotion activities for employees and cultivate a corporate culture that values physical health • Maintain the Health Promotion Mark from the Ministry of Health and Welfare, National Health Agency • More than 1 person successfully quit smoking 	<ul style="list-style-type: none"> • Continuously promote the "Comprehensive Workplace Health Promotion" model to create a healthy workplace environment, covering four key areas: physical work environment, social and psychological work environment, personal health resources, and corporate community involvement, to enhance employees' physical, mental, and social well-being. 	<ul style="list-style-type: none"> • Continuously maintain and advance health promotion programs to ensure the validity of the certification • Strive towards "holistic health" by utilizing scientifically quantified statistics and analysis data, combined with individualized needs, to plan various health promotion activities and achieve the

				goal of a healthy workplace
Governance (G)	Financial Risk	<ul style="list-style-type: none"> • Maintain stable revenue of over 1 billion NTD • Maintain a gross margin of over 28% 	<ul style="list-style-type: none"> • Revenue growth to over 2 billion NTD • Gradually increase gross margin to over 30% 	<ul style="list-style-type: none"> • Maintain revenue of over 3 billion NTD • Stabilize gross margin at over 30%
	Regulatory Compliance Risk	<ul style="list-style-type: none"> • Establish risk management procedures • Zero major legal violations 	<ul style="list-style-type: none"> • Continuously improve the risk management system • Continue to maintain zero major legal violations 	<ul style="list-style-type: none"> • Maintain a record of zero major legal violations
	Information Security Risk	<ul style="list-style-type: none"> • Achieve 100% completion rate for annual cybersecurity training and drills, with no major cybersecurity incidents 	<ul style="list-style-type: none"> • Implement ISO 27001:2022 Information Security Management System • Continue to maintain zero cybersecurity incidents 	<ul style="list-style-type: none"> • Pass ISO 27001:2022 Information Security Management System certification • Maintain a record of zero cybersecurity incidents
	Corporate Governance Transparency	<ul style="list-style-type: none"> • Achieve a 90% or higher attendance rate for all board members in person 	<ul style="list-style-type: none"> • Continuously improve board participation and transparency • Continuously strengthen corporate governance and enhance information transparency 	<ul style="list-style-type: none"> • Establish a sound board operation mechanism and maintain an attendance rate of over 90% • Improve the Company Governance

				Evaluation rating to the 51–65% tier of enterprises
	Ethical and Compliance Risk	<ul style="list-style-type: none"> • All new employees have completed the ethics and compliance training courses. 	<ul style="list-style-type: none"> • The completion rate of supplier ethics and compliance education and advocacy has reached 70%. 	<ul style="list-style-type: none"> • The completion rate of supplier ethics and compliance education and advocacy has reached 100%.
	ESG Reporting Transparency Risk	<ul style="list-style-type: none"> • Establish the "Sustainable Development Committee" to formulate the company's sustainable development direction, strategies, and goals to achieve sustainable business operations. • Develop and gradually disclose ESG goals. • Complete the preparation for the first sustainability report. 	<ul style="list-style-type: none"> • Publish the sustainability report and disclose it to the public. 	<ul style="list-style-type: none"> • Pass third-party ESG report assurance and verification to ensure transparency and trust.

1.3. Identification of Material Topics

1.3.1. Material Topics Identification Process

Identification Process	Execution Items	Quantitative Indicators
1. Understand the organizational context	Based on the five principles of the AA1000 Stakeholder Engagement Standard, the following seven major categories of stakeholders are defined: Shareholders/Investors/Financial Institutions、Employees、Customers、Government、Suppliers、Society/Foundation、Public and Trade Associations	Distribute stakeholder and issue identification questionnaires to department heads for completion, with a total of 20 questionnaires collected.
2. Identify impacts and potential risks	Referencing various international sustainability standards and guidelines, such as GRI, DJSI (Dow Jones Sustainability Index), SASB (Sustainability Accounting Standards Board), as well as common material issues in the automotive parts manufacturing industry, stakeholder concerns are also incorporated. A total of 10 issues are identified and compiled.	As shown on page 26 of this report, the results of the material topics identification.
3. Assess the significance of impacts	Through questionnaire analysis, the importance of topics and their impact on the company were assessed for each stakeholder category. A weighted calculation was performed based on the likelihood and extent of impact. The results were compiled to evaluate the level of concern each stakeholder group has regarding Tsang Yow's sustainability issues, serving as a reference for determining materiality.	A total of 297 questionnaires were distributed to the seven major stakeholder categories, with 250 questionnaires collected.
4. Prioritize the reporting sequence of the most significant impacts	Through stakeholder surveys, horizontal communication across departments, and recommendations from external consultants and experts, the material topics were	As shown on page 26 of this report, the results of the material

Identification Process	Execution Items	Quantitative Indicators
	<p>consolidated. The relevance and impact of these topics on organizational operations were confirmed. After comprehensive consideration, three major topics and seven secondary topics were identified for further analysis and decision-making.</p>	<p>topics identification.</p>

1.3.2. Key Issues of Concern for Stakeholders and Communication Methods

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
Customers	<ul style="list-style-type: none"> • Products and Customer Service • Quality Assurance • New Product Development • Product Pricing • Environment/Safety/Health 	<ul style="list-style-type: none"> • Dedicated Sales/Customer Service Hotline • Customer Visits, Conference Calls • Customer Satisfaction Surveys • Contact Person: Ms. Zhu, E-MAIL: sales@tsangyow.com.tw 	<ul style="list-style-type: none"> • Regular Quality Meetings, Sales and Production Meetings, and Cross-functional Team Meetings • Conference Call Records • Business Trip Visit Records • Customer Satisfaction Survey Records • E-MAIL Correspondence Records
Employees	<ul style="list-style-type: none"> • Occupational Health and Safety Issues • Talent Training • Salary and Compensation • Benefits and Rights 	<ul style="list-style-type: none"> • Internal Website or Internal Email Announcements: Irregular announcements on employee benefits (holiday bonuses, health checkups), welfare committee information (employee travel) • Labor-Management Meetings (once per quarter) • Conduct Internal and External Training • Contact Person: Ms. Zhou, E-MAIL: anoug@tsangyow.com.tw 	<ul style="list-style-type: none"> • Organize employee health checkups and promote a weekly healthy meal day • Hold a company-wide family sports day to promote employees' physical and mental well-being and strengthen camaraderie among colleagues • A total of 5 labor-management meetings were held in 2024
Suppliers/Contractors	<ul style="list-style-type: none"> • Supplier and Contractor Management 	<ul style="list-style-type: none"> • Regular communication with suppliers and contractors regarding the achievement of 	<ul style="list-style-type: none"> • Coordinate delivery schedules through the supplier e-platform

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
Suppliers	<ul style="list-style-type: none"> • Sales and Production Coordination 	<ul style="list-style-type: none"> • quality, cost, and delivery goals • Contact Person: <ul style="list-style-type: none"> • Purchasing: Ms. Zhang, E-MAIL: meem@tsangyow.com.tw • Subcontracting: Ms. Wu, E-MAIL: bobo@tsangyow.com.tw 	<ul style="list-style-type: none"> • Conduct environmental, health, and safety hazard notifications for subcontractors entering the factory • Supplier/Contractor evaluation and assessment
Shareholders and Investors	<ul style="list-style-type: none"> • Corporate Governance • Shareholder Participation • Operational Performance • Information Disclosure Transparency • Regulatory Compliance • Risk Management 	<ul style="list-style-type: none"> • Media Exposure/Major Information: Public information observation platform, real-time exposure/announcement of important information, such as corporate governance and investor-related updates • Investor section on the company website • Hold investor briefings • Hold an annual shareholders' meeting and publish the annual report • Contact Person: Ms. Cai, E-MAIL: sharontsai@tsangyow.com.tw 	<ul style="list-style-type: none"> • 22 major announcements published in both Chinese and English on the public information observation platform annually, including quarterly financial reports, annual shareholders' meeting reports, and related materials in both languages. • Corporate governance evaluation conducted once. • One shareholders' annual meeting held in 2024. • Two investor briefings held in 2024, with full audio and video recordings disclosed on the public information

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
Government and Regulatory Authorities	<ul style="list-style-type: none"> • Regulatory Compliance • Occupational Safety and Health • Environmental Management • Information Security Management • Energy Management • Communication with Regulatory Authorities • Excellent Health Workplace • Sustainable Development Roadmap, Sustainability Report, and Corporate Governance (ESG) • Greenhouse Gas Inventory • Renewable Energy Equipment Installation • ISO Management Systems (Environmental, Occupational 	<ul style="list-style-type: none"> • National Regulations Database: Monthly identification, annual comprehensive audits, and communication of new or amended government regulations • Regularly hold meetings of the Occupational Safety and Health Committee (once every quarter), Environmental Safety and Energy Management meetings (once every quarter), and Information Security meetings (once every year). • Participate in various policy and regulation public hearings, briefings, discussions, training courses, and official documents - on an irregular basis. • Taiwan Stock Exchange notification • Listed companies must report company governance (ESG) related information or disclose the status of corporate information disclosure on the Market Observation Post System within six months after the end of each fiscal 	<p>observation platform.</p> <ul style="list-style-type: none"> • Regulatory Compliance: Regarding the review, addition, and amendment of environmental safety regulations by government authorities, along with the adopted measures, and completion of management review. • Occupational Safety and Health: <ol style="list-style-type: none"> 1. Occupational Safety and Health: Labor representatives participate in the Occupational Safety and Health Committee meetings to review and coordinate safety and health management issues and performance. Completed tasks include: occupational safety and health training, continuous improvement of environmental safety and health
			<p>observation platform.</p>

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
	<p>Safety and Health, Greenhouse Gas Inventory, Energy) and updates on international standard requirements</p>	<p>year.</p> <ul style="list-style-type: none"> • Taiwan Computer Network Crisis Management and Coordination Center - International Cybersecurity Incident Joint Defense Alerts, Cybersecurity Incident Reports, Product Security Vulnerability Reports (including monthly regular newsletters and irregular notification emails). • Healthy Workplace Information Network (when applying for Healthy Workplace certification annually). • Confirm that the ISO management system in use is the latest version, as well as the development trends of the new version's clauses (including annual verification agencies, irregular participation in briefings, and checking relevant information on websites). • Contact person: Ms. Tsai E-MAIL: sharontsai@tsangyow.com.tw 	<p>abnormalities and high-risk hazards, employee environmental safety and health knowledge and emergency response drills, promoting the five major labor health protection plans, hearing protection program, employee health management and promotion, improvement of emergency rescue facilities, and stakeholder needs and expectations surveys.</p> <p>2. Continuously promote the ISO 45001:2018 Occupational Safety and Health Management System and pass certification, implement safety regulation audits, and prevent accidents through hazard identification and</p>

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
			<p>risk analysis, thereby reducing business costs and operational risks.</p> <ul style="list-style-type: none"> • Environmental Management: <ol style="list-style-type: none"> 1. Completed 2024 annual environmental safety education and training, waste classification promotion, stakeholder needs and expectations survey, and environmental safety management meetings review. 2. Continuously promote the ISO 14001:2015 Environmental Management System and pass certification, implement environmental regulation audits, identify environmental considerations, determine significant pollution and control measure planning, comply with

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
			<p>environmental protection regulations, and establish control procedures/set goals to effectively reduce the organization's environmental impact.</p> <p>3. Completed the application for permits related to changes in environmental regulations on water pollution prevention measures and maintained the validity of environmental permits.</p> <p>4. Implemented water-saving measures and improved leakage waste, effectively reducing tap water usage by 542 metric tons in 2024 compared to 2023.</p> <ul style="list-style-type: none"> • Information Security Management: <ol style="list-style-type: none"> 1. Regularly hold

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
			<p>Information Security Committee meetings to review information security policies and management plans, continuously promote the operation of the information security management system, invest in security equipment upgrades, strengthen defense mechanisms, implement employee training and hacker attack drills, avoid risks of operational interruptions and social engineering attacks, and enhance the company's ability to respond to actual attacks, achieving the goal of zero information security incidents.</p> <p>2. Follow the "Information Security Control Guidelines for Listed Companies," enhance the company's information security</p>

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
			<p>protection and management mechanisms, and establish procedures for responding to and reporting information security incidents to strengthen incident response capabilities.</p> <p>3. Block IP addresses listed in the high-risk intrusion indicators published by TWCERT/CC to prevent access from known malicious IPs, and conduct hardware and software checks and patch vulnerabilities in response to information security vulnerability reports issued by TWCERT/CC, to prevent potential attacks and ensure the company's information security. Therefore, no major information security incidents occurred in 2024.</p>

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
			<ul style="list-style-type: none"> <li data-bbox="1086 344 1514 920">• Energy Management: Implement energy-saving measures, replace old machines with energy-efficient equipment, and replace air conditioning units with high-efficiency models. The total electricity saved in 2024 was 223,000 kWh. <li data-bbox="1086 931 1514 1765">• Communication with Regulatory Authorities: In accordance with the labor inspection results from the Occupational Safety and Health Administration of the Ministry of Labor, complete the improvement plan for occupational safety and health management, including the management of machinery, equipment, or tools. <li data-bbox="1086 1776 1514 2078">• Outstanding Healthy Workplace 1. Awarded the "2024 Outstanding Healthy Workplace and Excellent Promoter -

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
			<p>Health and Wellness Award" by the National Health Service of the Ministry of Health and Welfare.</p> <p>2. Passed the National Health Service Health Promotion Mark (Zhongshan Plant in 2021, Chenggong Plant 1 in 2022, Zhongshan Plant 2 in 2023, Zhongshan Plant 3 in 2024).</p> <p>3. Participated in the 2024 Smoking Prevention Program by the Chiayi County Health Bureau and won first place in the Workplace Participation in Smoking Cessation Service Success Award.</p> <ul style="list-style-type: none"> • Sustainable Development Roadmap, Sustainability Report, and Corporate Governance (ESG): <p>1. Collected and</p>

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
			<p>identified key issues from the ESG information disclosure indicator list of the Taiwan Stock Exchange, and established ESG policies and goals.</p> <p>2. Completed the preparation of the 2023 ESG Sustainability Report.</p> <ul style="list-style-type: none"> • Greenhouse Gas Inventory: Completed the 2024 organizational greenhouse gas inventory, producing a total of 4,948 metric tons of CO₂e per year. The greenhouse gas emissions in 2024 were reduced by 373 metric tons of CO₂e per year compared to 2023. • Renewable Energy Equipment Installation: A total of 1.2 million kWh of green electricity generated in 2024. <p>1. Completed the installation of solar power plants at Zhongshan Plant 2</p>

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
			<p>and Zhongshan Plant 3 with self-investment, selling the generated power to Taipower. Total capacity: 913.21 kwp.</p> <p>2. Installed a solar power plant on the rooftop of Zhongshan Plant under a leasing arrangement, total capacity: 627.12 kwp.</p>
Social Organizations and Community Residents	<ul style="list-style-type: none"> • Corporate Image • Community Care • Social Participation 	<ul style="list-style-type: none"> • Company Hotline • Establish a noise complaint hotline and communication channel for residents, fostering friendly communication and addressing issues related to noise perceptions from neighboring residents, creating a win-win production and living environment. • Neighborly Activities • Contact Person: Mr. Liu E-MAIL: a-pang@tsangyow.com.tw 	<ul style="list-style-type: none"> • Sponsor traditional cultural temple activities • Respond to the Minxiong Township Office's 「Light Up Minxiong」 initiative by adopting streetlights, ensuring that the township's streetlights can sustainably maintain nighttime illumination, improving the quality of life for residents, and ensuring their safety and property security. • Sponsor and participate in community activities (such as making

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
			<p>「Fortune」 rice dumplings during Dragon Boat Festival, promoting 「Joy」 in public welfare, sports association walks, etc.), fostering neighborly relations and community care.</p> <ul style="list-style-type: none"> • The Company participated in the social welfare initiative organized by the 「Old Shoes Rescue International Christian Concern Association」 collecting second-hand shoes to be donated to remote areas in East Africa. All employees and partner (outsourced) manufacturers were encouraged to join this charitable effort to give back to society. Through recycling and reusing resources, the initiative aimed to help those in need while also contributing to environmental protection and sustainability.

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
			<ul style="list-style-type: none"> • The company, in collaboration with the 「Tsang Yow Charitable Foundation」 held a blood donation campaign at the Chiayi Blood Donation Station and Chiayi Cuiyang Blood Donation Room. The company leveraged its positive influence to encourage supply chain partners to join the blood donation drive, raising a total of 1,036 bags. Seventy volunteers, including employees and their family members, participated in the event. • A total of 35 employees and their family members volunteered at the 「Genesis Foundation Love Returns Charity Fair」 serving the community and donating all proceeds from the fair to fund the construction of the Hualien Branch and the long-term care expenses for vegetative patients at

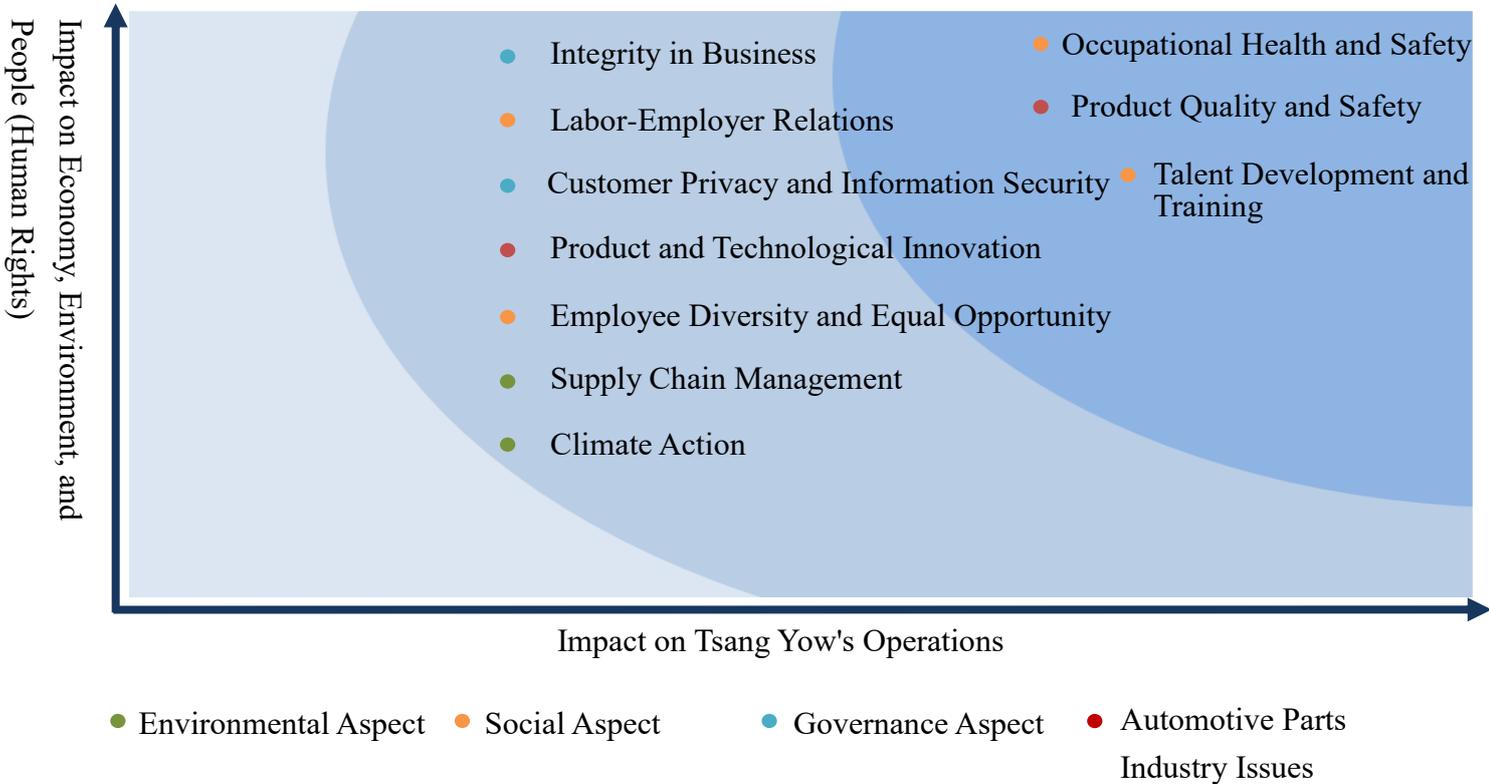
Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
			<p>the Chiayi Branch.</p> <ul style="list-style-type: none"> • The company gives back to society through practical actions by purchasing Mid-Autumn Festival mooncake gift boxes and bread from the 「Chiayi Cerebral Palsy Association」 supporting and affirming the work capabilities of children with cerebral palsy. • In response to the Hualien earthquake on April 3, 2024, the company contributed NT\$100,000 to Tzu Chi for Hualien's reconstruction under the 「Shared Goodness, Shared Resonance」 initiative. • The company, in collaboration with the 「Tsang Yow Charitable Foundation」 provides financial support, materials, and assistance with repairing leaking old buildings to disadvantaged groups (such as the Taiwan

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
			<p>Children's Alliance, Eden Foundation, Long-Ai Group Home, etc.). Through the company's small acts of kindness, we inspire more people to join in and create a greater social love, ensuring that these vulnerable groups feel the warmth and care to support more individuals.</p> <ul style="list-style-type: none"> • The company, in collaboration with He Xing Elementary School in Zhongpu Township, Chiayi County, organized a 「Family Parent-Child Sports Day and Carnival」 and donated an SUV for school affairs and the promotion of the baseball team's games. • The company supported the 「2024 First Minxiong Damao Marathon Road Race」 organized by the Minxiong Township Office, promoting sports culture, supporting local

Category	Key Issues of Concern	Engagement Methods/Frequency	2024 Engagement Results/Effectiveness
			<p>industry development, and engaging in local public welfare. The company assisted by setting up a race station, providing event volunteers, and organizing teams of employees to participate.</p>
Accountant	<ul style="list-style-type: none"> • Financial Statement Information • Information Security Internal Control System • Business Performance • Sustainable Development 	<ul style="list-style-type: none"> • Quarterly Financial Report Audit Data (quarterly) • Phone/email/meetings (irregular) • Computer Audit (annually) • Press Releases (irregular) 	<ul style="list-style-type: none"> • The official website provides quarterly financial reports and monthly sales figures. • The accountant conducts regular internal control and audit work annually. • On June 6, 2024, invited by SinoPac Securities Co., Ltd., participated in the 「2024 Q2 Investment Forum」 institutional briefing. • On November 28, 2024, invited by First Securities Inc., participated in the 「2024 Automotive Components Industry Seminar」 institutional briefing.
Bank			
Media			

1.3.2.1. Major Theme Analysis and Impact Assessment

1.3.2.2. The major themes identified by Tsang Yow through the identification process are shown in the matrix diagram below.



1.3.2.3. Results of Major Theme Identification Determined by Tsang Yow's Annual Meeting

Category	Topic			
Major Topics	Occupational Health and Safety	Product Quality and Safety	Talent Development and Training	
Secondary Topics	Integrity in Business	Labor-Employer Relations	Customer Privacy and Information Security	Employee Diversity and Equal Opportunity
	Employee Diversity and Equal Opportunity	Supply Chain Management	Climate Action	

1.3.3. Explanation of the Impact Boundaries of Major Topics

Major Topic	Topic Meaning	Internal	External						Preventive and Improvement Actions	Response Section
		Tsang Yow	Institutions	Shareholders/Investors/Financial	Customers	Government	Government	Society/Foundation		
Product Quality and Safety	Ensure high product quality and safety, enhance market competitiveness and customer satisfaction, comply with legal regulations, and avoid legal risks.	●	○	●	●	○	●	○	<ul style="list-style-type: none"> Strengthen quality control processes and preventive design to reduce product defect risks. Promote industry-academia-research collaboration and technological innovation to accelerate product upgrades. Implement lean management and automation 	3.1

Major Topic	Topic Meaning	Internal	External						Preventive and Improvement Actions	Response Section
		Tsang Yow	Shareholders/Investors/Financial Institutions	Customers	Government	Government	Society/Foundation	Public Organizations		
									<p>improvements to enhance production efficiency and reduce costs.</p> <ul style="list-style-type: none"> Optimize supply chain management to ensure transparency and compliance with quality standards. 	
Talent Development and Training	Enhance employee skills and work efficiency, increase employee satisfaction and loyalty, support innovation and long-term development, and achieve sustainable operations.	●	○	○	○	○	○	<ul style="list-style-type: none"> Develop an annual training plan each year and collect employee satisfaction surveys, continuously reviewing and improving. Collaborate with professional faculty from universities to discuss and improve the career training pathway for vocational students in the medium to long term. Develop an annual training plan each year and collect employee 	5.3	

Major Topic	Topic Meaning	Internal	External						Preventive and Improvement Actions	Response Section
		Tsang Yow	Shareholders/Investors/Financial Institutions	Customers	Government	Government	Society/Foundation	Public Organizations		
									satisfaction surveys, continuously reviewing and improving. <ul style="list-style-type: none"> Introduce new employee welfare measures and care activities to enhance employee satisfaction and loyalty. 	
Occupational Health and Safety	Ensure employee health and safety, improve compliance with laws and regulations, and enhance the company's image and trustworthiness.	●	○		○	○	○	○	<ul style="list-style-type: none"> Enhance employees' awareness of workplace hazards and safety through various education, training, and advocacy. Conduct regular internal and external audits, as well as occupational accident statistics, to continuously improve environmental safety inspections and high-risk hazards. Create a healthy workplace covering 	5.4

Major Topic	Topic Meaning	Internal	External						Preventive and Improvement Actions	Response Section
		Tsang Yow	Shareholders/Investors/Financial Institutions	Customers	Government	Government	Society/Foundation	Public Organizations		
									physical, psychological, and social aspects, promoting employees' overall well-being. <ul style="list-style-type: none"> • Operate through management systems, widely accepting feedback from different levels, and continuously improving through self-initiative. 	

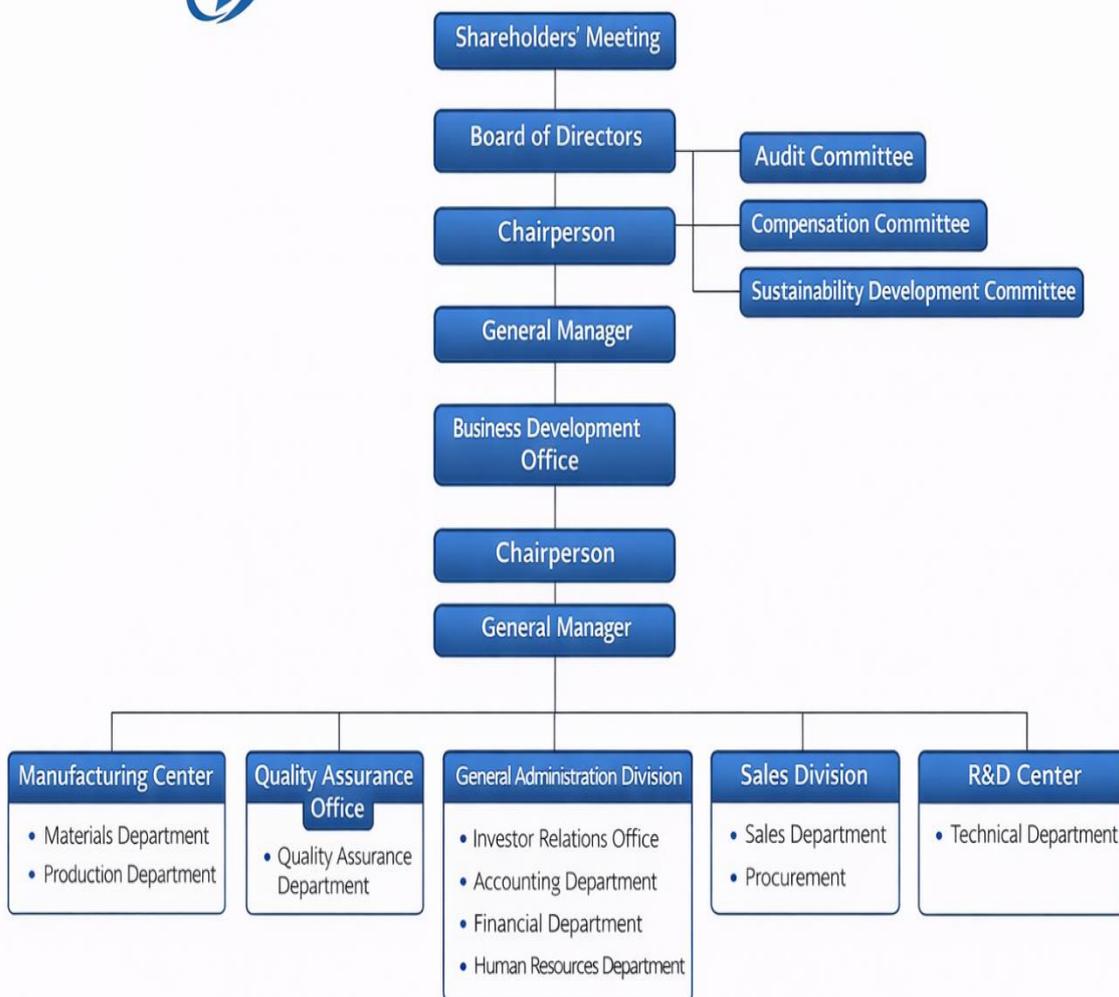
Note : ● Represents direct impact; ○ Represents indirect impact arising from business relationships.

2. Sustainable Governance

2.1. Tsang Yow Organizational Structure

The Board of Directors is the highest governance body of Tsang Yow. Board members are selected through a candidate nomination system, and the composition of the Board is diversified in accordance with the 「Director Election Method」 and the 「Corporate Governance Code」. The Board consists of nine seats, with three independent directors accounting for 33%, and one female director representing 11%. Board members generally possess the necessary knowledge, skills, and competencies for their duties, including: operational judgment ability, accounting and financial analysis skills, management capabilities, crisis management ability, industry knowledge, international market perspective, leadership skills, decision-making ability, and a diversity competency alignment rate of 97.2%.

Tsang Yow Industrial Co., Ltd.



2.2. Business Roles of Tsang Yow's Departments

Key Departments	Job Responsibilities
Chairman	Execution of Board Decisions and Planning of Group Development Strategy
General Manager	Planning and Execution of Group Operations and Development Strategy
Audit Department	Planning and Execution of Audit Activities for the Company and Its Affiliates
Labor Safety Department	Occupational Safety and Health Management, Workplace Health Promotion, and Management
R&D Center	Valuation/Development/Prototyping of New Products, Design/Development/Management of Inspection Fixtures and Molding Tools, Introduction of New Technologies and Improvement of Production Techniques, Issuance and Control of Technical Documents and Various Regulations
Marketing Department	New Product Development Project Management, Diversified Product Development Strategy Planning, Technical Resource Analysis and Evaluation for New Markets/New Product Development, Product Sales, Business Expansion, Market Research and Analysis, Marketing Strategy Formulation and Execution, Customer Relationship Maintenance and Management
Manufacturing Center	Manage the production, quality assurance, procurement, production control, warehousing, and shipping of materials for products to ensure that quality, cost, and delivery meet customer requirements and achieve organizational profitability goals.
Quality Assurance Department	Ensure production and supply chain quality, meet customer requirements, and achieve organizational profitability goals.
General Administration Department	Integrate the management functions of service departments to improve business performance.
Business	Develop overall human resources strategies in line with the company's

Key Departments	Job Responsibilities
Management Department	business objectives, plan the company’s human resources systems, and develop human resource quality to ensure organizational performance and competitiveness. Promote activities for organizational process improvement in each department, and execute other administrative tasks assigned by the company according to departmental needs.
General Manager's Office	Planning of company operations, management and support of group performance, control of related improvement activities and projects, promotion of management and quality systems, and control of the issuance of technical documents and various regulations.
Investor Relations Department	Release and explanation of major information, enhance the transparency of company information disclosure, strengthen corporate governance, be responsible for planning and executing various investor relations interaction activities, and summarize the company's corporate social responsibility performance.
Finance Department	<p>Promotion and management of the group's accounting and financial policies, preparation and control of the annual budget, preparation of financial statements and provision of operational information, and management of operational capital allocation.</p> <p>The board's responsible unit, assisting the board in implementing corporate governance, legal compliance, and preparing for shareholder meetings, handling shareholder affairs, coordinating external information reporting and disclosure.</p>
Management Department	Environmental Protection and Management, Information and Cybersecurity Management, General Affairs and Administrative Management
New Business Development Department	<p>Develop new business models for the group, formulate new business strategies, and plan the organizational structure.</p> <p>Integrate group resources to enhance synergies and promote the successful development of new businesses.</p>

2.3. Board of Directors

The Board of Directors is convened once a quarter and ensures the implementation of the corporate governance system in accordance with the "Company Act," "Securities and Exchange Act," "Rules of Procedure for Board Meetings of Publicly Listed Companies," and the "Corporate Governance Best Practice Principles for Listed Companies." Major operational policies, investment projects, endorsements, guarantees, loans, and bank financing matters of Tsang Yow are executed after being approved by the Board of Directors.

2.3.1. Communication with the Board of Directors

The topics reported to the Board of Directors cover various ESG aspects, with approximately 80 items in total for 2024, including: operational status reports, financial status reports, internal audit reports, intellectual property management, information security management, risk management, integrity in business execution, board performance evaluation, and ESG-related reports. The ESG-related reports include communications with stakeholders, progress of greenhouse gas inventory plans, and implementation of sustainable development initiatives, among others. Additionally, significant matters are communicated by the respective responsible units to the Board, including operational reports and budgets, audit reports, financial statements (including profit distribution), quarterly and annual financial reports, employee and director compensation distribution, stock repurchase and transfer to employees, managerial appointments, managerial compensation, long-term equity investments, effectiveness of internal control systems, audit partner competence and independence assessments, amendments to corporate governance regulations, lifting of non-compete restrictions for managers, directors, and independent directors, and the convening of shareholder meetings. For more details, please refer to the major disclosures on the Market Observation Post System or pages 68 to 70 of the 2024 Annual Report.

2.3.2. Board Powers and Operations

The operations of the Board of Directors are based on the Articles of Association of Tsang Yow and the "Board Meeting Procedures." The powers of the Board include :

- (1) Reviewing Tsang Yow's operational plan.
- (2) Reviewing the annual financial report and the second-quarter financial report to be audited and certified by accountants.
- (3) Establishing or amending the internal control system and evaluating the effectiveness of the internal control system.

- (4) Establishing or amending procedures for major financial transactions such as asset acquisition or disposal, derivative transactions, lending of funds, endorsements or guarantees for others.
- (5) Reviewing the issuance, offering, or private placement of equity-type securities.
- (6) If the Board does not have an executive director, the appointment or dismissal of the Chairman.
- (7) Appointing or dismissing the financial, accounting, or internal audit executives.
- (8) Reviewing donations to related parties or major donations to non-related parties.
- (9) Reviewing matters that require a resolution by the shareholders' meeting or the Board of Directors, or major matters specified by regulatory authorities.

2.3.3. Educational and Professional Background of Tsang Yow's Board Members

Title	Name	Main Education and Professional Background	Current Positions Held at This Company and Other Companies
Chairman	Su, Chi-Tse	Department of Business Administration, Tunghai University, EMBA Program, Tunghai University Manager of the Manufacturing Department, Manager of the Human Resources Department, General Manager, and Chairman of Tsang Yow Industrial Co., Ltd.	Chairman of the company, Director of Dingxin Investment Co., Ltd., Chairman of Fuze Investment Co., Ltd., Supervisor of Liangxin Industrial Co., Ltd., Director of Liangxin Investment Co., Ltd.
Director	Su Chi-hu	Bachelor's degree in Business Administration from the University of Denver, Executive MBA from National Cheng Kung University HR Manager of Liangxin Industrial Co., Ltd., Executive Vice President and Deputy General Manager of Tsang Yow Industrial Co., Ltd.	Director of Fuze Investment Co., Ltd., General Manager of Tsang Yow Industrial Co., Ltd.
Director	Representative of Fuze Investment	Department of Accounting, National Chengchi University, Executive MBA from National	Head of Xie Xing-shu CPA Firm, Independent Director of China Steel Carbon &

Title	Name	Main Education and Professional Background	Current Positions Held at This Company and Other Companies
	Co., Ltd.: Xie Xing-shu	Chung Cheng University, System Designer at China Steel Computer Center, CPA in the Senior Examination of 1983 (Republic of China), Senior Auditor at KPMG, Head of Xie Xing-shu CPA Firm	Chemical Co., Ltd.
Director	Su Xin-cheng	Attended the Department of Psychology, National Chengchi University General Manager of Liangxin Industrial Co., Ltd.	General Manager/Director of Liangxin Industrial Co., Ltd., Director of Liangxin Investment Co., Ltd., Chairman of Dingxin Investment Co., Ltd. and Longxin International (Ltd.)
Director	Zhu San-du	Nantou Junior High School Chairman of Shunxiang Industrial Co., Ltd. and Jinxiang Industrial Co., Ltd.	Chairman of Shunxiang Industrial Co., Ltd. and Jinxiang Industrial Co., Ltd.
Director	Chu Chen-yi	Master's degree from the School of Information Systems and Applications, Griffith University Executive Assistant to the General Manager of Liangxin Industrial Co., Ltd., Assistant Manager of Tsang Yow Industrial Co., Ltd., Executive Assistant to the Chairman	Deputy General Manager of Tsang Yow Industrial Co., Ltd., Supervisor of Jinxiang Industrial Co., Ltd.
Independent Director	Ou Jin-shi	Ph.D. in Management (Accounting) from the University of Minnesota, Professor in the Department of Accounting and Information Technology, National Chung Cheng University, Independent Director of	Honorary Professor in the Department of Accounting and Information Technology, National Chung Cheng University

Title	Name	Main Education and Professional Background	Current Positions Held at This Company and Other Companies
Independent Director	Chen Zhi-chang	<p>Nanya Technology Corporation</p> <p>Ph.D. in Business Administration from National Yunlin University of Science and Technology, Master's degree in Public Administration from Eastern Washington University, USA</p> <p>Director of Bohan Co., Ltd., Chair of the Department of Business Administration at Taiwan Shoufu University, Chief Representative in Beijing for China Life Insurance Co., Ltd., Assistant Professor approved by the Ministry of Education (Approval No. 039025), Curriculum Review Committee Member at Southern Taiwan University of Science and Technology, Secretary-General of Yizai Association in Tainan City, Adjunct Assistant Professor at National Yunlin University of Science and Technology</p>	<p>Director of D-Sec Technology Co., Ltd., Adjunct Assistant Professor at Nanhua University, Independent Director of Wanzai Industrial Co., Ltd., Independent Director of Hongjaten Power Technology Co., Ltd., Independent Director of Likang Biotechnology Co., Ltd.</p>
Independent Director	Lin Qiu-xian	<p>Department of Taxation and Finance, Feng Chia University (Private)</p> <p>Auditor at the Southern Region National Taxation Bureau, Ministry of Finance, Taiwan, Head of the Finance Section at the Jiali Township Office, Tainan County</p>	None

2.3.3.1. Continuing Education Status of Board Members

The directors of Tsang Yow complete the required continuing education hours each year in accordance with the "Guidelines for Continuing Education of Directors and Supervisors of Listed and OTC Companies," and input the attendance and continuing education status of the directors in the Market Observation Post System (MOPS). The continuing education hours for the directors in 2024 are as follows:

Director's Name	Course Hours	Course Title
Su, Chi-Tse	6	<ul style="list-style-type: none"> Effectively utilizing policy tools to enhance corporate governance and reduce R&D risks Practical sharing on the preparation of sustainability reports
Su Chi-hu	6	<ul style="list-style-type: none"> Effectively utilizing policy tools to enhance corporate governance and reduce R&D risks Taiwan Carbon Exchange's support and prospects & data-driven precision carbon reduction, driving the next level of operational management
Xie Xing-shu	12	<ul style="list-style-type: none"> Business secrets and information security practices and legal risk management Carbon connection - discussing carbon fees, carbon taxes, carbon credits, and carbon trading Family business succession and tax practices 10/16 (Kaohsiung) Money laundering patterns accountants should be aware of, analysis of tax crime cases
Su Xin-cheng	6	<ul style="list-style-type: none"> Effectively utilizing policy tools to enhance corporate governance and reduce R&D risks 2024 Annual Insider Stock Trading Legal Compliance Promotion Seminar
Zhu San-du	6	<ul style="list-style-type: none"> Effectively utilizing policy tools to enhance corporate governance and reduce R&D risks 2024 Insider Trading Prevention Promotion Seminar
Chu Chen-yi	12	<ul style="list-style-type: none"> Effectively utilizing policy tools to enhance corporate governance and reduce R&D risks Board of Directors, Supervisors, and Corporate Governance Officer Series - How Non-financial Directors and Supervisors Review Financial Reports

Director's Name	Course Hours	Course Title
		<ul style="list-style-type: none"> • Corporate Governance - Artificial Intelligence Supervisio • 2024 Annual Insider Stock Trading Legal Compliance Promotion Seminar
Lin Qiu-xian	6	<ul style="list-style-type: none"> • Effectively utilizing policy tools to enhance corporate governance and reduce R&D risks • 2024 Third Session of Corporate Governance Practical Training - Practical Case Analysis of Shareholder Meeting Disputes
Chen Zhi-chang	9	<ul style="list-style-type: none"> • Effectively utilizing policy tools to enhance corporate governance and reduce R&D risks • Practical Sharing on the Preparation of Sustainability Reports • Taiwan Carbon Exchange's Support and Prospects & Data-driven Precision Carbon Reduction, Driving the Next Level of Operational Management
Ou Jin-shi	6	<ul style="list-style-type: none"> • Corporate Governance - Sustainable Finance - Introduction to Corporate Supply Chain Carbon Risks and Cases • 2024 Third Session of Corporate Governance Practical Training - Practical Case Analysis of Shareholder Meeting Disputes • Corporate Governance - Integrity Management Code

2.3.3.2. Board Operations

A total of five board meetings were held in 2024, with the attendance details as follows:

Title	Name	Actual Attendance Count	Proxy Attendance Count	Actual Attendance Rate (%)	Remarks
Chairman	Su, Chi-Tse	5	0	100	May 24, 2024 Re-election
Director	Su Xin-cheng	4	1	80	May 24, 2024 Should attend 5 times, with 1 proxy attendance
Director	Zhu San-du	4	1	80	May 24, 2024 Should attend 5

Title	Name	Actual Attendance Count	Proxy Attendance Count	Actual Attendance Rate (%)	Remarks
					times, with 1 proxy attendance
Director	Dingxin Investment Co., Ltd. - Representative: Yang Yan-qing	2	0	100	May 24, 2024 Should attend 2 times
Director	Representative of Fuze Investment Co., Ltd. Xie Xing-shu	5	0	100	May 24, 2024 Re-election
Director	Fuze Investment Co., Ltd. - Representative: Su Chi-hu	2	0	100	May 24, 2024 Dismissal Should attend 2 times
Director	Su Chi-hu	3	0	100	May 24, 2024 New appointment Should attend 3 times
Director	Chu Chen-yi	3	0	100	May 24, 2024 New appointment Should attend 3 times
Independent Director	Ou Jin-shi	5	0	100	May 24, 2024 Re-election
Independent Director	Chen Zhi-chang	5	0	100	May 24, 2024 Re-election
Independent Director	Lin Qiu-xian	5	0	100	May 24, 2024 Re-election

Note: For detailed information, please refer to the annual report.

2.3.4. Principles of Board Appointment and Diversity

The selection and operation of Tsang Yow's board members follow principles of integrity and honesty, with a focus on the management expertise and professional abilities required by the company. These include professional backgrounds, skills, and industry experience in management, finance, accounting, law, and other relevant fields.

The selection of Tsang Yow's board members follows a candidate nomination system. In accordance with the "Board Election Guidelines" and "Corporate Governance Code," the composition of the board should consider diversity, and appropriate diversity policies should be formulated based on the company's operations, business model, and development needs. These policies should include, but are not limited to, the following two major aspects:

- (1) Basic conditions and values: Gender, age, nationality, culture, etc.
- (2) Professional knowledge and skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience, etc.

According to the regulations of Tsang Yow's Articles of Incorporation, the company shall have seven to eleven directors, with the actual number of directors authorized to be determined by the board of directors. The selection of directors follows the candidate nomination system outlined in Article 192-1 of the Company Act, with the shareholders' meeting selecting from the list of candidates. The term of office for directors is three years, and they may be re-elected for consecutive terms. If the term expires without a re-election, the term may be extended until the newly elected directors assume office.

In accordance with Articles 14-2 and 14-4 of the Securities and Exchange Act, Tsang Yow shall have no fewer than three independent directors, with one serving as the convener of the audit committee, and at least one director must have accounting or financial expertise. The candidate nomination system shall be followed, and independent directors shall be elected from the list of candidates by the shareholders' meeting. The professional qualifications, shareholding, restrictions on concurrent positions, independence assessment, nomination methods, and other applicable regulations for independent directors shall be handled in accordance with the regulations of the securities regulatory authority.

- 2.3.4.2. Board members should generally possess the knowledge, skills, and competencies necessary to perform their duties, and the overall competencies required are as follows:

- (1) Operational judgment ability.
- (2) Accounting and financial analysis ability
- (3) Management capability.
- (4) Crisis management ability.
- (5) Industry knowledge.
- (6) Global market perspective.
- (7) Leadership ability.
- (8) Decision-making ability.

2.3.4.3. Management Goals and Achievements of Board Diversity

(1) Management Goals:

- At least two independent directors shall serve no more than three consecutive terms.
- The board shall include at least one director of a different gender, with the goal of each gender making up one-third of the board seats.
- No more than one-third of the board members shall concurrently serve as company executives.

(2) Achievements:

The 15th Board of Directors of Tsang Yow consists of 9 members. 22% of the directors are employees of the company, 33% are independent directors, and 1 female director makes up 11% of the total board members. The terms of all independent directors do not exceed three consecutive terms. Five directors are aged between 61 and 70 years, one is between 51 and 60 years, and three are between 41 and 50 years old. The achievement rate of the board diversity criteria is shown in the table below. The current board members meet the management goals of the diversity policy.

2.3.4.4. Diversity Table of Tsang Yow's Board Composition

Title	Name	Basic Composition					Term of Independent Director
		Gender	Concurrent Employee of the Company	Age			
				41-50	51-60	61-70	
Chairman	Su, Chi-Tse	Male		V			
Director	Su Xin-cheng	Male				V	
Director	Zhu San-du	Male				V	
Director	Xie Xing-shu	Male				V	

Title	Name	Basic Composition					Term of Independent Director
		Gender	Concurrent Employee of the Company	Age			
				41-50	51-60	61-70	
Director	Su Chi-hu	Male	V	V			
Director	Chu Chen-yi	Female	V	V			
Independent Director	Ou Jin-shi	Male				V	3rd Term
Independent Director	Chen Zhi-chang	Male			V		2nd Term
Independent Director	Lin Qiu-xian	Male				V	2nd Term

2.3.4.5. Gender and Age Diversity of Tsang Yow's Board

Age \ Gender	Female		Male	
	Number of Members	Percentage	Number of Members	Percentage
Under 30 years old	0	0%	0	0%
31-50 years old	1	11%	2	22%
Over 51 years old	0	0%	6	67%
Total	1	11%	8	89%

2.3.4.6. Diversification of the Board's Management Capabilities

Title	Name	Diversification Criteria							
		Operational Judgment	Accounting and Financial Analysis	Management	Crisis Management	Industry Knowledge	Global Market Perspective	Leadership	Decision-making Ability
Chairman	Su, Chi-Tse	V	V	V	V	V	V	V	V
Director	Su Xin-cheng	V		V	V	V	V	V	V

Title	Name	Diversification Criteria							
		Operati	Accounti	Manag	Crisis	Industr	Global	Leaders	Decisio
Director	Zhu San-du	V		V	V	V	V	V	V
Director	Xie Xing-shu	V	V	V	V	V	V	V	V
Director	Su Chi-hu	V	V	V	V	V	V	V	V
Director	Chu Chen-yi	V	V	V	V	V	V	V	V
Independent Director	Ou Jin-shi	V	V	V	V	V	V	V	V
Independent Director	Chen Zhi-chang	V	V	V	V	V	V	V	V
Independent Director	Lin Qiu-xian	V	V	V	V	V	V	V	V
Achievement Rate		100%	78%	100%	100%	100%	100%	100%	100%

2.3.5. Remuneration Committee

The Remuneration Committee holds regular meetings, at least twice a year, and may convene additional meetings as needed. During these meetings, in-depth discussions and decisions are made according to the agenda. The committee evaluates and makes recommendations on issues such as compensation policies, management performance, and compensation structures. The committee's resolutions are submitted to the board for review and approval to ensure alignment with the company's overall strategy.

2.3.5.1. Powers and Duties of the Remuneration Committee

The Remuneration Committee is composed of all independent directors, with no fewer than three members, one of whom serves as the convener. Its main purpose is to oversee the following matters:

- (1) Formulate and regularly review the company's compensation policies and plans to ensure alignment with the company's strategic objectives and industry standards.
- (2) Establish and regularly review the policies, systems, standards, and structures for performance evaluation and compensation for directors, supervisors, and executives, ensuring a positive correlation with business performance.
- (3) Regularly evaluate and establish the compensation for directors, supervisors, and

executives.

- (4) Oversee the implementation of the company's compensation policies to ensure fairness and transparency.
- (5) Refer to market data and industry standards to propose adjustments, ensuring the company's compensation remains competitive in the market.
- (6) Provide regular reports to the board on the implementation and effectiveness of the compensation policies, along with suggestions for improvements.

2.3.5.2. Attendance

The Remuneration Committee held 3 meetings in 2024, with a 100% attendance rate by the committee members.

2.3.6. Audit Committee

To strengthen the corporate governance structure, ensure the accuracy and transparency of financial reporting, and enhance the legal and regulatory compliance of the company's operations, an Audit Committee has been established. The Audit Committee is primarily responsible for overseeing the company's internal control system, financial reporting processes, and the implementation of audit policies and procedures. It also provides recommendations to the board regarding risk management and compliance matters.

2.3.6.1. Powers and Duties of the Audit Committee

The Audit Committee is composed of all independent directors, with no fewer than three members, one of whom serves as the convener. At least one member must have accounting or financial expertise. The main purpose of the committee is to oversee the following matters:

- (1) Proper presentation of the company's financial statements.
- (2) Selection (and dismissal) of the certified public accountant and their independence and performance.
- (3) Effective implementation of the company's internal controls.
- (4) Compliance with relevant laws and regulations by the company.
- (5) Management of the company's existing or potential risks. The committee meets at least once every quarter and may convene additional meetings as needed.

2.3.6.2. Attendance

The Audit Committee held 4 meetings in 2024, with a 100% attendance rate by the committee members.

2.3.7. Board Performance Evaluation

Tsang Yow's 2024 board performance evaluation has been completed through an internal assessment. The overall results indicate that the board is operating well, and the findings have been submitted in the first board report for 2025. These results will be used as a reference for individual director performance, compensation, and nomination processes, with the goal of enhancing corporate governance effectiveness.

Tsang Yow has established the "Board of Directors Rules of Procedure" in accordance with the "Rules for the Board of Directors of Publicly Listed Companies" to ensure compliance. The company's directors complete the required continuing education hours each year in accordance with the "Guidelines for Continuing Education of Directors and Supervisors of Listed and OTC Companies," and the attendance and continuing education status of the directors are recorded in the Market Observation Post System. Major decisions of the board are disclosed on the company's official website, and relevant departments are responsible for maintaining and regularly disclosing the company's financial and business information. Tsang Yow established functional committees such as the Audit and Remuneration Committees in 2011 to assist the board in carrying out its management functions. Additionally, regulations such as the "Standard Operating Procedures for Handling Director Requests," "Board Performance Evaluation Guidelines," and "Corporate Governance Practices Code" have been enacted. On March 16, 2020, Tsang Yow appointed a Corporate Governance Officer, currently held by the head of the Management Department, to assist the board in performing its duties and to strengthen the board's operations and corporate governance.

2.3.7.1. Evaluation Criteria Table for Each Committee

Aspect	Board Self-assessment Weight	Director Self-assessment Weight	Functional Committee Self-assessment Weight
Level of Participation in Company Operations	30%	40%	30%
Enhancing the Decision-making	25%	--	25%

Aspect	Board Self-assessment Weight	Director Self-assessment Weight	Functional Committee Self-assessment Weight
Quality of the Board (including Functional Committees)			
Board Composition and Structure	10%	--	--
Director Selection and Continuing Education	15%	20%	--
Internal Controls	20%	20%	20%
Understanding of the Company and Duty Awareness	--	20%	--
Functional Committee Duty Awareness	--	--	15%
Functional Committee Composition and Member Selection	--	--	10%
Total	100%	100%	100%

2.3.7.2. 2024 Evaluation Results

Category	Item No.	Evaluation Item	Score	Total Score	Description
Board Performance Evaluation	01	Level of Participation in Company Operations	28.25	94.37	The operations are performing well, and based on the results of this evaluation, continuous improvements will be made to enhance corporate governance effectiveness.
	02	Enhancing the Decision-making Quality of the Board	23.61		
	03	Board Composition and Structure	8.76		
	04	Director Selection and Continuing Education	14.48		
	05	Internal Controls	19.28		
Director Performance	01	Understanding of the Company and Duty Awareness	19.33	97.46	The operations are performing well,

Category	Item No.	Evaluation Item	Score	Total Score	Description
Corporate Governance Evaluation	02	Level of Participation in Company Operations	38.87	100.00	and based on the results of this evaluation, continuous improvements will be made to enhance corporate governance effectiveness.
	03	Director Selection and Continuing Education	19.56		
	04	Internal Controls	19.70		
Audit Committee Performance Evaluation	01	Level of Participation in Company Operations	30.00	100.00	The overall operations are performing well, and continuous improvements will be made to maintain the level of corporate governance.
	02	Audit Committee Duty Awareness	15.00		
	03	Enhancing the Decision-making Quality of the Audit Committee	25.00		
	04	Audit Committee Composition and Member Selection	10.00		
	05	Internal Controls	20.00		
Remuneration Committee Performance Evaluation	01	Level of Participation in Company Operations	30.00	100.00	The overall operations are performing well, and continuous improvements will be made to maintain the level of corporate governance.
	02	Remuneration Committee Duty Awareness	15.00		
	03	Enhancing the Decision-making Quality of the Remuneration Committee	25.00		
	04	Remuneration Committee Composition and Member Selection	10.00		
	05	Internal Controls	20.00		
Sustainability Development	01	Level of Participation in Company Operations	30.00	100.00	The overall operations are performing well, and continuous
	02	Sustainability Development Committee Duty Awareness	15.00		

Category	Item No.	Evaluation Item	Score	Total Score	Description
Committee Performance Evaluation	03	Enhancing the Decision-making Quality of the Sustainability Development Committee	25.00		improvements will be made to maintain the level of corporate governance.
	04	Sustainability Development Committee Composition and Member Selection	10.00		
	05	Internal Controls	20.00		

2.4. Integrity in Operations

Tsang Yow's "Code of Integrity in Operations" and "Operating Procedures and Code of Conduct for Integrity in Operations" cover the preventive measures for the behaviors outlined in Article 7, Paragraph 2 of the "Code of Integrity for Listed and OTC Companies." These measures explicitly prohibit bribery, offering or accepting improper benefits, offering or promising facilitation fees, providing illegal political donations, engaging in unfair competition, improper charitable donations or sponsorships, disclosing business secrets, and actions that harm the interests of stakeholders. Preventive measures have been implemented, and educational campaigns have been carried out to enforce the integrity policy.

2.4.1. Promotion and Training

2.4.1.1. Promotion and Signing

- (1) A regulatory handbook is provided to directors, supervisors, and independent directors upon appointment to communicate the importance of integrity and enhance the implementation of integrity in operations.
- (2) New employees are required to sign an "Employee Agreement" that outlines the integrity code of conduct they must adhere to, including the prohibition of accepting bribes.

2.4.1.2. Education and Training

- (1) In 2024, the continuing education courses for directors and supervisors included 18 sessions related to integrity in operations, totaling 69 person-hours.
- (2) In 2024, the company organized internal and external education and training on integrity in operations (including compliance with integrity regulations, safety and health management and inspection, accounting systems, and internal controls),

totaling 183 sessions, amounting to 597 person-hours.

2.4.1.3. Tsang Yow Integrity in Operations Education and Training Statistics

Course Name	Number of Participants	Person-Hours
Integrity in Operations Law	53	53
Safety and Health Management and Inspection	61	425
Accounting Systems and Internal Controls	47	97
New Employee Training (Including Integrity in Operations)	22	22
Subtotal	183	597

2.4.2. Compliance with Regulations

Tsang Yow has established the "Code of Integrity in Operations," "Operating Procedures and Code of Conduct for Integrity in Operations," "Code of Ethical Conduct," and "Anti-Insider Trading Management Regulations," all of which have been approved by the board of directors. These documents clearly outline Tsang Yow's policies and practices for integrity in operations, with a commitment from the board and management to actively implement these operational policies. Various ethical guidelines have been formulated, and the audit department regularly checks the company's control operations, preparing audit reports that are submitted to the Audit Committee for review and reported to the board of directors. This process helps establish a strong corporate governance and risk management system to ensure the sustainable development of Tsang Yow. The board members and management implement and execute their duties based on the principles and commitments of integrity in operations. The relevant guidelines have been publicly disclosed on Tsang Yow's official website.

In 2024, Tsang Yow did not have any incidents of violating environmental, health and safety regulations, product and service information and labeling regulations, or marketing and communication conduct regulations, nor were any related penalties imposed. Any major violations are handled in accordance with the "Procedures for Verification and Public Disclosure of Material Information of Listed Companies on the Taiwan Stock Exchange."

2.4.3. Grievance Mechanism

Tsang Yow's "Operating Procedures and Code of Conduct for Integrity in Operations" clearly defines the standards for improper benefits and charitable donations,

as well as the preventive procedures, penalties for violations, and the grievance mechanism.

To encourage the reporting of illegal and unethical behavior, Tsang Yow has established the "Whistleblower Procedures for Violations of Ethical Conduct and Integrity in Operations" to create both internal and external reporting channels and handling systems, ensuring effective implementation. The Human Resources Department and the Audit Department are designated to handle whistleblowing from internal employees and external stakeholders, respectively. The identities of whistleblowers and those involved in investigations are kept strictly confidential, with appropriate protective measures in place. The system is reviewed and updated regularly to demonstrate the company's commitment to integrity in operations.

2.4.3.1. Grievance Channels

(1) Internal Channels: Employee feedback mailbox, Human Resources Department head's email mailbox, and dedicated hotline.

(2) E-MAIL

External Channels: The company's official website/stakeholder area provides a whistleblowing/grievance channel, including a dedicated whistleblower email and hotline.

2.5. Information Security

To ensure the confidentiality, integrity, and availability of information assets, Tsang Yow follows the information security policy of "Information Security is Everyone's Responsibility, Risk Prevention, Customer Peace of Mind." The company regularly conducts information security risk assessments, plans, implements, and reviews information security management programs, continuously improving information security performance. Disaster recovery drills are conducted to ensure the safety of information systems, prevent the leakage of confidential data, and meet the requirements for business continuity, ensuring customer peace of mind.

2.5.1. Information Security Policy

To prevent the leakage of confidential data, Tsang Yow has established the "CI&IP Confidential Information and Intellectual Property Management Process," which designates business secrets provided by clients as confidential information, with access restricted to authorized personnel. All employees are required to implement information security measures, undergo information security education and training, and enhance

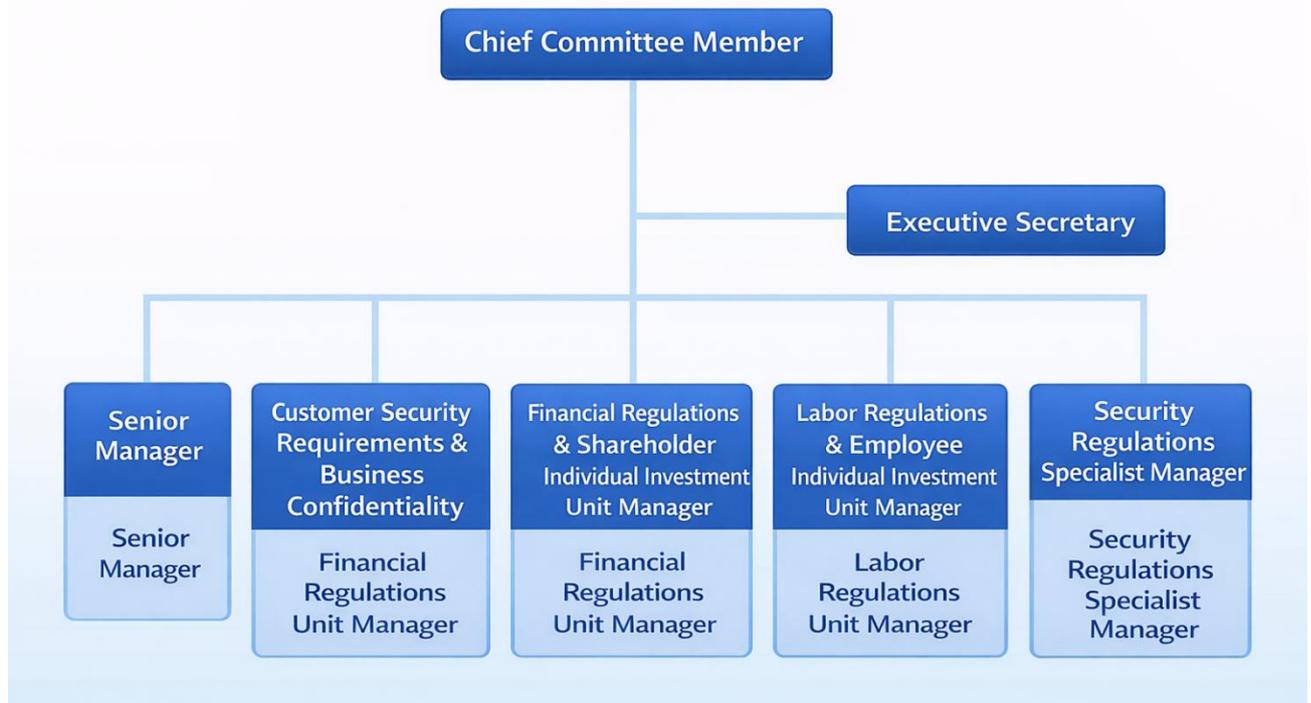
their awareness of information security. The categories of information assets that all employees must jointly comply with and protect include:

- (1) **Information Records:** Includes databases, data files, system planning and design documents, user and operation manuals, business processes, customer and quotation data, contracts, training materials, development and technical documents, internal control procedure manuals, and regulatory documents.
- (2) **Computer Information Systems:** Includes computer operating systems, application systems, development tools, software packages, public programs, etc.
- (3) **Trade Secrets and Personal Data:** Includes business secrets and personal data generated during the business processes of internal staff (both formal and informal), contractors, business partners, and customers.
- (4) **Physical Areas:** Includes office areas, information rooms, production workshops, and access-controlled areas.
- (5) **Physical Equipment:** Includes information (computer) mainframes, communication equipment, storage media, etc.
- (6) **Infrastructure:** Includes power systems, air conditioning systems, network systems, telecommunication systems, etc.

2.5.2. Information Security Committee

Tsang Yow has established an "Information Security Committee" composed of senior executives and members responsible for implementing the information security management plan. The committee is chaired by the general manager or their designated representative, overseeing information security risk management, reviewing and discussing information security policies, response strategies and management plans based on the results of information security risk assessments, as well as the information security reports from the implementing unit (the Information Management Department under the General Administration), which includes internal audits, external audit results, and improvement opportunities. The goal is to reduce information security risks and enhance information security management performance. The committee meets regularly (at least once a year) and irregularly (based on business needs or when a major information security incident occurs).

Security Regulations Committee Organizational Structure



2.5.3. Information Security Management

2.5.3.1. Internal Employee Management

Each employee must sign an "Employee Agreement" on their first day of employment. New employee training includes CI&IP information security courses and a requirement to pass the associated test.

2.5.3.2. External Personnel Management

The company is obligated to protect the intellectual property provided by customers based on principles of business trust and confidentiality agreements. The security measures taken include:

- (1) Conduct annual information security training and testing to enhance employees' knowledge and awareness of information security, reducing the risk of data breaches.
- (2) Develop and implement an information security management plan based on the results of assessments, to prevent the leakage of CI&IP and protect information assets.
- (3) Establish data backup and off-site backup mechanisms, and regularly conduct emergency response drills to ensure the effectiveness of protective measures.
- (4) Conduct annual internal audits of CI&IP to confirm that the management of confidential information and intellectual property meets requirements.

- (5) Implement improvements for CI&IP anomalies and audit issues, track the effectiveness, and submit the results to the Information Security Committee for review.

2.5.3.3. Information Security Management Plan

Regularly conduct information security risk assessments and identification, and for high-risk items identified during the assessment, develop an information security management plan. Corresponding management mechanisms are established to prevent various internal and external information security threats, thereby reducing information security risks.



2.5.4. In 2024, Tsang Yow received no complaints regarding violations of customer privacy or loss of customer data.

2.6. Business Performance

Tsang Yow firmly believes that sound financial management is the foundation for achieving sustainable business operations. For many years, Tsang Yow has been committed to establishing a solid operational plan and achieving financial performance through effective capital management. The company continuously creates long-term stable economic value and returns it to all stakeholders, including shareholders/investors, employees, customers, suppliers, and society. Tsang Yow is also

dedicated to ensuring the transparency and timeliness of financial information, regularly disclosing the latest financial results to strengthen investors' confidence in the company's future long-term investment value.

2.6.1. Operating Performance

Tsang Yow firmly believes that sound financial management is the foundation for achieving sustainable business operations. For many years, Tsang Yow has been dedicated to establishing a solid operational plan and achieving financial performance through effective capital management. The company consistently creates long-term stable economic value and returns it to all stakeholders, including shareholders/investors, employees, customers, suppliers, and society. Tsang Yow is also committed to ensuring the transparency and timeliness of financial information, regularly disclosing the latest financial results to strengthen investors' confidence in the company's future long-term investment value.

Unit : Thousand NTD

Item	Year 2022	Year 2023	Year 2024
Revenue	1,347,635	1,193,076	1,049,324
Gross Profit	372,489	401,445	291,860
Gross Profit Margin	27.64%	33.65%	27.81%
Pre-tax Net Profit	247,240	249,712	208,591
Post-tax Net Profit	165,390	273,734	160,577
Other Comprehensive Income	14,824	30,702	(3,736)
Earnings Per Share	1.62	2.67	1.59
Debt Ratio	43.96%	30.22%	18.33%
Return on Equity	10.57%	16.49%	8.60%
Cash Dividends	112,581	137,144	123,704
Employee Welfare Amount	311,677	293,718	274,877
Payments to Contributors	124,922	147,546	128,633
Payments to the	40,881	117,407	3,615

Government			
Board of Directors' Shareholding Ratio	27.29%	27.29%	14.86%

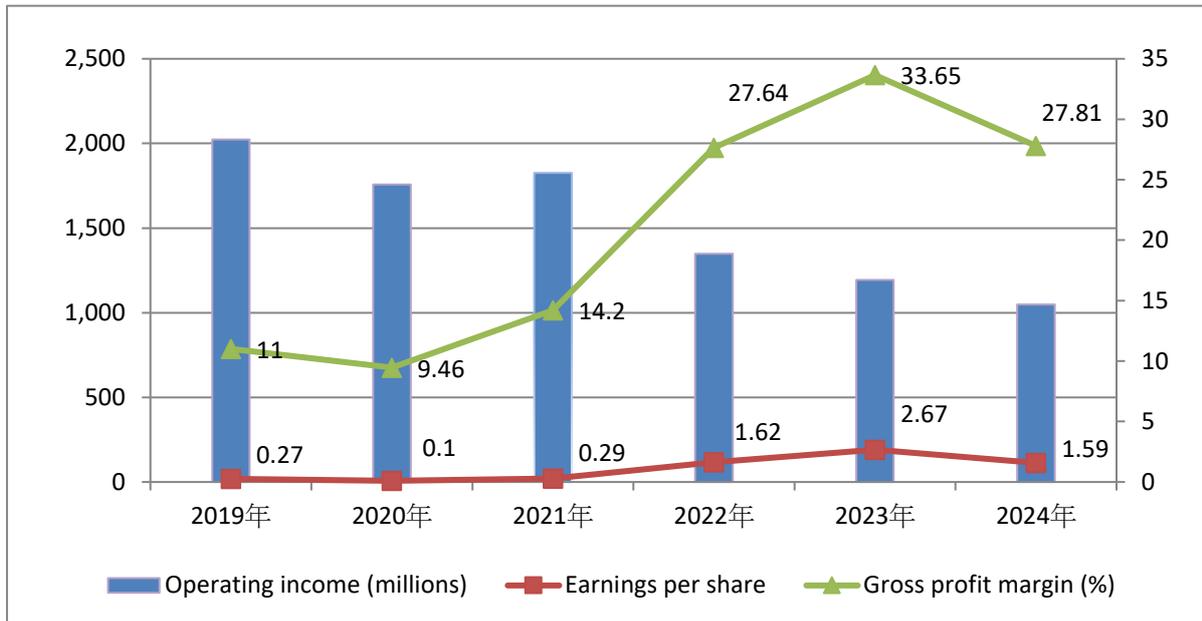
Note 1 : Payments to contributors refer to dividends paid to all shareholders, plus interest paid to lenders (including interest on any form of debt and loans).

Note 2 : Payments to the government refer to all taxes (including sales tax, income tax, property tax) and fines.

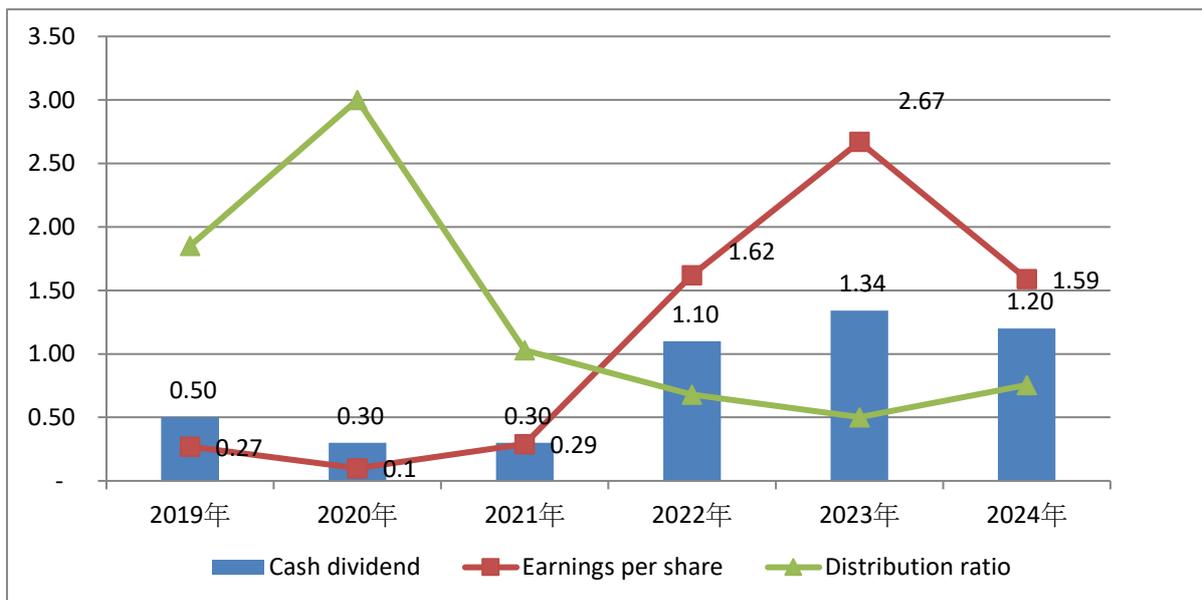
Note 3 : Employee welfare includes the total monetary benefits provided to employees, such as labor and health insurance premiums and pension expenses (excluding costs related to training, protective equipment, or other cost items directly related to employees' job responsibilities).

In 2024, due to market influences, the overall revenue performance of Tsang Yow Group did not meet expectations. In terms of profitability, the gross margin was still in the ramp-up phase due to the initial mass production of new products, resulting in a decline in the group's consolidated gross margin to 27.81% compared to the previous year. As for net profit after tax, the disposal of the mainland subsidiary in 2023 raised the base period, while the newly established overseas subsidiary incurred startup costs, leading to a decrease in net profit. Although the financial performance for this year did not exceed that of 2023, Tsang Yow Group is committed to achieving solid financial performance and will distribute the year's earnings as dividends to shareholders. Moving forward, the company will maintain a sustainable and stable dividend policy to create higher value and profits for shareholders, pursuing the goal of long-term corporate sustainability.

2.6.1.1. Financial Performance



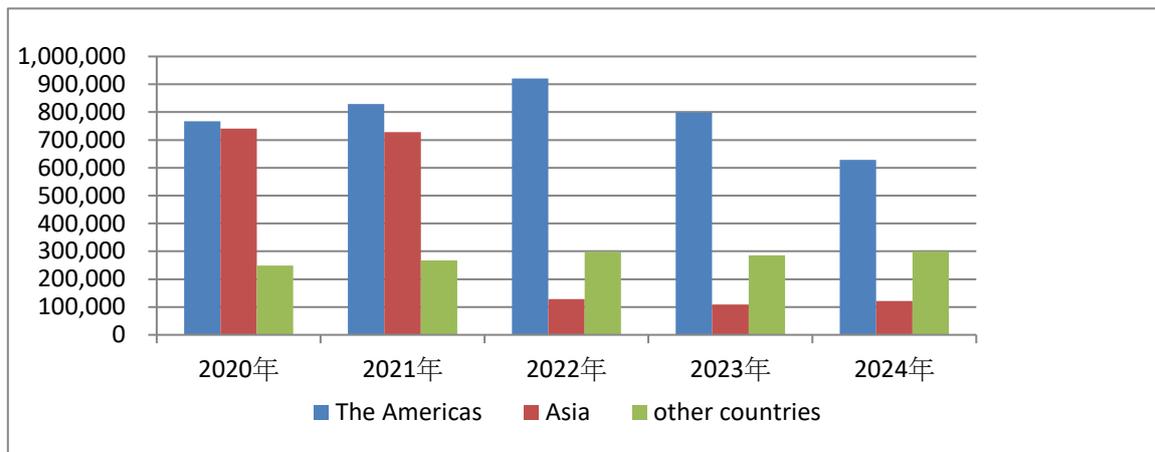
2.6.1.2. Cash Dividends



2.6.2. Future Strategy: Marketing Region Diversification

Tsang Yow primarily operates in export sales, with the Americas being its largest market, and is moving towards a global business layout, providing localized services, such as expanding into the Malaysian and Thai markets. Tsang Yow will focus on meeting the future market demand for the industrial chain development in Asia, adapting quickly to market changes, implementing a diversified industry strategy, and pursuing a global layout to continually increase visibility in international markets.

2.6.2.1. Sales Amount and Proportion by Region for Major Products in the Last Five Years



2.6.3. Government Subsidies

To encourage businesses to make substantial investments using undistributed earnings to enhance production technology, product or service quality, the "Industrial Innovation Act, Article 23-3" stipulates that starting from the filing of the 2018 undistributed earnings subject to business income tax, investments made within three years after the year in which the earnings were generated can be used for building or purchasing buildings, software, hardware, or technologies for self-production or business use, provided that the investment reaches a certain amount. This investment amount can be deducted when calculating the undistributed earnings for the year in accordance with the Income Tax Act.

With the rapid rise of global digital technology and smart manufacturing, Article 10-1 of the Industrial Innovation Act was amended in 2019 to include investment deductions for smart machinery or 5G systems, accelerating the industry's smart upgrade and transformation. In response to the post-pandemic era, the government continued to promote the demand for smart applications and cybersecurity protection, incorporating cybersecurity investment deductions from 2022 to 2024. By the end of 2024, to help industries respond to the trends of artificial intelligence and global net-zero emissions, the Ministry of Economic Affairs announced a revision to the aforementioned provision, extending the implementation period to the end of 2029 and adding artificial intelligence and energy-saving carbon reduction projects.

To promote energy-saving and carbon-reduction policies, encourage energy users to adopt high-efficiency power equipment and accelerate the replacement of old equipment, improving industrial production efficiency and overall energy use efficiency, the Bureau of Energy, Ministry of Economic Affairs, has established guidelines for

energy-efficient equipment replacement subsidies for the commercial services industry. The subsidy supports the replacement of various energy-saving equipment, with the subsidy amount based on different criteria for each item, up to a maximum of 5 million NTD.

2.6.3.1. Tsang Yow 2024 Government Subsidy Program

Unit : NTD

Item	Subsidizing Agency	Subsidy Amount (Tax Reduction)
Substantial Investment Deduction from Undistributed Earnings	National Taxation Bureau	415,503
Smart Machinery Investment Tax Deduction	National Taxation Bureau	1,546,339
Energy-saving Equipment Replacement Subsidy	Ministry of Economic Affairs	181,000
Total		2,142,842

2.6.4. Tax Policy

Tsang Yow follows government regulations that support corporate innovation and promote economic growth. The tax policy is overseen by the finance department, which reviews the company's tax policies and implements tax governance. Tsang Yow complies with the tax regulations of the countries where its production sites are located, ensuring that transactions between related entities are conducted according to regular business principles and transfer pricing guidelines, avoiding complex transactions that lack economic substance. The company does not engage in tax avoidance practices by shifting profits to low-tax jurisdictions or tax havens. Tax information is disclosed to stakeholders through public channels such as financial reports and sustainability-related disclosures, ensuring transparency. Additionally, Tsang Yow maintains a relationship of mutual respect and good communication with tax authorities in the jurisdictions where it operates. In 2024, Tsang Yow complied with tax policies and regulations, with no penalties imposed by the relevant authorities.

2.6.5. Tax Governance and Risk Management

In addressing tax-related operational risks, Tsang Yow is committed to enhancing

tax expertise through continuous employee training to ensure the capability to manage tax operations. For unfamiliar tax matters, the company proactively consults with the relevant tax authorities and seeks advice from external professional accountants and tax experts to ensure compliance with tax regulations and reporting obligations, reducing risks associated with potential legal sanctions, financial losses, or reputational damage from non-compliance. Over the years, Tsang Yow has maintained steady operations, focusing on achieving sustainable profits and maximizing value for stakeholders, while honestly fulfilling tax obligations and assuming its social responsibility as a taxpayer. To effectively manage tax risks, the company follows internal control processes and carries out identification, assessment, and management of tax risks arising from regulatory changes and operational activities. Risks are appropriately measured, managed, and controlled. The board of directors has delegated the Audit Committee to oversee the company's quality and integrity in accounting, auditing, financial reporting processes, and financial controls. The Audit Committee regularly reviews major matters, including accounting policies and procedures, internal control systems, and tax compliance. Tsang Yow is currently exempt from submitting country-by-country reports.

2.6.5.1. Effective Tax Rate Paid by Tsang Yow

Unit : Thousand NTD

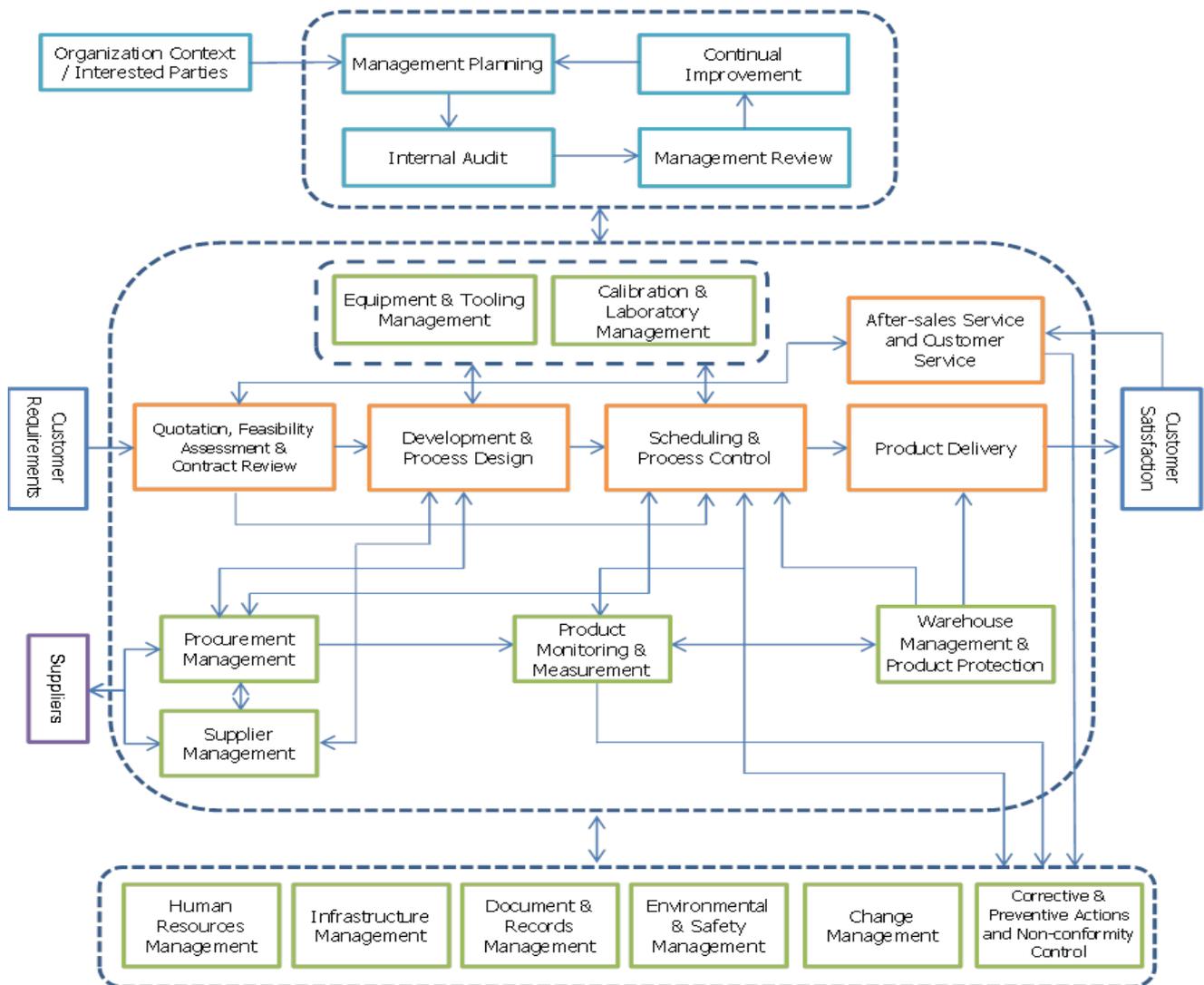
Item \ Year	2022	2023	2024
Taiwan	42,367	53,120	48,014
Mainland Subsidiary	(8,306)	10,627	0
Total Income Tax Expense	34,061	63,747	48,014
Pre-tax Net Profit	199,451	337,481	208,591
Effective Tax Rate	17.08%	18.89%	23.02%

3. Sustainable Value Chain

3.1. Quality Management Process

To ensure product quality and safety for sustainable business development, Tsang Yow has established, implemented, maintained, and continuously improved its management system in accordance with the high standards of ISO 9001:2015 international standards and the IATF 16949 automotive industry quality management system. The main framework of the company's quality management system is as follows:

Quality Management System (QMS) Structure Diagram



3.2. Product Quality and Safety

Major Topic Name	Product Quality and Safety	
Reason for the Importance of this Topic to Tsang Yow	<p>Positive Impacts:</p> <ol style="list-style-type: none"> 1. Enhance customer trust and brand reputation 2. Reduce recall risks and legal liabilities 3. Improve efficiency and reduce costs 	<p>Negative Impacts:</p> <ol style="list-style-type: none"> 1. Increased product development and manufacturing costs, which affect profit margins 2. Extended R&D and production cycles 3. Increased complexity in supply chain management
Assessment Mechanism	<p>Positive Impacts:</p> <ol style="list-style-type: none"> 1. Establishing strict quality control processes 2. Implementing Preventive Design (PFMEA) 3. Industry-academia R&D collaboration 	<p>Negative Impacts:</p> <ol style="list-style-type: none"> 1. Promoting lean management methods and automation improvements 2. Driving product R&D innovation by using digital technologies (such as MBD, CAD, etc.) to simulate and test products, shortening R&D cycles while improving product safety and reliability 3. Optimizing supply chain management, establishing stable partnerships with suppliers, ensuring supply chain transparency and consistency, and requiring compliance with corresponding quality and safety standards
Policies and Commitments	<p>In line with Tsang Yow's quality policy philosophy of "Adhering to standards, ensuring quality, continuous improvement, and exceeding expectations," Tsang Yow is committed to fully meeting</p>	

	<p>customer needs with "first-class quality, reasonable prices, fast delivery, and professional services." We are dedicated to providing excellent technical support and quick R&D and quotation speed to help our customers stand out in a highly competitive market.</p>	
<p>Goals and Targets</p>	<p>Short-term Goals:</p> <ol style="list-style-type: none"> 1. Customer Satisfaction > 90% 2. Defect Rate in Manufacturing < 0.05% 	<p>Mid-to-Long-term Goals:</p> <ol style="list-style-type: none"> 1. Optimize customer satisfaction 2. Continuously reduce defect rates in manufacturing and internal/external failure costs
<p>Achievement of Goals</p>	<ol style="list-style-type: none"> 1. The average customer satisfaction for 2024 reached 93%. 2. The average defect rate in manufacturing for 2024 was 0.04%, achieving the quality goals. 	
<p>Action Plans and Management Measures</p>	<p>Short-term Goals:</p> <ol style="list-style-type: none"> 1. Collaborate with National Formosa University of Science and Technology on industry-academia-research cooperation to strengthen new product development and technical capabilities. 2. Implement lean manufacturing, promote quality circles, eliminate ineffective operations and waste in production, improve efficiency, and enhance quality. 3. Establish the "Quality Promotion Committee" to organize quality competitions, enhance overall employee awareness of quality, and continuously identify and improve process risks. 	<p>Mid-to-Long-term Goals:</p> <ol style="list-style-type: none"> 1. Accelerate production automation to improve the stability of production processes and product quality. 2. Implement intelligent inspection and quality anomaly warning systems, using monitoring and collecting quality inspection data to immediately block defective outputs, improving yield rates and reducing waste costs. 3. Continuously implement the HSF Hazardous Substance-Free Management System to reduce the risk of user exposure to harmful substances, protect the environment by reducing the release of harmful

	<p>4. Hazardous Substance-Free Management System to reduce the risk of user exposure to harmful substances, and continuously protect the environment by reducing the release of harmful substances.</p>	<p>substances, and further enhance the company's competitiveness.</p>
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3.2.1. Products and Services

Since its establishment, Tsang Yow started with the production of automotive torque converter components and gradually expanded into the R&D and production of truck clutches and automatic transmissions. The company evolved from contract processing to more advanced technology with hydraulic pumps, and successfully developed key components for automatic transmissions, such as the Planet and Chrysler transmission parts. Tsang Yow also partnered with the Metal Center to introduce laser welding technology, continuously improving manufacturing capabilities.

Tsang Yow has accumulated over 30 years of experience in the development and production of transmission components. In recent years, the company has been actively seeking development projects for GM aftermarket (OES) parts and 6-speed transmission components. As a core component supplier for automotive drivetrain systems, Tsang Yow's expertise in precision molding and welding technology allows it to meet customers' strict quality and precision requirements. Additionally, leveraging its experience in contract manufacturing for global automotive satellite factories, Tsang Yow has gained expertise in the development of key components and, through collaborations with OEM manufacturers, is further expanding into the AM market to achieve economies of scale.

The product range includes parts for traditional internal combustion vehicles, new energy vehicles, industrial machinery, ships, motorcycles, bicycles, and high-tech equipment. Sales extend to 25 countries worldwide, with a focus on the export market. Based in Taiwan and with a global outlook, Tsang Yow continuously strengthens its supply chain and creates more development opportunities, providing strong momentum for revenue and profitability.

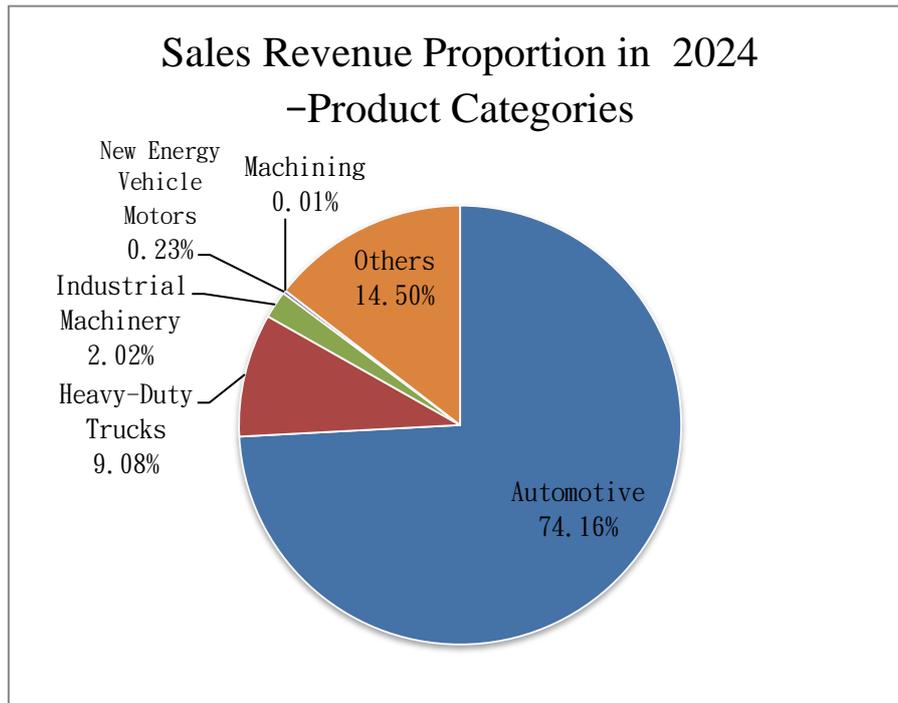


3.2.1.1. Product and Service Scope

1	2	3	4	5	6	7	8	9	A	B	C
Automobiles	Heavy-duty Trucks	Industrial Machinery	Aerospace	Marine	Air Conditioning Compressors	Motor cycles (ATVs)	Bicycles	Others	New Energy Vehicles	Sports Equipment	Semiconductor Equipment

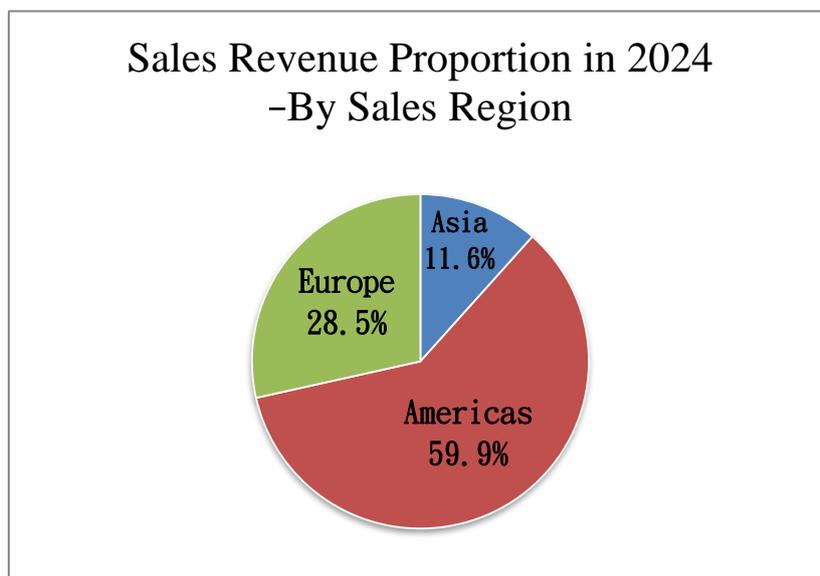
3.2.1.2. Sales Volume Proportion of Each Product and Service Category in 2024

Automobiles	Heavy-duty Trucks	Industrial Machinery	New Energy Vehicle Motors	Processing	Others	Others
74.16%	9.08%	2.02%	0.23%	0.01%	14.50%	100.00%



3.2.1.3. Sales Revenue Proportion by Region in 2024

Asia	Americas	Europe	Total
11.6%	59.9%	28.5%	100.0%



3.2.2. Raw Material Management

Tsang Yow is committed to strict management of raw materials to ensure the supply of products with the best quality. The raw materials required for the production and packaging of key products include steel, cast iron, sheets, aluminum parts, oils, and packaging materials, with steel, cast iron, and sheets accounting for the largest

proportion of usage (in terms of value). Additionally, the company reduces raw material waste and environmental impact through stringent quality control, with a commitment to providing products and services that exceed customer expectations. The company continuously implements its quality policy to achieve world-class quality.

3.2.2.1. 2024 Raw Material Consumption Statistics Table

Raw Material Name	Is it Recycled Material?	2024 (Weight)	Unit (Weight)
Steel	No	2,727.3220	Ton
Cast iron	No	1,646.4830	Ton
Sheet metal	No	3,520.1240	Ton
Aluminum parts	No	123.2600	Ton
Oil products	No	67.6701	kiloliter
Packaging materials (cartons, pallets)	Yes	272.7030	Ton

Note 1 : Steel includes forgings, bars, pipes, etc.

Note 2 : Oil products include rust preventive oil, cutting oil, slideway oil, circulating oil, etc.

Note 3 : Renewable materials: Renewable materials can be obtained from many sources, which can be rapidly replenished through ecological cycles or agricultural processes. Therefore, services derived from these sources or other related resources will not be depleted and can be continuously used by future generations.

Note 4 : Non-renewable materials: Resources that cannot be replenished in the short term, such as natural gas, metals, minerals, and oil.

3.2.3. Research and Development Innovation

3.2.3.1. Core Process and Technology Improvement

Over the past 20 years, Tsang Yow has accumulated strong capabilities, highly integrated resources, advanced equipment, and an experienced team through the development of automotive aftermarket products. Our reverse engineering and OEM development capabilities have passed the most stringent customer tests. We specialize in precision machining, stamping, gear cutting, laser welding, and assembly, focusing on products such as transmission components, heavy truck clutch components, industrial machine components, semiconductor components, and aerospace components. Through CAE and CAM software, we have significantly improved the quality and speed of mold design, manufacturing processes, and stamping forming.

Tsang Yow continuously pursues excellence, committed to ensuring product quality meets standards and satisfies customer needs. Adhering to the philosophy of "To do a good job, one must first sharpen the tools," we insist on using the most advanced precision equipment, such as the composite machining centers, five-axis machining centers, vertical/horizontal milling and drilling machines, and gear hobbing machines imported from Japan, as well as the gear grinding machines, spinning machines, and laser welding machines introduced from Europe. These equipments significantly enhance the speed and quality of parts processing. Through independent research and development and collaboration with partner organizations, we fully demonstrate our commitment to quality.

Item	Core Technology	Partner Organizations
1	Gear processing technologies such as gear hobbing, gear shaping, gear milling, gear shaving, gear burnishing, and gear grinding	Proprietary technology Hu-Wei University of Science and Technology
2	Gear forming technologies such as deep drawing, stamping, spinning, etc. (including simulation)	Proprietary technology
3	Turning and milling combined processing, five-axis simultaneous machining technologies (including simulation)	Proprietary technology
4	External diameter grinding, internal diameter grinding, double-side grinding, internal and external diameter combined grinding, and dual-drive external diameter grinding processing	Proprietary technology

	technologies	
5	Press fitting, laser welding, dynamic balancing, laser engraving, cleaning & testing with high cleanliness requirements, assembly, and other line-oriented production technologies	Proprietary technology
6	Heat treatment technologies such as carburizing, medium and high-frequency hardening, tempering, and annealing	Proprietary technology
7	Independent design and manufacturing technologies for production molds, inspection tools, and fixtures	Proprietary technology

3.2.3.2. Innovation and R&D Resource Investment

In order to provide competitive prices and high-quality products, Tsang Yow's R&D team continuously explores innovative methods to optimize product manufacturing processes and capabilities. Through technical reviews and customer feedback, we seize every opportunity to make our products more practical and durable, meeting customers' precision requirements. We actively collaborate with the Metal Industries Research & Development Centre, the Industrial Technology Research Institute, and the National Huwei University of Science and Technology to enhance our professional knowledge, seek solutions for product improvements, and inject innovative power through interactions with the academic community, strengthening our technical foundation. Upholding the philosophy that continuous R&D is the key to long-term operations, and constantly accumulating expertise in component manufacturing, we enhance our product development capabilities to meet customer timelines, accelerate production capacity to meet market demands, earn customer trust, and continue investing in professional skills training for new staff. This ensures the ongoing development and progress of core technologies and the achievement of sustainable development goals.

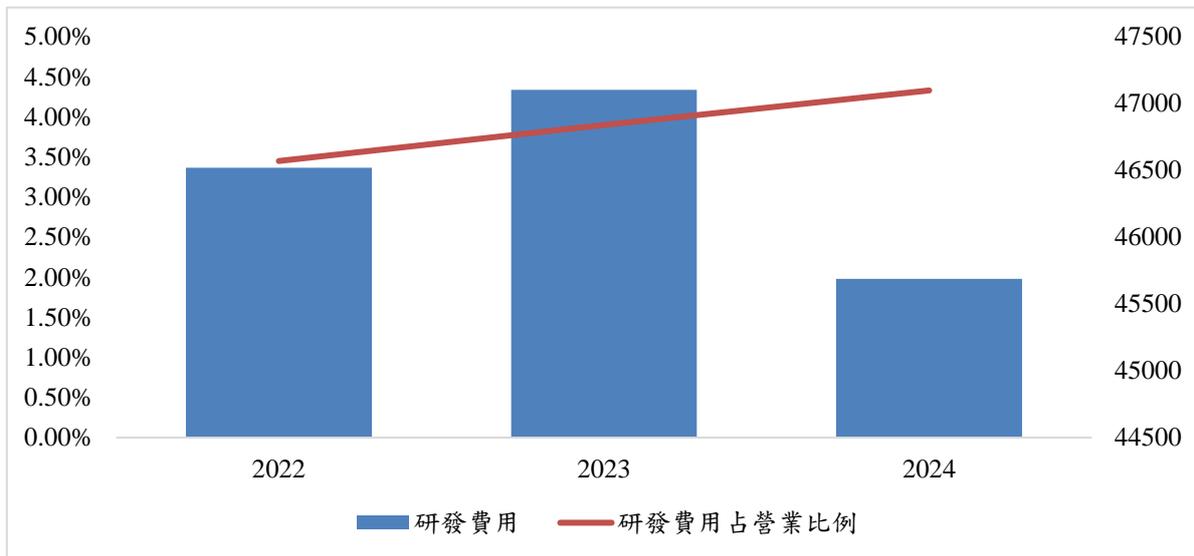
3.2.3.3. 2024 R&D Personnel Statistics

R&D Personnel	Total number of personnel	30 persons	
	By technology	Stamping and Forming Category	Machining Category
	Number of people	12 persons	18 persons
	Individual	3.65%	4.99%

	percentage		
Entire company	Overall percentage		9.12%

3.2.3.4. R&D Expenses in the Last Three Years

Year	R&D Expenses (in thousands of NTD)	R&D Expenses as a Percentage of Revenue
2022	46,519	3.45%
2023	47,102	3.90%
2024	45,689	4.35%



3.2.4. Quality and Safety Certifications

Tsang Yow places great importance on quality management and customer needs, upholding the spirit of "continuous improvement, emphasizing defect prevention, and reducing variation and waste," along with the quality policy of "adhering to standards, ensuring quality, continuous improvement, and exceeding demands," striving to achieve sustainable operations. Strict systems and operational standards are implemented throughout all stages of product design, development, manufacturing, quality inspection, and sales. The company has earned audits and recognition from international giants, continuously enhancing production technology, investing in automated production and testing equipment to reduce human interference, and rigorously controlling product quality before shipment. Tsang Yow has established long-term, stable partnerships with globally renowned brands, with an excellent reputation for quality, making it a key

advantage for market expansion.

3.2.4.1. Tsang Yow's Management System Development Timeline

Year	Development
1999 Year	Passed ISO 9002:1994 Quality Management System Certification
2000 Year	Passed QS 9000:1998 Automotive Quality Management System Certification (USA)
2003 Year	Passed ISO 14001:1996 Environmental Management System Certification
2004 Year	Passed ISO 9001:2000 and ISO/TS 16949:2002 Automotive Quality Management System Certification Passed ISO 17025 Testing Laboratory Certification
2007 Year	Passed ISO 14001:2004 Environmental Management System Certification
2009 Year	Passed ISO 9001:2008 and ISO/TS 16949:2009 Automotive Quality Management System Transition Certification
2018 Year	Passed ISO 9001:2015 and IATF 16949:2016 Automotive Quality Management System Transition Certification Passed ISO 14001:2015 Environmental Management System Transition Certification
2021 Year	Passed ISO 45001:2018 Occupational Health and Safety Management System Certification Passed AS 9100D:2018 Aerospace Quality Management System Certification

Note: Please refer to the attached certificates.

3.2.5. Quality and Safety Control

Product safety is crucial in the automotive parts manufacturing industry. Strict safety standards and quality control also help enhance consumer trust, protect brand reputation, and mitigate legal and financial risks. Therefore, Tsang Yow strictly follows the "Product Development and Quality Planning Management Process" to ensure that all processes related to product safety are effectively managed. Our product and manufacturing process management include the following key points:

- (1) Regulatory Identification and Review: Before accepting a contract, we identify and

review all regulations related to product safety, conducting a comprehensive evaluation within a cross-functional team.

- (2) **Customer Communication:** We provide feedback to customers on relevant regulatory requirements to ensure both parties have a consistent understanding of product safety requirements.
- (3) **Product Safety Feature Identification:** During the product development process, we conduct a detailed identification of all safety-related features.
- (4) **Incorporating Risk Assessment:** Based on the identification results, safety features are included in the PFMEA (Process Failure Mode and Effects Analysis) and clearly controlled in the control plan.
- (5) **Preventive and Contingency Planning:** The control plan outlines preventive and contingency measures for potential risks, ensuring rapid response in case of anomalies.
- (6) **Training and Education:** Employees involved in product safety receive specialized training based on their roles and responsibilities to ensure comprehensive product safety at all stages.
- (7) **Change Management:** Any changes related to products or processes must undergo a review and FMEA analysis before implementation to ensure product safety is not compromised.
- (8) **Supply Chain Communication:** Product safety requirements are communicated across the entire supply chain to ensure each link in the chain adheres to the same safety standards.
- (9) **Traceability Management:** Products are traceable by manufacturing batch, ensuring quick tracking of problem sources.
- (10) **Lessons Learned:** Lessons learned from the introduction of new products are summarized for improvement and application in future projects.

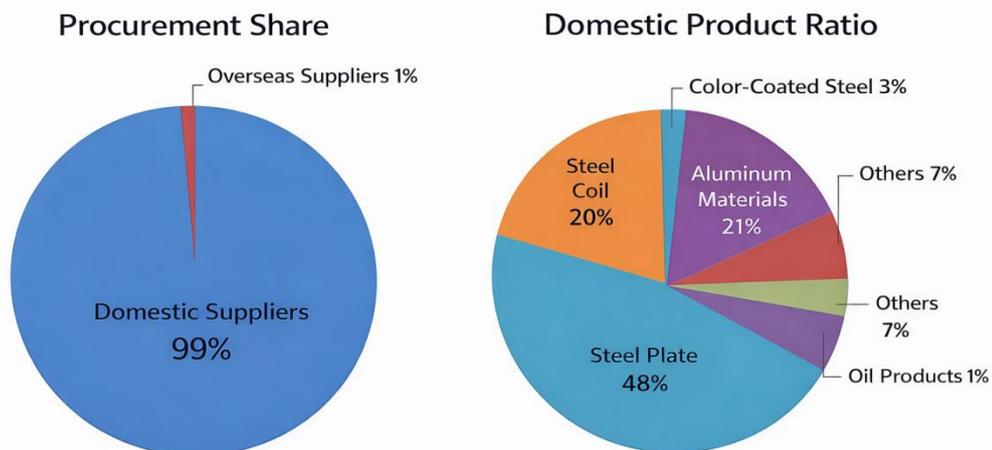
3.3. Supply Chain Management

Tsang Yow adheres to the principle of treating suppliers as long-term partners based on mutual trust, mutual benefit, and win-win collaboration. Through various communication platforms, we strengthen effective communication and coordination mechanisms with our suppliers. In addition to diligently promoting quality control, we also encourage suppliers to improve their production environment, organization, and production processes. We focus on supplier coaching and audits to enhance process technology, improve product quality, and pursue sustainable operations together with our suppliers, aiming to achieve mutual prosperity and success.



3.3.1. Supply Chain Overview

All procurement activities at Tsang Yow must comply with the company-established "Procurement Management Process" regulations. The management of "Qualified Suppliers" includes risk assessments, supplier evaluations, and monthly assessments. Key suppliers are categorized into raw materials, oil products, and packaging material procurement, with the total procurement amount serving as the basis for calculation. In 2024, the procurement distribution by category and the ratio of domestic and international suppliers are as follows. In cases where supply conditions are similar, preference is given to local suppliers in order to establish long-term, stable partnerships. The procurement ratio from domestic suppliers is as high as 99%.



3.3.2. Supply Chain Responsibility and Commitment

Tsang Yow actively promotes human rights policies and extends them across the entire supply chain, requiring suppliers to sign the "Supplier Corporate Social Responsibility and Responsible Procurement Code of Conduct Declaration" (hereinafter referred to as the Supplier Social Responsibility Declaration). We expect suppliers to comply with relevant regulations and jointly fulfill corporate social responsibility at both the environmental and social levels. Particularly in the area of labor rights,

suppliers must commit to respecting workers' rights and avoiding the use of child labor or forced labor.

3.3.2.1. Environmental Aspect

When selecting new suppliers, Tsang Yow requires suppliers to complete the "Subcontractor Information Survey Form," which includes information such as ISO 14001:2015 certification, factory environmental, health, and safety management, and statutory environmental, health, and safety permits. Additionally, suppliers must complete the "Operational and Safety Risk Assessment" and sign the "Supplier Manual" to mitigate environmental risks.

In addition, Tsang Yow outlines the sustainability-related requirements in the "Supplier Manual," covering environmental protection, social responsibility, and corporate governance, and collaborates with suppliers that meet these standards. New suppliers must undergo an evaluation by the subcontractor assessment team before transactions and must comply with environmental guidelines. In 2024, six key domestic new suppliers were evaluated, achieving a 100% response rate, and all suppliers met the environmental standards.

3.3.2.2. Social Aspect

Adhering to corporate social responsibility, Tsang Yow manages suppliers based on the "Procurement Management Process," "Subcontractor Management Process," and "Supplier Manual," ensuring collaboration with suppliers that meet quality standards. Regular audits are conducted on the supply chain to control potential adverse impacts. All suppliers are required to sign the "Operational and Safety Risk Assessment" and the "Supplier Social Responsibility Statement," committing to not using child labor, not engaging in forced labor, and complying with requirements related to working hours, privacy rights, and anti-corruption.

In addition, Tsang Yow and its suppliers always adhere to a strict human rights policy, ensuring that child labor is not used and employees are not forced to work overtime. Regular audits are conducted to ensure compliance. If a supplier is found to violate the code of conduct, Tsang Yow will terminate the partnership to ensure the responsibility and compliance of its products and services.

3.3.2.3. Supplier Social Responsibility Statement

To achieve sustainability goals and fulfill corporate social responsibility, Tsang Yow has established a Supplier Code of Conduct. The company expects suppliers to

actively implement integrity in operations, respect human rights, promote a safe and healthy work environment, reduce environmental impact, and comply with international standards and local regulations during the provision of products and services.

Tsang Yow will work together with its supplier partners to build a responsible supply chain that aligns with ESG principles, moving towards a more sustainable future.

RP-101-B5 採購管理流程_附件八
機密等級: ■一般資訊 □敏感性資訊 □機密資訊



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本準則借鑑國際標準，概述倉佑對供應商/承攬商行為的期望，以及環境保護、勞工權益(含報酬、禁用童工、基本人權等)、健康與安全、道德規範、管理機制及系統相關的責任行為與管理原則。期許與供應商/承攬商一同努力，共盡企業社會責任，以及共創永續發展的企業。

勞工 (Labor)	健康安全 (Health & Safety)	環境 (Environmental)	道德規範 (Ethics)	管理系統 (Management System)
• 自由選擇職業	• 職業健康與安全	• 環境許可和報告	• 誠信經營 • 反賄賂、禁止賄賂	• 公司的承諾
• 兼薪勞工	• 應急準備	• 污染預防和資源保護	• 無不正當收益 • 遵守法律規定	• 管理職責與責任
• 工時 (工作時間與加班)	• 工商和職業病	• 有害物質 (化學品)	• 資訊公開 (資料揭露)	• 法律和客戶要求
• 工資與福利 (員工權利及參與)	• 工業衛生	• 污水及固體廢物	• 知識產權 (智慧財產)	• 風險評估和風險管理 (包括商業道德風險負責豁免)
• 人道的待遇 (反歧視/反騷擾)	• 體力勞動工作	• 廢棄物排放	• 公平交易 (廣告和競爭)	• 改進目標
• 遵守國際人權規定	• 提供安全機械設備 (機器防護)	• 材料限制 (物質控制)	• 身分保護及防止報復	• 培訓
• 團結自由和集體談判 (自由結社)	• 公共衛生和食宿	• 水資源管理 (雨水管理)	• 負責任地採購礦物	• 溝通
• 年齡確認禁用童工 (符合法規)	• 健康與安全信息	• 能源消耗和溫室氣體排放	• 隱私 • 吹哨者、檢舉制度	• 工人、利害關係人的參與和補救措施 (員工意見與參與)
• 嚴禁奴隸制、人口販賣與強制勞動		• 噪音排放	• 數據保護與安全政策	• 審核與評估
• 妥善婦女權利		• 消防安全與緊急疏散	• 反壟斷	• 糾正措施
• 多元化、公平與包容性				• 文檔和紀錄
• 宇辭機制				• 供應商的責任

頁次:1/4

RP-101-B5 採購管理流程_附件八
機密等級: ■一般資訊 □敏感性資訊 □機密資訊

無衝突礦產宣告書

本公司致力於詳實調查供應鏈礦產所使用之金(Au)、鉭(Ta)、錫(W)、錫(Sn)、鈷(Co)、雲母(Mica)這類金屬礦產並非透過無政府軍團或非法集團，或由剛果民主共和國衝突區域之礦區開採或是循非法走私途徑取得。此外，下列國家出口之礦產皆不符合「無衝突礦產規範」：剛果民主共和國(DRC)、盧安達(Rwanda)、烏干達(Uganda)、蒲隆地(Burundi)、坦尚尼亞(Tanzania)、肯亞(Kenya) (聯合國安全理事會認定上述國家皆為剛果礦脈之礦產)。保證任何出售或以其他任何方式轉讓或交付於台盟企業任何產品所含金屬礦產皆符合無衝突礦產規範(Conflict-Free Minerals Policy)，並遵守相關進出口管制及聯合國禁運(購)制裁國家所產礦產(原物料)之規定。

本公司不支持也不使用「衝突礦產」，並持續關注此一議題。

我已明確了解，並且同意遵守所有規定。

供應商名稱: _____
負責人: _____
連絡電話: _____

發票單

制訂日期_版本: 2023/04/26_A0
修訂日期_版本: 2024/05/27_A2

致 倉佑實業股份有限公司
資材部

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3.3.3. Supplier Selection

Tsang Yow selects key suppliers for development based on their potential for improvement and the greatest potential impact on the company. Once a supplier is selected, a cross-functional team consisting of appropriate Tsang Yow and supplier personnel will collaborate and hold regular follow-up meetings to ensure goal completion. During the supplier selection process, suppliers are required to meet the following criteria:

- (1) Complete the Operational and Safety Risk Assessment.
- (2) Fill out the Supplier Basic Information Form.
- (3) Complete the Evaluation Form.
- (4) Procurement Contract.
- (5) Corporate Social Responsibility and Responsible Procurement Code of Conduct.

- (6) Confidentiality Agreement with the Supplier.
- (7) Sign the Counterfeit Goods Declaration.
- (8) Submit the Quotation.
- (9) Provide information on the allocation of cybersecurity personnel and whether firewalls and antivirus software are installed, ensuring that antivirus and operating system security are kept up to date with the latest versions.

The selection of suppliers is jointly decided by the cross-functional team members, with the final choice based on the results of the initial evaluation. For suppliers who are conditionally approved, they must submit an improvement plan before receiving business from Tsang Yow. Once the plan is approved, the supplier will be included in the "Qualified Subcontractor List" and can proceed with cooperation.

After the supplier evaluation is completed, the Subcontractor Management Department will compile the evaluation results and submit them for approval by the Quality System Management Representative :

- 1.1 For suppliers with an evaluation rating of A or B: The Subcontractor Management Department will include them in the "Qualified Subcontractor List" and is responsible for updating and maintaining the information. For suppliers with an evaluation rating of C: The supplier must submit an improvement plan within one month. The Subcontractor Management Department will conduct a second evaluation. If the second evaluation score is above 80, the supplier will be included in the qualified list. If the score is below 80, the supplier will not be included in the qualified list, and cooperation will be terminated. For conditionally approved secondary suppliers: Strengthened inspection measures (such as increasing inspection frequency or performing full inspections) must be implemented before shipment. For suppliers designated by customers or special suppliers with no alternative sources: Conditional approval may be granted, and they will be included in the Qualified Subcontractor List.
- 1.2 Special Situations: If on-site evaluation is not possible due to the supplier's location, product characteristics, or other factors, sample verification may be used as a substitute for the evaluation. The supplier can only proceed with procurement cooperation after the "Qualified Subcontractor List" has been approved by the materials supervisor.

Evaluation Rating



Score \geq 90
The supplier is classified as an excellent and qualified vendor.



80 \leq Score < 90
The supplier is classified as a qualified vendor.



61 \leq Score < 80
The supplier is conditionally approved.



Score \leq 60
The supplier is not included in the qualified vendor list.

For subcontractors with whom there is an ongoing business relationship, their delivery performance is statistically monitored on a monthly basis, and an annual summary assessment is conducted. Regular evaluations of environmental and safety health standards are also carried out. Additionally, in the first quarter of each year, a review is conducted for key suppliers (the top 10 subcontractors) and high-risk suppliers (such as electroplating and spray painting). The assessment investigates whether any violations of occupational health and safety or environmental regulations occurred in the previous year, and the findings are recorded in the "Outsourcing Environmental, Health, and Safety Assessment Form" to serve as a reference for future procurement decisions.

2.1 For suppliers with transactions in the current month, the following three aspects must be assessed :

0. Delivery : On-time delivery rate · Number of late deliveries · Number of shipments with excess freight costs
1. Quality : Defect rate in the manufacturing process · Number of special procurement items · Number of customer complaints · Customer notifications regarding interruptions or special situations · Number of recalls/ warranty claims
2. Compliance : Environmental Safety and Compliance

2.2 The materials and quality assurance departments jointly complete the "Subcontractor Evaluation Form." If a customer interruption or recall event occurs during the month, the rating for that month will be classified as E. If a customer complaint occurs, the evaluation rating cannot be A or B. Additionally, if the defect rate in the manufacturing process does not meet the highest standards, the evaluation will not be rated as A.

- 3.1 At the end of each year, based on the subcontractor evaluation results, the quality assurance department creates the "Subcontractor Development Plan" and formulates the annual audit plan according to this plan and the "Subcontractor Evaluation Form." The department will then schedule and carry out the audit activities accordingly.
- 3.2 When a subcontractor's delivery performance, quality, or compliance is poor and seriously impacts the company's production schedule or reputation, the materials department will convene an audit team to conduct a focused audit.
- 3.3 Qualified subcontractors supplying raw materials for the company's products must have at least ISO 9001 third-party certification and aim to comply with the IATF 16949 quality management system requirements. Cooperation priorities will be determined based on their quality performance and the importance of the raw materials provided.
- 3.4 The quality assurance department formulates the supplier annual audit plan, and the audit team is responsible for conducting on-site audits of suppliers. The scope of the audit includes environmental management and occupational health and safety management. If necessary, the environmental safety and labor safety departments will participate in the audit.
- 3.5 In 2024, Tsang Yow conducted on-site audits of 12 major suppliers, covering various aspects of quality and sustainability to ensure that the supply chain complies with relevant economic, environmental, and social regulations. The audit results show that the major suppliers had no violations of regulations or environmental pollution issues, were well-managed, and met Tsang Yow's expectations for sustainable supply chain operations, maintaining stable cooperative relationships.

3.3.3.2. Supplier Audit Process in 2024



3.3.4. Supply Chain Communication

Tsang Yow can provide suppliers with purchasing orders, important company announcements, contracts, NDAs, evaluations, and other related information through the supplier communication platform (Supplier E-platform). Suppliers can access and respond to information such as shipment details (material certificates, inspection sheets, etc.), certificates, SDS, quality issue forms, and invoicing data. Additionally, information from the ERP system can be updated in real-time to the Supplier E-platform, maximizing the effectiveness of bidirectional communication.

3.3.4.1. Supplier E-Platform Interface

The screenshot displays the 'TSANGYOW 供應鏈e化管理系統 v2' interface. It includes a navigation bar with '倉佑品質政策' and '倉佑環安衛政策', a banner for '倉佑慈善基金會 電子報', and a search area with fields for '單號', '料號', '狀態', and '採購'. Below the search area, it indicates '採購單 - 共有 18 筆, 目前顯示為第 1 筆至第 10 筆'. A table lists the first two purchase orders:

已讀	採購單號	單身編號	料號	貨號	數量	單價	建立日期	承諾日期	採購	狀態	工單細項	內容
<input type="checkbox"/>	PO1-0066	1	18010291	Z34 6HSG	25000.00	000	20/1/24	20/3/31	廖珊	同意	工單細項	檢視
<input type="checkbox"/>	PO1-0066	2	18010291	Z34 6HSG	25000.00	000	202/1/24	202/3/31	廖珊	同意	工單細項	檢視

3.4. Customer Service

3.4.1. Customer Needs and Satisfaction Survey

3.4.1.1. Customer Survey Methods

(1) To accurately understand customer satisfaction with Tsang Yow, the company

regularly conducts satisfaction surveys. This includes both external and internal objective satisfaction indicators and their performance.

- (2) External satisfaction results come from customer-provided Scorecards or customer satisfaction survey results conducted by Tsang Yow.
- (3) Internal objective satisfaction indicators are based on Tsang Yow's actual shipment performance, and customer satisfaction is measured through comprehensive evaluations of these results.

3.4.1.2. Survey Results Analysis

- (1) After collecting the satisfaction survey results, the marketing department compiles and analyzes the data, then presents a customer satisfaction analysis report.
- (2) The analysis report includes comparisons with competitors or benchmark companies. If such comparisons are not available, the report will compare the results with previous customer survey data.

3.4.1.3. Measures to Improve Satisfaction

- (1) The survey results and analysis report are presented and discussed with the management team during management review and improvement meetings, and an improvement plan is developed.
- (2) The marketing department proactively provides feedback on the improvement results to customers and enhances cooperation and satisfaction through activities such as customer visits.

3.4.1.4. Survey Results Analysis :

- (1) According to the results of the 2024 customer satisfaction survey conducted by Tsang Yow, the overall average customer satisfaction score is 93, achieving the company's quality target (above 90).
- (2) The top three aspects with the highest satisfaction are: overall performance, efficiency in handling issues, and on-time delivery rate.
- (3) Additionally, due to the geopolitical impacts in Taiwan and some customers still having high expectations for Tsang Yow's delivery times and quality, these areas have been identified as continuous improvement goals.

3.4.2. Customer Complaint Handling

3.4.2.1. Complaint Handling Process

- (1) To ensure customer complaints or feedback are handled quickly and effectively,

improving customer satisfaction, when the marketing department receives a customer complaint, they will thoroughly understand the feedback and related details, and create a record in the company's "Customer Complaint System."

- (2) Upon receiving the complaint, the quality assurance department will conduct an initial investigation into the issue and determine the responsible department. If it is confirmed to be the company's responsibility, the 8D (8 Disciplines) problem-solving process will be initiated. This systematic approach will identify the root cause of the problem and prevent recurrence.

3.4.2.2. Improvement and Preventive Measures

- (1) The main steps of the 8D process include: D1 - Forming the team → D2 - Describing the problem → D3 - Implementing temporary corrective actions → D4 - Root cause analysis → D5 - Developing permanent corrective actions → D6 - Implementing improvement actions → D7 - Preventing recurrence of the problem → D8 - Recognizing the team.
- (2) Tsang Yow strictly implements the 8D improvement steps in problem-solving. With a spirit of teamwork and practicality, scientific analytical methods are used to identify the root cause and resolve the issue, thereby improving product quality and safety.

4. Environmental Stewardship

4.1. Strategy and Actions

4.1.1. Environmental Philosophy and Protection

Tsang Yow has established an internal regulatory compliance management process, conducting monthly regulatory identification and annual compliance audits to monitor updates or amendments to government laws and make necessary adjustments. The company implements action plans such as self-assessments, training, and auditing to eliminate the risks of fines, shutdowns, or legal liabilities that may arise from violations of environmental, occupational safety, or fire protection regulations. These efforts aim to achieve zero occupational safety incidents, zero exceedance of wastewater discharge limits, and zero penalties from environmental and labor authorities.

To reduce environmental impact, Tsang Yow uses renewable energy, environmental protection technologies, and environmentally friendly materials to minimize pollution and waste generation. In terms of occupational safety, the company continues to improve workplace safety and establish climate

4.1.2. Greenhouse Gas Inventory Team

To effectively implement greenhouse gas (GHG) inventory operations, Tsang Yow established a GHG Inventory Task Force in accordance with ISO 14064-1:2108 standards and GHG inventory management requirements, forming a clear organizational structure. The Chairperson serves as the highest decision-making authority, while the management representative is responsible for cross-departmental communication, supervision, and coordination. A designated inventory leader oversees the planning and execution of all inventory-related tasks. The task force includes eight major functional units: Sales, R&D, Manufacturing, Materials, Administration, IT, Finance, and Human Resources. Each inventory committee member is responsible for collecting, verifying, and providing inventory-related data according to their roles. An internal review team is also established to support technical review and quality assurance. Through cross-departmental collaboration and dedicated role assignments, the company enhances the accuracy and completeness of its carbon inventory, establishing a solid foundation for future carbon management, carbon reduction strategies, and the achievement of sustainability goals.

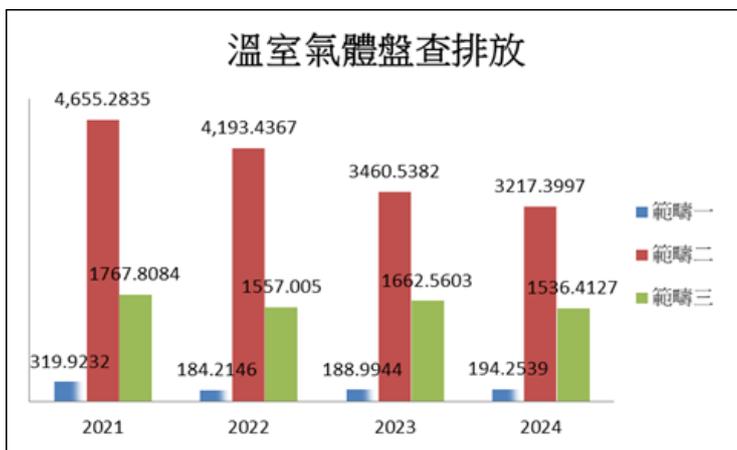


4.1.3. Greenhouse Gas Management

In the face of global environmental disasters and the severe challenges of climate change, Tsang Yow recognizes that while pursuing corporate growth and breakthroughs, it must also uphold its responsibility for environmental protection. Therefore, the company strives to strike a balance between business development and environmental preservation. By managing raw material use, energy consumption, and pollutant emissions throughout its production processes, Tsang Yow enhances the overall efficiency of its production activities and actively manages greenhouse gases to

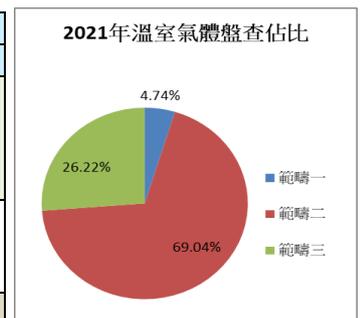
minimize environmental impacts, aiming to achieve the goals of environmental friendliness and sustainable development.

Upholding the principles of sustainable operation and corporate responsibility, Tsang Yow pays close attention to global warming and climate change trends and aligns with government policies. In accordance with the requirements of ISO 14064-1:2018, the company conducts systematic greenhouse gas emission inventories, compiles GHG registries, and carries out verification processes to accurately understand its emission status. These efforts provide a solid basis for future GHG reduction initiatives and reflect the company’s commitment to contributing to global warming mitigation



Note: Greenhouse gas emission intensity = Annual carbon emissions (T CO₂e) / Per million revenue

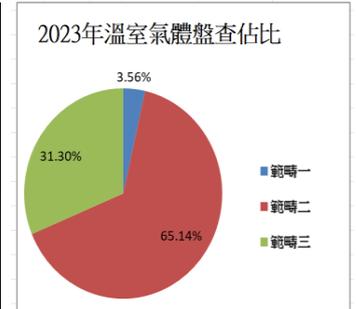
Tsang Yow 2021 Organization-Level Greenhouse Gas Inventory Register (Entire Plant)							
Greenhouse Gas Activity Data Collection Period: 2021/01/01~12/31							
GHG Inventory Categories	Scope 1	Scope 2	Scope 3				Total Emission Equivalent Metric Tons CO ₂ e/Year
	Category 1	Category 2	Category 3	Category 4	Category 5	Category 6	
Emissions Metric Tons CO ₂ e/Year	319.9232	4,655.2835	575.0306	1,192.7778	0.0000	0.0000	6,743.015
Gas Type Proportion	4.74%	69.04%	8.53%	17.69%	0.00%	0.00%	100.00%



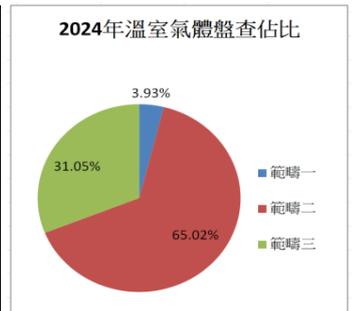
Tsang Yow 2022 Organization-Level Greenhouse Gas Inventory Register (Entire Plant)							
Greenhouse Gas Activity Data Collection Period: 2022/01/01~12/31							
GHG Inventory Categories	Scope 1	Scope 2	Scope 3				Total Emission Equivalent Metric Tons CO ₂ e/Year
	Category 1	Category 2	Category 3	Category 4	Category 5	Category 6	
Emissions Metric Tons CO ₂ e/Year	184.2146	4,193.4367	455.0043	1,102.0007	0.0000	0.0000	5,934.656
Gas Type Proportion	3.10%	70.66%	7.67%	18.57%	0.00%	0.00%	100.00%



Tsang Yow 2023 Organization-Level Greenhouse Gas Inventory Register (Entire Plant)							
Greenhouse Gas Activity Data Collection Period:: 2023/01/01~12/31							
GHG Inventory Categories	Scope 1	Scope 2	Scope 3				Total Emission Equivalent Metric Tons CO2e/Year)
	Category 1	Category 2	Category3	Category 4	Category 5	Category 6	
Emissions Metric Tons CO2e/Year)	188.9944	3,460.5382	643.6540	1,018.9063	0.0000	0.0000	5,312.093
Gas Type Proportion	3.56%	65.14%	12.12%	19.18%	0.00%	0.00%	100.00%



Tsang Yow 2024 Organization-Level Greenhouse Gas Inventory Register (Entire Plant)							
Greenhouse Gas Activity Data Collection Period:: 2024/01/01~12/31							
GHG Inventory Categories	Scope 1	Scope 2	Scope 3				Total Emission Equivalent Metric Tons CO2e/Year)
	Category 1	Category 2	Category3	Category 4	Category 5	Category 6	
Emissions Metric Tons CO2e/Year)	194.2539	3,217.3997	509.4949	1,026.9178	0.0000	0.0000	4,948.066
Gas Type Proportion	3.93%	65.02%	10.30%	20.75%	0.00%	0.00%	100.00%



Note 1 : Carbon Emission Scope Classification (Unit : Metric Tons /CO2e)

Note 2 : Greenhouse Gas Emission Intensity(Unit : Per Million Revenue / Metric Tons CO2e)

Note 3 : Energy-Saving and Carbon-Reduction Amount : Equipment Energy Saving & Solar Energy Saving(kgCO2e) ; Carbon Reduction Control Actions (e.g., holiday shutdown control for air compressors, pipeline leak improvement using ultrasonic leak detectors, detection of computers left powered on, replacement of old air conditioners, replacement of old air compressors, installation of high-efficiency LED lighting, improvements to processing machine operating time, etc.)

Note 4 : Total Water Consumption : Degree

4.1.4. Climate Change Governance

As the world faces operational risks posed by extreme weather events and global warming, the traditional automotive industry will encounter increasingly stringent challenges and rapid market shifts under the influence of climate change. Therefore, based on the results of risk identification, Tsang Yow has established performance indicators and target management mechanisms to effectively monitor the progress and outcomes of its response measures, thereby reducing the financial impact of climate-related risks on its operations.

Aspect	Recommended Disclosure Items	Company Response Measures
Governance	Board Oversight	• The Sustainability Development Committee submits the

	<p>of Climate-Related Risks and Opportunities</p>	<p>annual implementation results and energy-saving performance to the Board of Directors for review and approval at least once a year.</p> <ul style="list-style-type: none"> • The Sustainability Development Committee presents a climate governance report to the Board of Directors at least once a year to review and make decisions on various risk management strategies. 		
	<p>Management’s Responsibilities in Assessing and Managing Climate-Related Risks and Opportunities</p>	<ul style="list-style-type: none"> • The Environmental and Energy Management Committee continuously consolidates international developments and national trends to assess the risks and opportunities they may pose to the company’s operations. • The Environmental and Energy Management Committee reviews risk and opportunity management and performance each year and reports the results to the Sustainability Promotion Committee. • Through the annual management review meeting of the Environmental Management System, the committee reports climate-related risk and opportunity issues, along with corresponding response strategies, to the General Manager. • Climate and environmental protection topics are included in routine administrative meetings. • Monthly supervision and management are conducted to monitor the achievement of environmental and energy management indicators and targets. • Daily digital electricity meter monitoring is performed via the environmental control dashboard to enable real-time anomaly management. 		
<p>Strategy</p>	<p>Identified Short-Term, Medium-Term, and Long-Term Climate-Related Risks and Opportunities for the Organization</p>	<p>Short-Term</p>	<p>Medium-Term</p>	<p>Long-Term</p>
		<ul style="list-style-type: none"> • Risk Issue: Carbon Credit Offset Costs • Opportunity Issue: Products Related to New Energy Vehicles 	<ul style="list-style-type: none"> • Risk Issues: Strengthened emission reporting obligations, costs of transitioning to a low-carbon 	<ul style="list-style-type: none"> • Risk Issues: Increased costs of greenhouse gas emissions (cap-and-trade / carbon tax / energy tax)

			<p>economy, increased concerns and negative feedback from stakeholders, product and service requirements and regulations</p> <ul style="list-style-type: none"> • Opportunity Issues: Obtaining government incentives, seeking new market partnerships 	<ul style="list-style-type: none"> • Opportunity Issues: Using more efficient production and distribution processes.
Climate-Related Risks and Opportunities and Their Impact on the Organization's Business, Strategy, and Financials	Key Transition Risks	Key Physical Risks	Key Climate Opportunities	
	Collaborating through the cross-departmental Environmental and Energy Management Committee to conduct climate-related risk/opportunity identification, consolidate financial impacts, and formulate response strategies.	To mitigate the impact of drought events, the factory has been investing in water-saving facilities, strengthening the recycling and reuse of water resources, while also developing emergency response plans to reduce operational losses caused by disaster risks.	The company has invested in a self-built solar power generation capacity of 913.21 kWp, and will adopt self-generation for self-use in the future. This will increase the use of renewable energy, reduce carbon emissions, and attract customer preference to boost revenue	

Risk Management	Resilience in strategy, considering different climate-related scenarios	<ul style="list-style-type: none"> The risk management policy and procedures have been established and approved by the Board of Directors.
	In the process of identifying and assessing climate-related risks	
	In the process of managing climate-related risks	<ul style="list-style-type: none"> Internal operating procedures have been established and risk impact assessment criteria have been defined. Decision-making models for climate risks/opportunities and handling risks have been completed for each department. An annual ISO 14001:2015 third-party verification is conducted, along with an internal greenhouse gas inventory (third-party verification has not yet been implemented). The company conducts an annual energy/resource risk and management performance survey.
	How the identification, assessment, and management processes of climate-related risks are integrated into the company's overall risk management system	<ul style="list-style-type: none"> The Environmental and Energy Management Committee continuously consolidates international developments and national trends to assess the risks and opportunities they may pose to the company's operations. Through the annual management review meeting of the Environmental Management System, the committee reports on the review of risk and opportunity management and performance to the General Manager. Climate action and environmental protection topics are included in routine administrative meetings.
Indicators and Objectives	Explanation of the Indicators Used by the Company to	<ul style="list-style-type: none"> Starting from 2021, conducting self-organizational carbon inventory. Expected to complete ISO 14064-1:2018 verification by 2027.

	<p>Assess Climate-Related Risks and Opportunities Based on Strategy and Risk Management</p>	<ul style="list-style-type: none"> • Aiming to reduce electricity consumption by 1% annually. 																		
	<p>Disclosure of Greenhouse Gas Emissions and Related Risks for Scope 1, Scope 2, and Scope 3</p>	<p>Since 2021, conducting self-organizational carbon inventory in accordance with ISO 14064-1:2018 (without third-party verification). The following are the greenhouse gas emissions for 2022 (unit: metric tons CO₂e):</p> <table border="1" data-bbox="568 853 1511 965"> <tr> <td>Scope 1 :</td> <td>Scope 2 :</td> <td colspan="2">Scope 3 :</td> </tr> <tr> <td>184.2146</td> <td>4,193.4367</td> <td colspan="2">1,557.0050</td> </tr> </table> <p>The following are the greenhouse gas emissions for the year 2023 (unit: metric tons CO₂e):</p> <table border="1" data-bbox="568 1066 1511 1133"> <tr> <td>Scope1 : 188.9944</td> <td>Scope2 : 3,460.5382</td> <td colspan="2">Scope3 : 1,662.5603</td> </tr> </table> <p>The following are the greenhouse gas emissions for the year 2024 (unit: metric tons CO₂e):</p> <table border="1" data-bbox="568 1234 1511 1301"> <tr> <td>Scope1 : 194.2539</td> <td>Scope2 : 3,217.3997</td> <td colspan="2">Scope3 : 1,536.4127</td> </tr> </table>			Scope 1 :	Scope 2 :	Scope 3 :		184.2146	4,193.4367	1,557.0050		Scope1 : 188.9944	Scope2 : 3,460.5382	Scope3 : 1,662.5603		Scope1 : 194.2539	Scope2 : 3,217.3997	Scope3 : 1,536.4127	
Scope 1 :	Scope 2 :	Scope 3 :																		
184.2146	4,193.4367	1,557.0050																		
Scope1 : 188.9944	Scope2 : 3,460.5382	Scope3 : 1,662.5603																		
Scope1 : 194.2539	Scope2 : 3,217.3997	Scope3 : 1,536.4127																		
	<p>Goals Used to Manage Climate-Related Risks and Opportunities, and Performance in Achieving Those Goals</p>	<ul style="list-style-type: none"> • The company sets climate-related performance indicators and quantifiable targets, regularly tracks and reviews the achievement rate, and discloses it in the sustainability report. • Adaptation Efforts: Continuously strengthening the emergency response system for extreme weather; implementing corporate governance 3.0 and international carbon control mechanisms; continuously enhancing corporate climate resilience. • Mitigation Efforts: Short, medium, and long-term carbon reduction targets and strategies, with regular performance reviews and improvement through the Environmental and Energy Committee. <table border="1" data-bbox="568 1995 1511 2098"> <tr> <td>Carbon Emission and</td> <td>Product Energy Efficiency</td> <td>Waste Management</td> <td>Water Resources</td> </tr> </table>			Carbon Emission and	Product Energy Efficiency	Waste Management	Water Resources												
Carbon Emission and	Product Energy Efficiency	Waste Management	Water Resources																	

Energy Management Targets	Improvement Management Targets	Targets	Management Targets
Expected to complete ISO 14064-1:2018 third-party verification by 2027	Aiming to reduce electricity consumption by 1% annually	Aiming for a 10% reduction in waste output compared to the previous year	Aiming for a 10% reduction in water usage compared to the previous year

4.1.5. Explanation of Climate Risks and Opportunities

【Climate Risks】

Physical Risks => Typhoons, Flooding, and Extreme Rainfall	1. Operational Equipment Damage	Abnormal events caused by extreme weather conditions such as typhoons and heavy rainfall (e.g., flooding caused by extreme rainfall) have resulted in damage to the company's operational buildings, operations, and information equipment.
	2. Personnel Injury	Disasters caused by extreme weather events such as typhoon floods and heavy rainfall have resulted in injuries to employees during commuting, at the workplace, or while assessing disaster damage.
	3. Disruption in the Upstream Supply Chain	Disasters caused by extreme weather events such as typhoon floods and heavy rainfall have led to shutdowns, resulting in production disruptions and the inability to operate, thereby affecting delivery schedules.
	4. Disruption in the Upstream Supply Chain	The frequent occurrence of extreme weather events has led to the instability of raw material and energy supplies, causing disruptions in the operations or production of supply chain vendors, which results in an inability to produce or operational issues.
Physical Risks => Long-term Impacts of	5. Drought and Water Scarcity	The occurrence of extreme drought increases the risk of future fires, while the scarcity of water resources will lead to higher operational costs and may even result in operational disruptions and other crises.

【Climate Risks】

Climate Change	6. Crisis of Power Shortages	The frequent occurrence of extreme temperatures makes electricity essential in the production process. However, power shortages are common in Taiwan, and such issues will prevent operations from continuing, leading to operational disruptions and a subsequent decline in the company's revenue.
	7. Personnel Health	Long-term climate change leading to rising average temperatures may increase the frequency and likelihood of heat exhaustion, which in turn affects employee health and increases the risk of operational disruptions.
	8. Shortage of Raw Materials	Long-term climate change has caused drastic changes in the global environment, leading to a shortage of raw materials, which in turn prevents Tsang Yow from operating normally due to the lack of raw materials.
Transition Risks => Policy and Regulatory Changes	9. Carbon Fees/Energy Taxes Impositio	Due to the intensification of climate change issues, government policies aimed at meeting the United Nations' carbon neutrality target for 2050 have led to stricter greenhouse gas reduction requirements, energy-saving policies, and regulations, which may increase operational costs such as significant energy cost increases, future carbon fees, and energy taxes.
	10. Penalties for Non-compliance	Stricter greenhouse gas reduction requirements or energy-saving policies and regulations may result in penalties if the company fails to comply, or legal action if the climate-related risk disclosure is insufficient.
	11. Cap-and-Trade Systems and Emissions Trading.	In the future, the government will move the climate change response law into a mandatory reduction phase, implementing total greenhouse gas emissions control and trading. Although Tsang Yow is not currently subject to these regulations, there is still a possibility that costs may rise due to emissions control or the need to purchase carbon credits in the future.
Transition Risks =>	12. Demand for Low-carbon	As regulations in Taiwan and other countries become increasingly stringent regarding low-carbon requirements

【Climate Risks】

Market Trends	Products and Services	for products, including energy consumption, water resource usage, and air pollution control during production processes, Tsang Yow will need to incur additional costs to manage these issues.
	13.Changes in Consumer Behavior and Preferences	Changes in consumer behavior and preferences, driven by heightened environmental awareness, have led consumers to show greater interest in new energy vehicles, preferring to purchase eco-friendly vehicles powered by renewable energy.
Transition Risks => Reputational Risks	14.Negative Environmental Events	If Tsang Yow experiences environmental pollution incidents and receives negative media coverage, it may indirectly impact the company's reputation and revenue. Additionally, if the company fails to actively address climate change issues that are of concern to stakeholders, it could affect the company's image and credibility.

【Climate Opportunities】

Resource Efficiency	1. Energy-saving Equipment	Plan for upgrading production equipment or replacing old equipment by purchasing the latest energy-saving devices and building more efficient systems to improve energy usage efficiency and reduce operating costs
	2. Green Processes and Environmentally Friendly Manufacturing	Align with the trends of environmental protection and energy saving by incorporating eco-friendly technologies and smart solutions into the production process, reducing electricity and water usage. Through energy-saving measures, the company can lower its energy consumption costs.
Corporate Resilience	3. Building Corporate Resilience	By establishing disaster prevention mechanisms and integrating climate change risk management-related systems into the existing framework, a more resilient structure is created.
Renewable Energy Development	4. Establishment and Development of Renewable	With the upcoming revisions to renewable energy regulations and the development of low-carbon energy infrastructure, the company can set up solar panels for renewable energy generation, thereby increasing revenue

【Climate Risks】

	Energy	through the sale of green electricity or self-consumption.
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4.1.6. Climate Change Impact on Financial Assessment

Risk/Opportunity Issues		Revenue	Costs/Expenses	Profit and Loss	Cash Flow
Climate Risk	Typhoon Floods and Extreme Rainfall	-	+	-	-
	Long-term Climate Change Impacts	-	+	-	-
	Policy and Regulation	-	+	-	-
	Policy and Regulation	+	+	+	+
	Reputation Risk	-	+	-	-
Climate Opportunity	Resource Efficiency	+	+	+	+
	Corporate Resilience	+	-	+	+
	Renewable Energy Development	+	-	+	+
Explanation: Cash Flow + Inflows; - Outflows					

4.2. Energy Resource Management

4.2.1. Energy Management Policy

To improve energy efficiency, reduce carbon emissions, and promote sustainable development, Tsang Yow has established the following energy policy to ensure effective control of energy costs, minimize environmental impact, continuously enhance energy management practices, reduce the carbon footprint, and achieve sustainable development goals.

4.2.1.1. Energy Monitoring and Management System

- (1) Establish a comprehensive energy monitoring and management system to monitor and manage energy usage in real-time, set specific energy targets and improvement measures, and regularly conduct reviews and optimizations.
- (2) To monitor the company's energy performance indicators and key characteristics of

major energy-consuming equipment, Tsang Yow has developed an "Environmental Control Management System" to regularly perform monitoring, measurement, and analysis. The company has also implemented the use of "ultrasonic leak detection cameras" to conduct energy leak inspections, identifying discrepancies or deviations between actual energy consumption and the established control targets, and taking corrective actions to align with the company's energy policy and energy management objectives

4.2.1.2. Improving Energy Efficiency

- (1) Optimize the production process to reduce energy waste
- (2) Adopt energy-efficient equipment such as high-efficiency motors, inverter-driven air conditioners with first-class energy efficiency, replace outdated central air conditioning systems with energy-saving models, and implement LED lighting systems to improve overall energy efficiency.
- (3) Through the replacement of old equipment and control of abnormal leaks or waste, it is estimated that electricity costs will be reduced by approximately NT\$1.2 million in 2024 (34.5 million kWh * NT\$3.5 per kWh).

4.2.1.3. Renewable Energy Installation

- (1) Actively promote the use of renewable energy, such as installing solar photovoltaic panels, or collaborate with local renewable energy suppliers to gradually increase the proportion of renewable energy used.
- (2) The efficiency of renewable energy generation accounts for 17.8% of the total annual electricity consumption

4.2.1.4. Employee Training and Participation

- (1) Provide employees with training on energy saving and carbon reduction to enhance awareness of energy saving and carbon reduction among all staff.
- (2) Encourage employees to propose energy-saving suggestions and establish a reward mechanism to incentivize participation.
- (3) Since 2022, the company has promoted sustainable development, combining carbon footprint assessments with product carbon footprints, and strengthened employee training and participation through energy policies.

4.2.1.5. Regular Internal Audits, Reviews, and Improvements

- (1) Monthly audits through environmental safety competitions are conducted to identify points of energy waste and improve energy usage efficiency.
- (2) Regular energy audits are performed to identify areas for improvement in energy usage, establish energy performance indicators (KPIs), and continuously track and analyze energy consumption data.
- (3) The target for average annual electricity savings from 2015 to 2024 is greater than 1%, and electricity consumption in 2024 was reduced by 3.1% compared to the previous year.

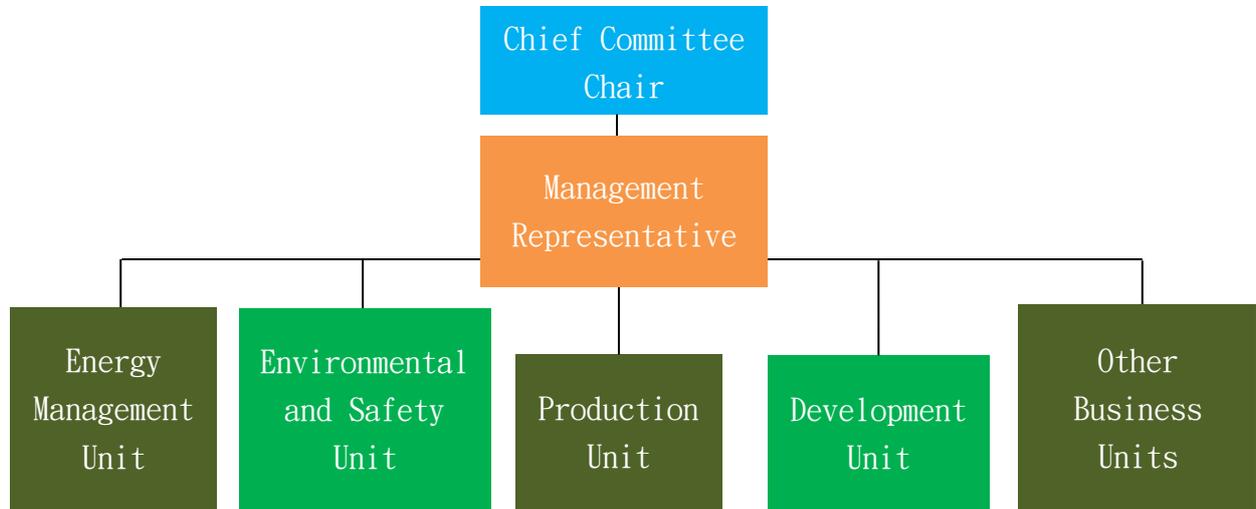
4.2.1.6. Regulatory Compliance and Reporting

- (1) Ensure compliance with national and regional regulations regarding energy efficiency reporting and emissions, and regularly report energy usage and carbon emissions to management, maintaining transparent management.

4.2.2. Environmental and Energy Management Committee

To effectively reduce energy costs and promote energy-saving initiatives within the plant to achieve annual energy savings of over 1% and continuous carbon reduction improvements, Tsang Yow has established the "Environmental and Energy Management Committee." The highest executive of the manufacturing center serves as the chairman, providing the necessary resources to maintain the energy management system,

committing to and supporting energy policies and targets, and approving the energy performance evaluation results of major energy procurement projects.



4.2.3. Energy-saving Measures and Management

Global warming and climate change have caused significant environmental impacts. With limited energy resources, Tsang Yow's operating costs will increase. The company is actively promoting various energy-saving measures to reduce environmental impact

4.2.3.1. Energy-saving Measures Implementation Results in 2024

Item Number	Energy-saving Measures	Investment Amount (in 10,000 NTD)	Energy Savings (in 10,000 kWh)
1	Process Improvement to Reduce Machine Hours	3.3	5.0
2	Air Compressor Pipeline Leak Improvement	24.2	11.0
3	Equipment Replacement for Energy Savings	241.0	5.6
4	Replacement of Air Conditioning Units with High-Efficiency Models	300.9	12.9
Subtotal		569.4	34.5

4.2.3.2. Recent Energy-saving Goals and Results

(1) Energy-saving Performance Across Tsang Yow's Entire Plant

	2021 Year	2022 Year	2023 Year	2024 Year
Target	Each plant achieved an energy-saving rate of over 1%	Each plant achieved an energy-saving rate of over 1%	Each plant achieved an energy-saving rate of over 1%	Each plant achieved an energy-saving rate of over 1%
Results	The annual energy-saving rates of each plant exceeded 1%, with Zhongshan plant at 1.91%, Stamping plant at 2.25%, and Chenggong plant at 1.10%.	The annual energy-saving rates of each plant exceeded 1%, with Zhongshan plant at 2.55%, Stamping plant at 2.46%, and Chenggong plant at 1.28%.	The annual energy-saving rates of each plant exceeded 1%, with Zhongshan plant at 3.22%, Stamping plant at 3.3%, and Chenggong plant at 1.16%.	The annual energy-saving rates of each plant exceeded 1%, with Zhongshan plant at 3.31%, Stamping plant at 3.47%, and Chenggong plant at 1.66%.

(2) Tsang Yow's Energy-saving Measures and Carbon Reduction Performance Overview by Plant

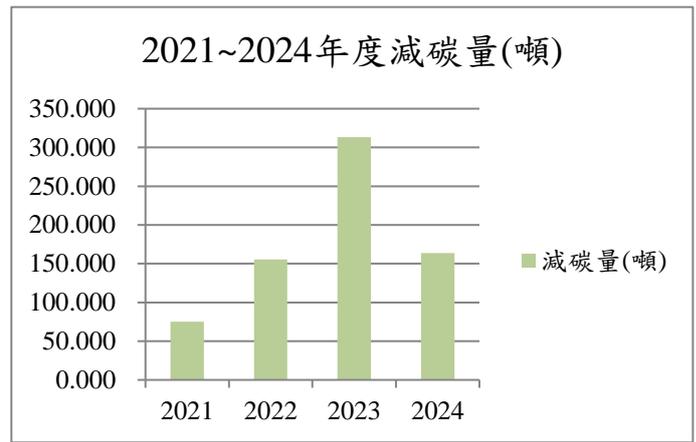
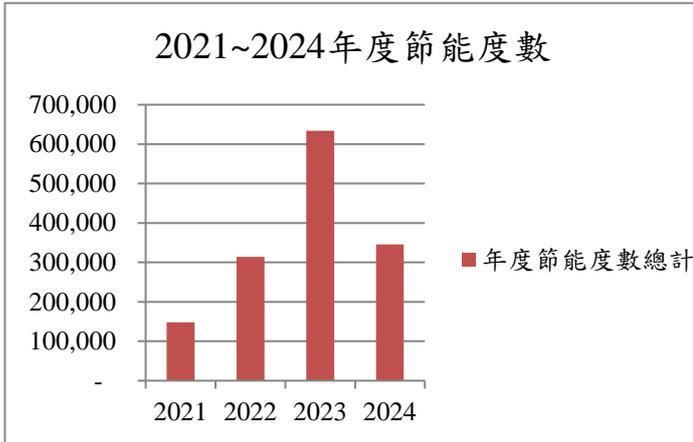
Year	Item Number	Zhongshan Plant		Stamping Plant		Chenggong Plant		Total Annual Energy Savings (in kWh)	Carbon Reduction (in tons)
		Energy-saving Measures	Energy Savings (in kWh)	Energy-saving Measures	Energy Savings (in kWh)	Energy-saving Measures	Energy Savings (in kWh)		
2021 Year	1	Process Improvement to Reduce Machine Hours	105,833	Process Improvement to Reduce Machine Hours	5,726	Process Improvement to Reduce Machine Hours	36,386	147,945	75.304
	Subtotal		105,833		5,726		36,386		

Year	Item Number	Zhongshan Plant		Stamping Plant		Chenggong Plant		Total Annual Energy Savings (in kWh)	Carbon Reduction (in tons)
		Energy-saving Measures	Energy Savings (in kWh)	Energy-saving Measures	Energy Savings (in kWh)	Energy-saving Measures	Energy Savings (in kWh)		
2022 Year	1	Process Improvement to Reduce Machine Hours	147,757	Process Improvement to Reduce Machine Hours	109,938	Process Improvement to Reduce Machine Hours	38,683	313,658	155.261
	2	Replacement of High-Efficiency Inverter-Driven Screw Air Compressors	17,280	--	--	--	--		
	小計 Subtotal	165,037		109,938		38,683			
2023 Year	1	Process Improvement to Reduce Machine Hours	46,269	Process Improvement to Reduce Machine Hours	7,541	Process Improvement to Reduce Machine Hours	640	633,786	313.090

Year	Item Number	Zhongshan Plant		Stamping Plant		Chenggong Plant		Total Annual Energy Savings (in kWh)	Carbon Reduction (in tons)
		Energy-saving Measures	Energy Savings (in kWh)	Energy-saving Measures	Energy Savings (in kWh)	Energy-saving Measures	Energy Savings (in kWh)		
	2	Replacement of High-Efficiency Inverter-Driven Screw Air Compressors	17,280	Energy Savings through Equipment Replacement and Upgrades	326,616	--	--		
	3	Energy Savings through Equipment Replacement and Upgrades	235,440	--	--	--	--		
	Subtotal	298,989		334,157		640			
	2024 Year	1	Process Improvement to Reduce Machine Hours	28,326	Process Improvement to Reduce Machine Hours	21,022	Process Improvement to Reduce Machine Hours		

Year	Item Number	Zhongshan Plant		Stamping Plant		Chenggong Plant		Total Annual Energy Savings (in kWh)	Carbon Reduction (in tons)
		Energy-saving Measures	Energy Savings (in kWh)	Energy-saving Measures	Energy Savings (in kWh)	Energy-saving Measures	Energy Savings (in kWh)		
	2	Air Compressor Pipeline Leak Improvement	33,894	Air Compressor Pipeline Leak Improvement	42,334	Air Compressor Pipeline Leak Improvement	34,151		
	3	Replacement of High-Efficiency Air Conditioning Units (Centralized 65,240 + General 216)	65,456	Energy Savings through Equipment Replacement and Upgrades	56,000	Replacement of High-Efficiency Air Conditioning Units	50,000		
		--	--	Replacement of High-Efficiency Air Conditioning Units	14,100	--	--		
	Subtotal		127,676		133,456		84,486		

Note: Carbon Reduction Formula: (Energy Savings in kWh * Carbon Emission Factor for Electricity) / 1000 = Carbon Reduction (in metric tons)



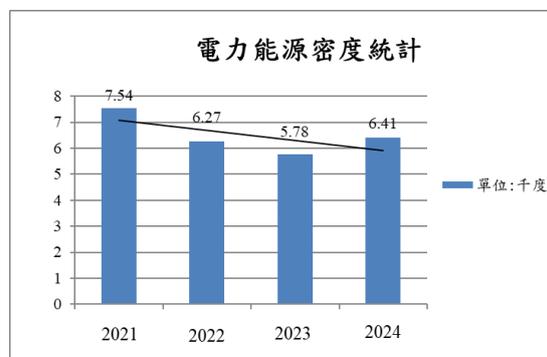
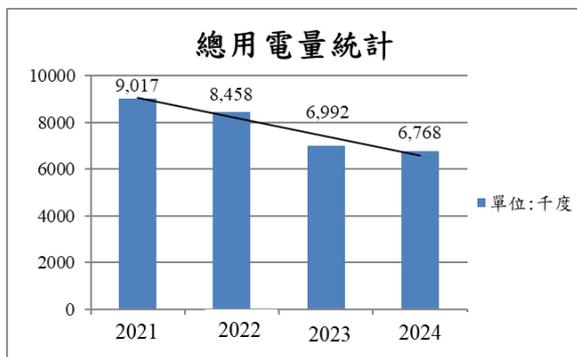
(3) Energy-saving Performance of Tsang Yow's Plants

Plant Name	Unit	2021 Year	2022 Year	2023 Year	2024 Year
Zhongshan Plant	Electricity Consumption (kWh)	3,170,400	3,260,360	2,703,360	2,739,280
	Electricity Consumption (GJ)	11,413	11,737	9,732	9,861
Stamping Plant No. 45	Electricity Consumption (kWh)	3,322,200	2,707,164	2,282,008	2,176,864
	Electricity Consumption (GJ)	11,960	9,746	8,215	7,837
Stamping Plant No. 45-1	Electricity Consumption (kWh)	1,106,500	971,068	758,368	778,916
	Electricity Consumption (GJ)	3,983	3,496	2,730	2,804
Chenggong Plant	Electricity Consumption (kWh)	1,418,640	1,519,860	1,248,480	1,073,880
	Electricity Consumption (GJ)	5,107	5,471	4,495	3,866

Total Electricity Consumption (kWh)	9,017,740	8,458,452	6,992,216	6,768,940
Total Electricity Consumption (GJ)	32,463.86	30,450.43	25,171.98	24,368.12
Revenue per Million	1,195.89	1,348.97	1,209.16	1,055.98
Electricity Energy Intensity (kWh per million revenue)	7.54	6.27	5.78	6.41

Note 1: Energy Consumption (GJ) = Fuel Usage × Heating Value (calculated according to the EPA Gas Emission Coefficient Management Table, version 6.0.4: 1 kWh of electricity = 0.0036 GJ)

Note 2: Energy Density = Total Annual Electricity Consumption (in kWh) / Revenue per Million (NTD)



4.2.4. Renewable Energy

Tsang Yow has invested in the installation of solar energy systems. Starting in 2021, solar power plants were successively completed at two locations in the Stamping Plant. The electricity generated by the solar power systems is sold to the Taiwan Power Company (Taipower). Since 2021, a total of 2,721,260 kWh of electricity has been generated, equivalent to a reduction of approximately 1,344,602.07 kgCO₂e in carbon emissions, contributing to the environment and society.

4.2.4.1. Renewable Energy Installation Capacity

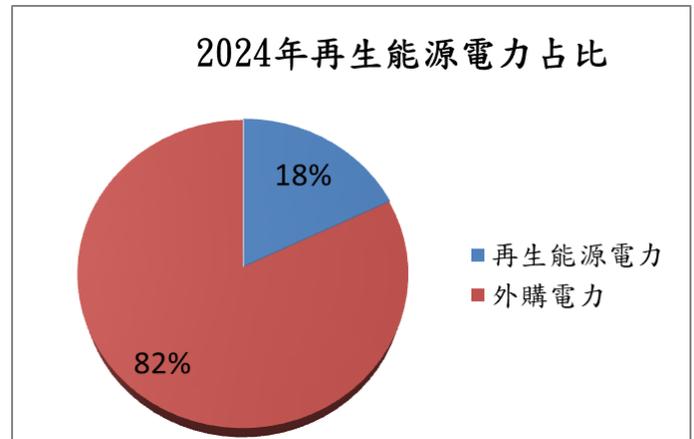
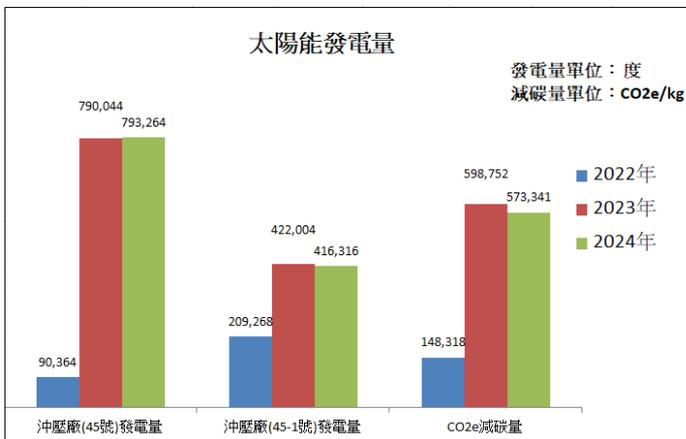
Plant Name	Stamping Plant(No.45)	Stamping Plant(No.45-1)
Installed Capacity(KWP)	598.63	317.58
Construction Vendor	Chunghwa Telecom	



4.2.4.2. Renewable Energy Generation Output

Year	2022 Year	2023 Year	2024 Year
Stamping Plant(No.45) Electricity Generation Output	90,364	790,044	793,264
Stamping Plant(No.45-1) Electricity Generation Output	209,268	422,004	416,316
CO2e Carbon Reduction Amount	148,318	598,752	573,341

Note : The electricity carbon emission factor is based on the announcement from the Ministry of Economic Affairs, with the following conversion for each kWh: 0.495 kgCO₂e in 2022, 0.494 kgCO₂e in 2023, and 0.474 kgCO₂e in 2024.



Note : The decimal is rounded up

4.2.5. Water Resource Management

In the face of extreme weather, Tsang Yow acknowledges the risks related to water resources, particularly addressing water resource management with urgency. The company has adopted policies such as actively conserving water and effectively utilizing water resources. From 2021 to 2024, water usage has decreased annually, improving the efficiency of water resource usage to promote water recycling and reduce tap water consumption. Tsang Yow's tap water sources are the Renyi Pond Reservoir and the Lantan Reservoir, and the tap water usage has not exceeded 5% of the reservoir's capacity. Specific water-saving measures include :

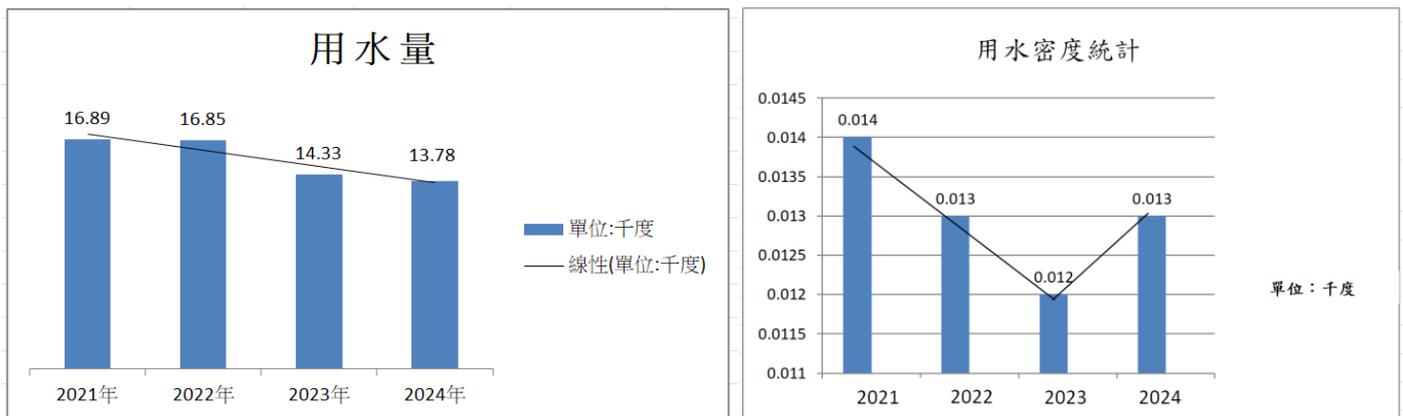
- (1) Pipeline Leakage Improvement at Zhongshan Plant.
- (2) Replacement of Water-Saving Faucets Across All Tsang Yow Locations.
- (3) Priority Installation of Advanced Water-Saving Equipment and Water-Efficient Toilets.
- (4) Improvement of Cooling Tower Water for Equipment Heat Dissipation at the

Stamping Plant.

Through these measures, we can effectively address water resource risks and promote the sustainable use of water resources, while adhering to the principles of corporate social responsibility and environmental sustainability, making a positive contribution to environmental preservation.

Item	2021 Year	2022 Year	2023 Year	2024 Year
Total Water Consumption (thousand kWh)	16.893	16.845	14.330	13.788
Water Consumption Density	0.014	0.013	0.012	0.013

Note : Water Consumption Density = Total Annual Water Consumption (thousand kWh) / Million Revenue (NTD)



4.2.5.2. Wastewater (Sewage) Management

Tsang Yow's wastewater sources mainly consist of domestic sewage, process wastewater, and rainwater. The domestic sewage and process wastewater are discharged into the Minxiong Industrial Park's sewage drainage system, which is treated by the Minxiong Sewage Plant in the industrial park. The wastewater from each plant must comply with the discharge standards of the Minxiong Industrial Park. In accordance with the Water Pollution Control Act and the Ministry of Economic Affairs' standards for wastewater treatment in the Minxiong Industrial Park, Tsang Yow has applied for and obtained the 「Water Pollution Control Measures Plan and Water Pollution Prevention Permit」 as well as the 「Minxiong Industrial Park Wastewater Connection Approval」 and the 「Approval Documents for Discharge into Dedicated Rainwater Drains or Pipelines in the Industrial Park」.

Rainwater is separated from sewage and discharged into the rainwater drains, then flows into the Minxiong Industrial Park's rainwater sewage system, and Tsang Yow has obtained the 「Approval Documents for Discharge into Dedicated Rainwater Drains or Pipelines in the Industrial Park」.

Since the completion and commencement of operations at the self-built factory, Tsang Yow has not experienced any major leaks of oils (on soil or water surface), fuel (on soil or water surface), waste (on soil or water surface), or chemicals (mostly on soil

or water surface) from production activities, products, or services.

(1) Wastewater Discharged into the Sewage Drainage System Output

Unit : / Year

Plant/Year	2021 Year	2022 Year	2023 Year	2024 Year
Zhongshan Plant	3,534	4,390	3,077	3,173
Stamping Plant	5,625	4,665	4,121	3,975
Chenggong Plant	4,355	4,422	4,266	3,882

Note : The wastewater discharge destination for each plant is the Minxiong Industrial Park sewage drainage system, with the final discharge point being the Niuchou Creek.

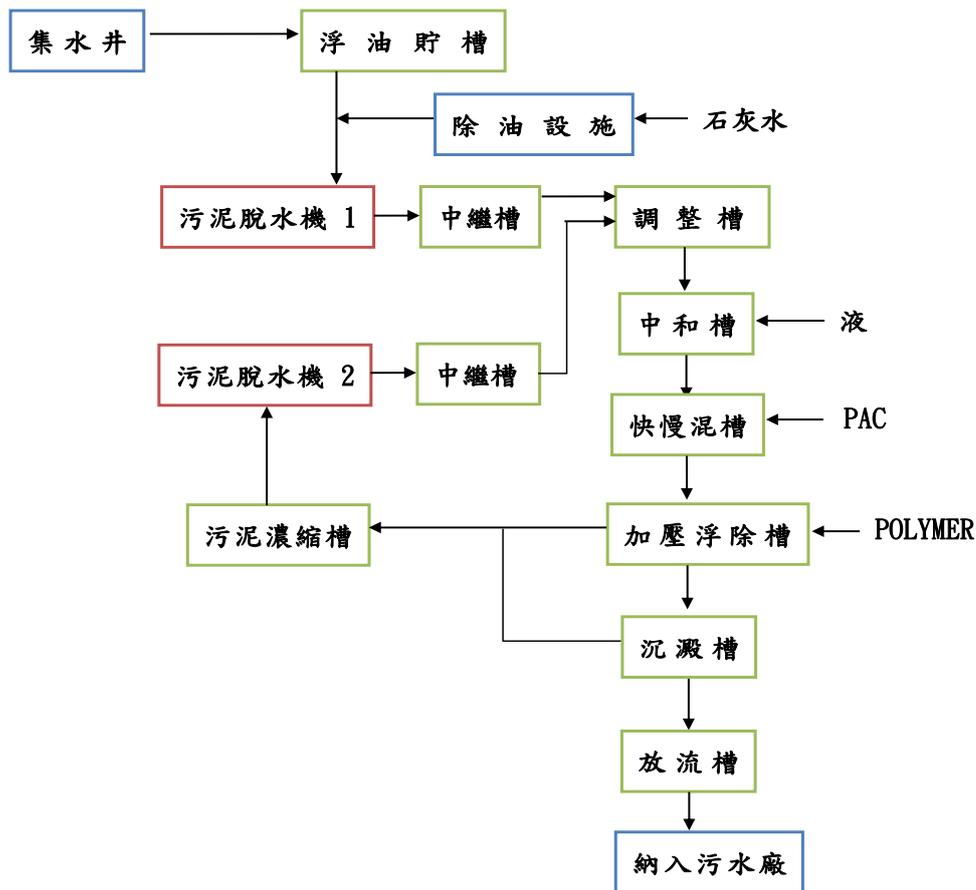
(2) Wastewater Discharge Volume and Average Concentration for the Past Three Years, and Minxiong Industrial Park Sewage Plant Connection Standards

Testing Items	Year Plant	2022 Year	2023 Year	2024 Year	Sewage Treatment Plant Connection Standards
		Average Monitoring Value	Average Monitoring Value	Average Monitoring Value	
Chemical Oxygen Demand COD (mg/L)	Zhongshan Plant	172	153	188	560
	Stamping Plant	140	112	174	
	Chenggong Plant	228	338	314	
Suspended Solids SS (mg/L)	Zhongshan Plant	16	21	20	240
	Stamping Plant	13	16	18	
	Chenggong Plant	39	49	53	

Note : The entire plant's wastewater is collectively discharged into the Minxiong Industrial Park sewage drainage system, which is treated by the Minxiong Sewage Plant in the industrial park.

Tsang Yow is committed to environmental protection by having environmental personnel handle the plant's wastewater to meet connection standards. If it is discovered that wastewater discharge poses a serious risk to human health or threatens environmental pollution, the responsible personnel will immediately take emergency measures and promptly notify the local authorities.

(3) Stamping Plant Wastewater Treatment Flowchart



Note: The discharge volume complies with the permitted application amount, and outsourced water quality testing and flow meter calibration are conducted in accordance with water pollution regulations.

5. Happy Workplace

5.1. Diversity and Talent Retention

5.1.1. Talent Recruitment

Tsang Yow's talent recruitment implements equal employment opportunities and respects the professionalism of individuals. There is no bias or discrimination in the recruitment process, and decisions are based on abilities, expertise, and performance to determine suitability for employment. This approach creates more development space for the company. Tsang Yow believes that only by establishing a workplace that respects human rights and promotes diversity and equality can it continuously attract and retain

outstanding talent. Through the exchange of different perspectives, Tsang Yow can continuously enhance its competitive edge. In 2024, the total number of new hires was 23, with 26% female and 74% male. Of the employees, 70% are local residents, and 30% are from other counties and cities. In 2024, the total number of resignations was 33, with 27% female and 73% male.

5.1.1.1. Gender Distribution and Percentage of New Employees by Age Group and Region

Age \ Gender		Female		Male	
		Number of People	Percentage	Number of People	Percentage
Under 30 years old	Out-of-County/City	-	-	5	22%
	Local	-	-	5	22%
31 to 50 years old	Out-of-County/City	1	4%	1	4%
	Local	5	22%	5	22%
Above 50 years old	Out-of-County/City	-	-	-	-
	Local	-	-	1	4%
Total			26%	17	74%

Note1 : 「Local」 refers to residents registered in Chiayi County and City;

「Out-of-County/City」 refers to residents registered outside of Chiayi County and City.

Note 2 : New Employee Percentage (%) = Number of New Employees in the Year / Total Employees at the End of the Year

5.1.1.2. Gender Distribution and Percentage of Resigned Employees by Age Group and Region

Age \ Gender		Female		Male	
		Number of People	Percentage	Number of People	Percentage
Under 30 years old	Out-of-County/City	1	3%	1	3%
	Local	1	3%	4	12%

Age \ Gender		Female		Male	
		Number of People	Percentage	Number of People	Percentage
31 to 50 years old	Out-of-County/ City	2	6%	2	6%
	Local	5	15%	14	42%
Above 50 years old	Out-of-County/ City	-	-	2	6%
	Local	-	-	1	3%
Total			27%	24	73%

Note 1 : Resignation is defined as employees who leave the organization voluntarily or due to dismissal, retirement, or death.

Note 2 : Resigned Employee Percentage (%) = Number of Resigned Employees in the Year / Total Employees at the End of the Year

5.1.2. Tsang Yow Talent Strategy

As of December 31, 2024, Tsang Yow employed a total of 329 employees, all of whom are full-time, permanent employees, with no employees under zero-hour contracts. Tsang Yow respects individual differences and does not discriminate based on race, class, language, beliefs, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance, physical features, disabilities, zodiac sign, blood type, or any other factors, fostering a diverse and equal workplace environment.

5.1.2.1. Gender Distribution and Percentage by Age Group

Age \ Gender		Female		Male	
		Number of People	Percentage	Number of People	Percentage
Under 30 years old		2	0.6%	18	5.5%
31 to 50 years old		78	23.7%	162	49.2%
Above 50 years old		19	5.8%	50	15.2%
Total		99	30.1%	230	69.9%

5.1.2.2. Gender Distribution and Percentage by Job Level and Locality

Job Level \ Gender		Female		Male	
		Number of People	Percentage	Number of People	Percentage
General Employees	Out-of-Country/City	6	1.8%	14	4.3%
	Local	80	24.3%	187	56.8%
Middle Management	Out-of-Country/City	0	0.0%	1	0.3%
	Local	11	3.3%	25	7.6%
Senior Management	Out-of-Country/City	1	0.3%	2	0.6%
	Out-of-Country/City	1	0.3%	1	0.3%
Total		99	30.1%	230	69.9%

5.1.2.3. Diverse and Equal Employment

Tsangyow complies with the People with Disabilities Rights Protection Act and employs a total of seven persons with disabilities, all of whom are local employees. This number exceeds the minimum hiring requirement stipulated in Article 38, Paragraph 2 of the Act, which states: 「Private enterprises with more than sixty-seven employees shall employ persons with disabilities who possess working capability in a number not less than one percent of the total number of employees, and in no case fewer than one person.」 Through this practice, the company ensures employment opportunities for disadvantaged groups.

(1) Number and Proportion of Employees with Disabilities

Age \ Gender		Female		Male	
		Number of People	Percentage	Number of People	Percentage
Under 30 years old		0	0.0%	0	0.0%
31 to 50 years old		1	14.3%	5	71.4%
Above 50 years old		0	0.0%	1	14.3%

Total	1	14.3%	6	85.7%
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5.1.3. Compensation System

Tsang Yow's employee salaries and rewards are determined based on academic background, technical skills, and individual performance. We firmly believe that gender equality is key to creating a diverse, inclusive, and high-performance work environment. We are committed to promoting gender equality at all levels and positions, implementing a transparent and fair compensation structure to ensure that all employees are compensated according to their role, experience, and performance. Regular salary reviews are conducted to identify and address any unfair pay gaps. We also implement relevant policies and measures to ensure pay equity:

- (1) **Compensation Transparency:** A transparent compensation structure is implemented (including salary structure by job level and title), ensuring that all employees understand the salary ranges and standards for each position.
- (2) **Regular Salary Reviews:** Annual salary reviews are conducted to ensure that any pay gaps are promptly identified and addressed.
- (3) **Fair Recruitment and Promotion:** Standardized recruitment (recruitment control processes) and promotion procedures are established to ensure that all employees are treated fairly in terms of opportunities and compensation.
- (4) **Training and Development:** Equal training and development opportunities are provided to help all employees enhance their skills and career growth
- (5) **Regular Industry Salary Benchmarking:** The company regularly benchmarks industry salary levels to ensure that compensation growth is in line with market changes and remains competitive.

Although we have already achieved the goal of gender pay equality, we continue to manage and improve to ensure that this equality is maintained in the future. We will continue to conduct salary reviews, increase transparency, and promote a fair work environment

5.1.3.2. Basic Salary and Compensation Ratio by Gender

Job Title	Base Salary		Compensation	
	Female	Male	Female	Male
Non-Managerial Positions	1	1.06	1	1.06
Middle	1	1.02	1	0.98

Management				
Senior Management	1	1.17	1	1.29

Note 1 : Female is set as the baseline ratio of 1.

Note 2 : Bonuses include the three major festival bonuses and employee compensation.

5.1.3.3. Annual Total Compensation Ratio

The ratio of the highest individual annual total compensation to the median annual total compensation of other employees in 2024	The ratio of the percentage increase in the highest individual annual total compensation to the percentage increase in the median annual total compensation of other employees in 2024.
9.05	8.92

Note 1 : The median figure is calculated based on full-time employees as defined by the Taiwan Stock Exchange.

Note 2 : The highest individual annual total compensation experienced negative growth due to the company's profitability.

Note 3 : The highest compensation title is General Manager.

5.1.3.4. Employee Salary Information for the Past Three Years

Year	Employee Total Salary (thousand NTD)	Number of Employees Weighted Average (People)	Employee Salary Average (thousand NTD per person)	Employee Salary Median (thousand NTD per person)
2022 Year	231,649	386	600	547
2023 Year	215,370	361	597	544
2024 Year	199,194	335	595	540

Note : Fixed salaries show positive growth, but the total annual compensation shows negative growth, primarily due to the decrease in variable compensation affected by the company's profitability.

5.1.3.5. Retirement System

The retirement system is managed in accordance with the 「Labor Standards Act」 and the Labor Pension Act」, and the 「Labor Pension Reserve Fund Supervisory Committee」 has been established. The new pension system has been implemented since July 1, 2005. Employees with seniority prior to the implementation of the new system can retain their previous years of service, while employees hired after the new system's implementation are subject to the new system. The pension amount is divided into calculations and contributions under both the old and new systems.

- (1) Employees Retaining the Old Pension System: Monthly contributions are made to the designated account at Taiwan Bank, and the account balance is reviewed before the end of the year to ensure no underpayment of contributions. In 2024, the employer contributed NTD 5,835 thousand, and welfare payments totaled NTD 526 thousand (please refer to the retirement benefits plan in the annual report).
- (2) Employees Under the New Pension System: Monthly contributions of 6% of employees' salaries are made to the personal accounts at the Labor Insurance Bureau. Additionally, employees may voluntarily contribute up to an additional 6% within the statutory limits of their monthly salary (as of the end of 2024, the percentage of employees voluntarily contributing to the pension was 11.11%). In 2024, defined benefit welfare amounted to NTD 9,952 thousand (please refer to employee welfare expenses in the annual report).
- (3) Employees wishing to return to work after retirement may be re-employed based on their expertise and suitable positions will be arranged.

5.1.4. Welfare Policy

「Creating profit, sharing with employees, and giving back to society」 is Tsang Yow's business philosophy. Tsang Yow encourages employees to achieve a balance between work and life, emphasizing the importance of taking care of one's physical, mental, and emotional well-being while working hard. Currently, Tsang Yow provides various welfare measures that are not restricted by nationality or gender, and are available to all employees. The welfare measures include:

- 5.1.4.1. Employee Bonus Plan: Employee bonuses are allocated from the company's profits.
- 5.1.4.2. Free Meals: The central kitchen prepares meals, offering a variety of rich and balanced dishes, including five main dishes and one soup. Each plant also has a spacious and clean employee cafeteria.
- 5.1.4.3. Club Activities : Various recreational clubs have been established, including badminton, basketball, Pilates, and running clubs.
- 5.1.4.4. Employee Dormitories : To ensure the safety and convenience of employees who live far from work, employee dormitories are provided.
- 5.1.4.5. Parental Leave :
 - (1) Friendly Commitment: Tsang Yow adheres to relevant laws and supports employees by meeting their needs, enabling them to foster parent-child relationships, adapt to new family roles, and reduce conflicts between work and family. This not only improves quality of life but also enhances work efficiency.
 - (2) In 2024, Tsang Yow had 4 female and 2 male employees apply for parental leave, with a 100% return-to-work rate. In 2023, 3 female employees applied for parental leave and returned to work, with a retention rate of 67% remaining employed twelve months after returning.

Item		Female	Male
A	Number of Employees Eligible for Parental Leave in 2024	7	8
B	Actual Number of Employees Applying for Parental Leave in 2024	4	2
C	Actual Number of Employees Returning to Work in 2024	4	2
Return-to-Work Rate		100%	100%
D	Number of Employees on Parental Leave in 2023	3	0

Item		Female	Male
E	Number of Employees Returning to Work after Parental Leave in 2023	3	0
F	Number of Employees Still Employed 12 Months after Returning from Parental Leave in 2023	2	0
Retention Rate		67%	-

Note 1 : Return-to-Work Rate (%) = Total number of employees who actually returned to work after parental leave (C) / Total number of employees who should have returned to work after parental leave (B)

Note 2 : Retention Rate (%) = Total number of employees still employed 12 months after returning from parental leave (F) / Total number of employees who returned to work after parental leave in the previous reporting period (E)

5.1.4.6. Special Vendor Discounts

Tsang Yow has signed special agreements with numerous well-known businesses in sectors such as dining, accommodation, leisure and entertainment, healthcare, automotive maintenance, and daily consumer goods, offering employees more discount options, with a total of 43 vendors.

5.1.4.7. Referral Bonus Program

To promote the diversification and sustainable development of internal talent sourcing, Tsang Yow actively implements a "Referral Bonus Program" to encourage existing employees to participate in the recruitment process and improve hiring efficiency. When a referred new hire successfully completes the probation period, the referring employee will receive an appropriate referral bonus.

5.1.4.8. Employee Welfare Committee

Tsang Yow has established an Employee Welfare Committee dedicated to improving employees' work-life quality. Through various welfare measures and activities, the committee aims to strengthen employees' sense of belonging and happiness. The committee is responsible for planning and implementing a wide range of employee benefits, including health promotion, recreational activities, and family support, with the goal of creating a friendly and harmonious work environment. Through these efforts, we hope to inspire employees' enthusiasm for work, enhance team cohesion, and collectively drive the company towards a more excellent future.

(1) Activities Organized by the Welfare Committee in 2024

Unit : Thousand NTD

Item	Content	Number of Participants/Beneficiaries	Actual Investment Amount for 2024
Employee Travel Subsidy	Employee Travel Subsidy for Employees with More Than Six Months of Service	444 Participants	1,185
Holiday Greetings	Employee Spring Festival Bonus, Labor Day, Dragon Boat Festival Coupons, and Mid-Autumn Festival Gift Boxes for Employees with More Than Six Months of Service	1,377 Participants	1,174
Marriage, Funeral, and Celebration Subsidy	Marriage, Hospitalization, and Funeral Assistance for Employees with More Than Six Months of Service	35 Participants	74
Employee Birthday Gift	Employee Birthday Gift of NTD 1,000 for Employees with More Than Six Months of Service	336 Participants	336
2024 Year-End Party Raffle	Year-End Party Raffle for Employees with More Than Six Months of Service	319 Participants	580
Club Activity Subsidy	Each Club Can Apply for Funding Subsidies Annually to Support Club Activities	40 Time	80

(2) Employee Travel Activity Photos



(3) Club Activities: Pilates Club and Running Club Activity Photos



5.2. Labor-Management Relations and Communication

5.2.1. Labor-Management Meetings

Tsang Yow understands the importance of good labor-management relations for the promotion and implementation of corporate policies. Although no collective agreement has been signed, Tsang Yow establishes open and transparent two-way communication channels through quarterly labor-management meetings. Employees elect labor representatives by vote, and these representatives negotiate with the management representatives for a term of four years. If necessary, ad-hoc meetings can also be held to ensure both parties can negotiate on various matters during the meetings, protecting employee rights while also safeguarding the company's interests, achieving a win-win situation.

5.2.1.1. Mechanism for Responding to Major Operational Changes

In 2024, Tsang Yow did not experience any major operational changes and

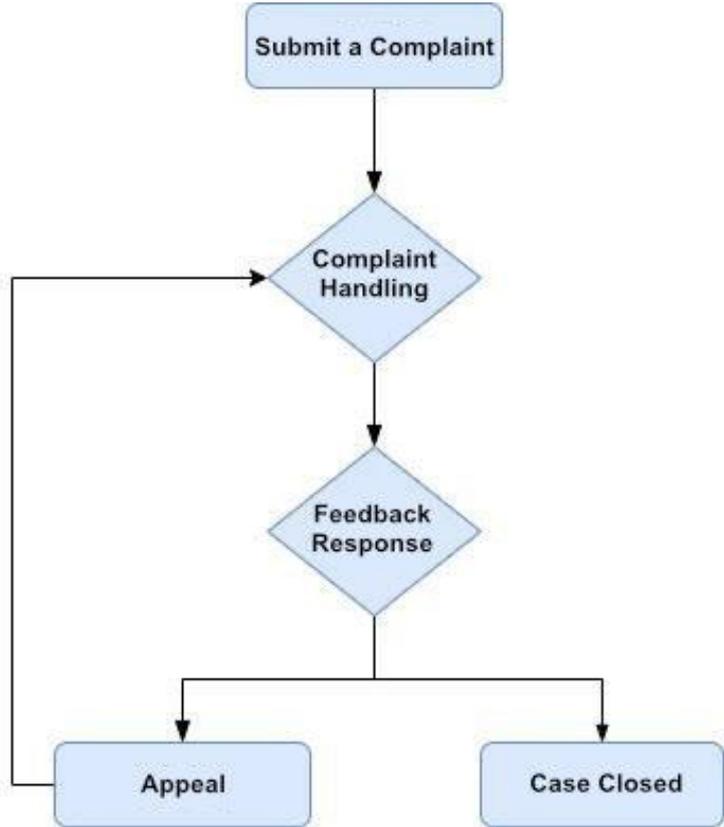
continues to follow relevant regulations such as the "Labor Standards Act" and the "Mass Layoff Worker Protection Act." If major operational changes occur in the future, Tsang Yow will negotiate in accordance with the principles of labor-management autonomy and terminate labor contracts in accordance with Articles 11 and 16 of the Labor Standards Act after prior notice.

5.2.2. Human Rights Management

Tsang Yow adheres to the "Employment Service Act" and other relevant regulations, as well as the company's "Recruitment Control Process." The company respects the freedom of employees, prohibits forced labor, and ensures that all job seekers and employees are there voluntarily. The use of child labor is strictly prohibited. During the recruitment process, the HR department verifies the consistency of applicants' documents and resumes. On the first day of employment, the HR department also checks the employee's identity and age to reduce the risk of inadvertently employing child labor. Therefore, Tsang Yow has never employed child labor or engaged in forced labor.

5.2.3. Grievance System and Process

To promote internal unity and harmony, and to protect employees' legal rights, Tsang Yow has established the "Employee Grievance Handling Procedures" and set up a suggestion box to provide employees with a secure way to express their opinions. When handling grievances or appeals, the personnel responsible must strictly adhere to confidentiality principles. If the content is leaked due to intentional or negligent actions, the responsible party will face disciplinary action according to the severity of the breach. Additionally, the person being complained about, and supervisors at all levels, are prohibited from retaliating against the complainant through threats, reassignment, or other detrimental actions. In 2024, Tsang Yow did not experience any grievance incidents.



5.3. Talent Development and Training

Major Topic Name	Talent Development and Training	
Reasons Why This Topic is Significant to Tsang Yow	<p>Positive Impacts :</p> <ol style="list-style-type: none"> 1. Employee skill enhancement leads to higher work efficiency and improved product quality. 2. Offering development opportunities and career planning increases employee satisfaction and loyalty. 	<p>Negative Impacts :</p> <ol style="list-style-type: none"> 1. Talent development requires significant investment in terms of both funds and time. 2. Employees may leave after receiving training due to market demands or personal career development reasons. 3. The introduction of new knowledge and technologies may require employees to adapt and adjust, which can cause temporary disruptions.
Evaluation Mechanism	<p>Positive Impacts :</p> <ol style="list-style-type: none"> 1. Regular performance evaluations help track employee progress and provide opportunities for feedback and improvement. 2. Regular training satisfaction surveys help gauge the effectiveness of training programs and identify areas for improvement. 3. Professional outcome assessments ensure that employees' skills and knowledge are aligned with company goals and contribute to overall performance. 	<p>Negative Impacts :</p> <ol style="list-style-type: none"> 1. Regular analysis of training costs may reveal high expenses, which could affect budget allocations. 2. Regularly tracking employee turnover rates helps identify patterns but may also indicate potential retention issues that need to be addressed. 3. Conducting interviews irregularly to understand employees' adaptation to changes may not provide timely insights into potential challenges or concerns.
Policies and Commitments	<p>In line with Tsang Yow's training policy philosophy of 「 Talent Development, Right Person for the Right Job; Human Resource Development, Creating a Win-Win Situation 」, the company is committed</p>	

	to providing high-quality training to enhance the quality of human resources and nurture the talent required for future business development, ultimately achieving the organization's long-term sustainability goals.	
Goals and Targets	Short-Term Goals: 1. Achieve an average training satisfaction rate of > 85%. 2. Promote industry-academia collaboration to attract professional talent.	Mid-to-Long-Term Goals: 1. Maintain an average training satisfaction rate of > 85%. 2. Keep employee turnover rate below 13%.
Achievement of Goals	The average training satisfaction rate for 2024 reached 91%.	
Action Plans and Management Measures	Short-Term Goals: 1. Develop an annual training plan each year and collect employee satisfaction surveys, continuously reviewing and improving the training programs. 2. Collaborate with professional faculty from universities and colleges to improve the industry-academia partnership for career training pathways for students.	Mid-to-Long-Term Goals: 1. Develop an annual training plan each year and collect employee satisfaction surveys, continuously reviewing and improving the training programs 2. Introduce new employee welfare measures and care activities to enhance employee satisfaction and loyalty.

5.3.1. Training Framework

To meet the competency requirements for various positions, Tsang Yow adheres to the training policy of 「Talent Development, Right Person for the Right Job; Human Resource Development, Creating a Win-Win Situation」, actively promoting talent cultivation and development, and creating a continuous and diverse learning environment. To achieve this, Tsang Yow integrates the principles of the 「Talent Quality-management System」 (TTQS) PDDRO model into its educational training framework, ensuring the quality of training operations, strengthening talent development, and improving business performance. Training is connected from the company strategy, training needs, training design, training implementation, training

evaluation, and training outcomes, building a systematic and structured training system.

5.3.1.1. PDDRO Cycle Diagram



In line with Tsang Yow's strategic goals, the company provides comprehensive training as follows :

- (1) Pre-employment Training (New Employee Training): The pre-employment training aims to strengthen new employees' understanding of the company's background, policies, culture, and environment. It includes training on human resources regulations, integrity management, professional ethics, environmental management systems, information security, and product safety.
- (2) On-the-job training ensures that each employee can stay up to date with new professional knowledge and technology, while also enhancing their management and general skills. It fosters the development of employees' potential, boosting their work performance.
- (3) Management Skills Training : Management training helps supervisors in organizational strategic planning and unit goal setting. It enables them to integrate internal and external resources to execute strategies, as well as adjust the organizational structure and job designs to accommodate organizational development.

5.3.2. Training Plans and Outcomes

To enhance employees' knowledge, skills, and core competencies, Tsang Yow provides regular or ad-hoc training for both new and current employees. The company plans annual training programs and evaluates their effectiveness, using systematic

processes to monitor training progress and support both employee development and organizational competitiveness. The company fully covers the training costs to improve employees' competitiveness and create a clear career advancement pathway, fostering mutual growth for both employees and the company.

5.3.2.1. Training Action Plans

- (1) Talent Cultivation : Through industry-academia collaboration, bridge the gap between academia and practice, and identify outstanding talents early.
- (2) Key Technical Talent Development : Develop training programs based on technical expertise and organizational development needs, strengthen practical applications, and enhance technical continuity.
- (3) Sustainable Development and Carbon Disclosure : Implement sustainability programs from 2022 to understand product carbon footprints, conduct carbon audits, and continue carbon emission projects
- (4) Strengthening Information Security Systems : Enhance information security management according to ISO 27001:2022 standards, reduce information risks, and ensure continuous business operations.
- (5) Management Talent Pool : Identify key positions and establish succession plans to ensure a stable supply of talent.

5.3.2.2. Training Outcomes

To maintain the effectiveness of talent development, Tsang Yow regularly conducts TTQS evaluations, successfully improving training quality. The company has also received subsidies from the Ministry of Labor's workforce enhancement program, increasing investment in employee training, demonstrating the company's commitment to human resource development. In 2024, the company focused not only on enhancing employees' professional abilities but also on developing leadership and communication skills. We invited external instructors to conduct the "Dale Carnegie - Communication and Interpersonal Relationships" course, with 29 middle managers, specialists, and engineers (a total of 30 employees) participating in the training. Post-training evaluations showed significant improvements in communication, interpersonal relationships, and leadership skills, enhancing team cohesion and employee morale. Additionally, the "Carnegie Training - High-Performance Manager Class" course, attended by 30 middle and senior managers, showed improvements in leadership and delegation, using specific methods to motivate teams, guiding subordinates to actively engage, establishing team values and vision, conducting performance reviews, clearly

communicating instructions and task assignments, and encouraging innovation.

In terms of professional skills enhancement, we organized courses on lean production management, quality measurement techniques, negotiation skills, and more. We invited industry experts to provide on-site guidance, promoting the growth and efficiency of the production team. In 2024, we conducted a total of 107 internal and external training sessions, with 45 internal and 62 external sessions, totaling 5,861 hours of training. The total training cost amounted to approximately NTD 2.34 million, and the average training satisfaction rate reached 91%.

✦ 2024 Average Training Hours Per Employee

Item	Senior Executives		Middle Managers		General Employees	
	Male	Female	Male	Female	Male	Female
Total Training Hours by Gender	108	124	1,698	544	2,414	975
Average Training Hours by Gender	36	62	65	49	12	11

5.3.3. Professional Skills Certification

Training is designed based on the professional knowledge or skill requirements needed for each job position, including specialized training, technical certification training, and departmental workflow guidance. Through vocational training courses, employees acquire professional skills. A certification system is established for technical and professional staff, and internal professional skills certification is conducted annually to maximize the use of internal human resources. This process enhances employees' professional skills, leading to job promotion and salary increases.

5.3.4. Employee Performance Evaluation for 2024

Job Level \ Gender	Female		Male	
	Number of Evaluated Employees	Percentage of Category	Number of Evaluated Employees	Percentage of Category
Technical Staff	45	24%	142	76%
R&D and Administrative Staff	41	42%	56	58%
Supervisory Positions	11	31%	25	69%

5.4. Health and Safety in the Workplace

Major Topic Name	Occupational Health and Safety	
The Importance of This Topic to Tsang Yow	<p>Positive Impacts :</p> <ol style="list-style-type: none"> 1. Tsang Yow, being export-oriented, values occupational health and safety, which enhances international customer trust and strengthens supply chain cooperation opportunities. 2. Promoting occupational health and safety education and training, along with equipment maintenance systems, helps reduce the frequency of occupational accidents and labor disputes, thus maintaining stable production and timely delivery. 3. Providing a healthy and safe working environment enhances employee satisfaction and loyalty, reducing turnover rates and strengthening Tsang Yow’s competitiveness. 4. As one of the key indicators for ESG sustainability issues, a strong safety culture and employee health protection contribute to enhancing sustainable competitiveness. 	<p>Negative Impacts :</p> <ol style="list-style-type: none"> 1. The manufacturing process involves stamping and chemical treatments, and if unsafe employee behaviors are not properly managed, there may be potential risks of workplace accidents. 2. The spread of emerging infectious diseases or viral variants could lead to widespread quarantine and work stoppages, causing delays in delivery schedules and financial losses. 3. The average age of employees has risen to 43 years, and with high repetitive tasks, employees are prone to musculoskeletal diseases and chronic fatigue, affecting work efficiency and increasing medical expenses. 4. International supply chains require the implementation of social responsibility and health and safety measures. Failure to comply may result in the loss of orders.
Evaluation Mechanism	<p>Positive Impacts :</p> <ol style="list-style-type: none"> 1. By integrating resources through the government’s Healthy Workplace Promotion Program and promoting health-themed 	<p>Negative Impacts :</p> <ol style="list-style-type: none"> 1. Continuously promoting EHS education and training, such as safety training, emergency rescue drills, and online EHS courses, to

	<p>activities, Tsang Yow maintains the Health Promotion Certification, enhances health management standards and corporate image, and fosters a healthy and friendly workplace.</p> <ol style="list-style-type: none"> 2. Promoting the EHS 7S competition activities raises employee awareness and performance in occupational health and safety, health promotion, pollution prevention, resource conservation, carbon reduction, and information security. 3. Implementing the four pillars of EHS activities, Tsang Yow sets the “3011” performance targets (zero workplace accidents, zero occupational injuries, zero major pollution, and energy savings performance above 1%) to achieve sustainable and mutually beneficial development. 4. Mobilizing organizational health promotion teams according to a comprehensive workplace health promotion model, Tsang Yow continuously creates a healthy workplace environment covering four dimensions: physical work environment, psychosocial work environment, personal health resources, and corporate community engagement, to 	<p>enhance workers’ awareness and execution of safety practices, reducing the occurrence of workplace accidents.</p> <ol style="list-style-type: none"> 2. Monitoring information released by regulatory authorities and, when necessary, establishing emergency response teams to implement epidemic prevention measures and regularly promote vaccination to reduce employees’ infection risks. 3. Establishing safety and health operating guidelines for middle-aged and elderly workers, implementing them, and strengthening relevant safety and health equipment and management measures, including workplace ventilation, human hazard improvement, job redesign, and health management, to prevent occupational accidents.
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	<p>promote employees’ physical, mental, and social well-being.</p>	
<p>Policies and Commitments</p>	<p>Tsang Yow promotes various management plans through the establishment of an Occupational Safety and Health Management System, providing a safe workplace for employees and achieving the goal of 「zero workplace accidents」. This is the consensus and commitment of all company members :</p> <ol style="list-style-type: none"> 1. Adherence to Standards : Integrating the Occupational Safety and Health Management System with the business philosophy and operational processes, implementing requirements, and ensuring compliance by all employees. 2. Ensuring Quality : All employees participate in occupational safety and health work, comply with regulations, promote safety and health education, and conduct emergency response drills to ensure expected performance. 3. Continuous Improvement : Through the PDCA (Plan-Do-Check-Act) cycle, continuously improving, eliminating or reducing hazards, establishing effective prevention mechanisms, and preventing workplace accidents. 4. Exceeding Requirements : Based on a safe and healthy work environment, continuously considering organizational needs, collecting feedback, establishing a strong safety culture, enhancing corporate competitiveness, and achieving sustainable development. 	
<p>Goals and Targets</p>	<p>Short-term Goals :</p> <ol style="list-style-type: none"> 1. Obtain Health Promotion Certification from the Ministry of Health and Welfare’s National Health Bureau for each plant. 2. Achieve zero workplace accidents across Tsang Yow. 3. Organize a health promotion task force to continuously promote employees' physical and mental well-being, foster work-life balance, and indirectly 	<p>Medium and Long-term Goals :</p> <ol style="list-style-type: none"> 1. Maintain the validity of the Health Promotion Certification from the Ministry of Health and Welfare’s National Health Bureau for each plant. 2. Achieve zero workplace accidents across Tsang Yow.

	<p>reduce workplace injuries and occupational diseases.</p> <p>4. Re-verify ISO 45001:2018, maintaining system effectiveness through risk prevention, innovation, and continuous improvement.</p>	
<p>Goal Achievement Status</p>	<ol style="list-style-type: none"> 1. Achieved the Health Promotion Certification from the Ministry of Health and Welfare's National Health Bureau for four consecutive years and selected for the Outstanding Health Workplace Comprehensive Health Award. 2. Recorded 2 workplace accidents with a total injury index of 0.28, which is below the industry standard of 0.42. 3. Employee participation in health promotion activities has increased annually (from 939 participants to 1,568 participants) ; continuously promoting anti-smoking activities within the company, with 3 successful participants in the smoking cessation program. 	
<p>Action Plans and Management Measures</p>	<p>Short-term Goals</p> <ol style="list-style-type: none"> 1. Enhance employees' environmental, safety, and health knowledge and safety literacy: Strengthen employees' awareness of workplace hazards through diversified education and training activities, cultivate health and safety concepts, root safety culture, and increase recognition and emphasis on occupational safety and health. 2. Implementation : Regularly conduct internal and external audits, statistical analysis of occupational accidents and related indicators, and carry out inspections on safety and health issues, continuously improving 	<p>Medium and Long-term Goals</p> <ol style="list-style-type: none"> 1. Comprehensive Workplace Health Promotion Model: Create a healthy workplace environment, covering four key aspects: physiological work environment, social-psychological work environment, personal health resources, and corporate community involvement, to promote employees' physical, mental, and social well-being. 2. Improve Occupational Safety and Health Management Level: Ensure effective operation of the management system, combine organizational background and stakeholder needs, gather input

	<p>high-risk hazards, preventing abnormal situations, and ensuring compliance with international standards.</p>	<p>from all levels, and drive continuous improvement, achieving a strong safety culture and a work environment that is safe, healthy, efficient, and environmentally friendly.</p>
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5.4.1. Health and Safety Policy and Management System

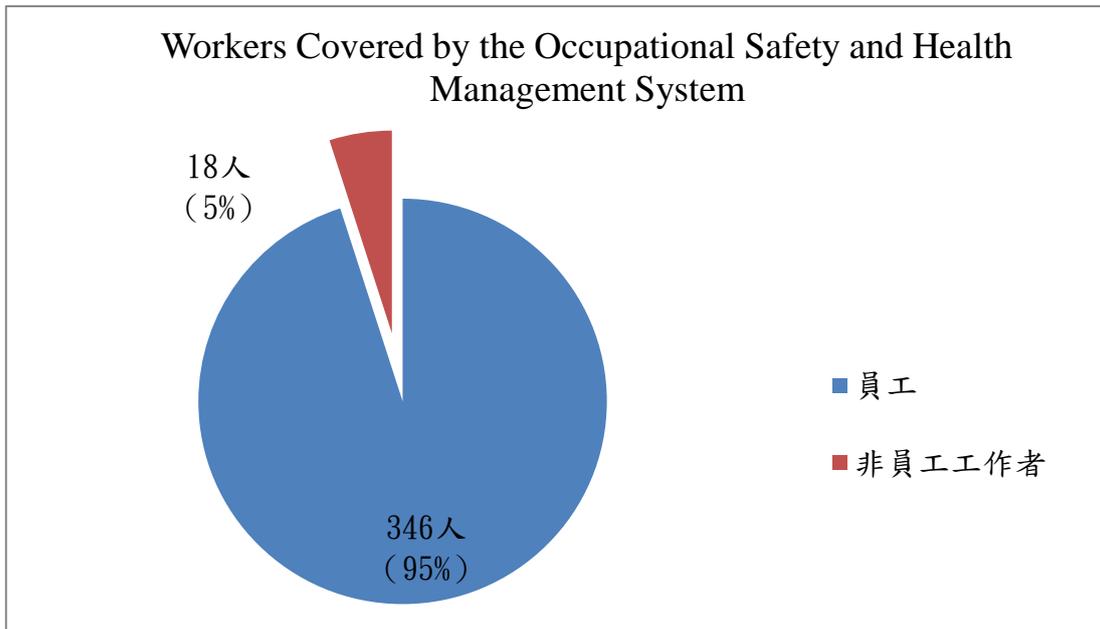
Tsang Yow is committed to protecting the safety and health of employees by promoting occupational safety (three safeguards) and health promotion activities, and establishing an Occupational Safety and Health Management System. Through raising safety awareness and participation across the organization, we continuously improve occupational safety and health management performance to achieve the goal of "zero workplace accidents" and cultivate a high-quality safety culture, creating a safe, friendly, and comfortable work environment for employees.

To ensure employee health and safety, Tsang Yow passed the ISO 45001:2018 Occupational Safety and Health Management System certification in 2021, which is valid from September 15, 2024, to September 14, 2027. Using the PDCA (Plan-Do-Check-Act) management cycle, we establish, maintain, and continuously improve the management system to reduce occupational safety and health risks, provide a safer and healthier work environment, prevent work-related injuries and health impacts, and continuously enhance occupational safety and health performance.



The ISO 45001:2018 Occupational Safety and Health Management System in 2024 covers a total of 346 workers, with employees accounting for 95% of the total workforce; non-employee workers number 18, representing 4.94% of the total. This

includes activities of individuals entering the workplace.

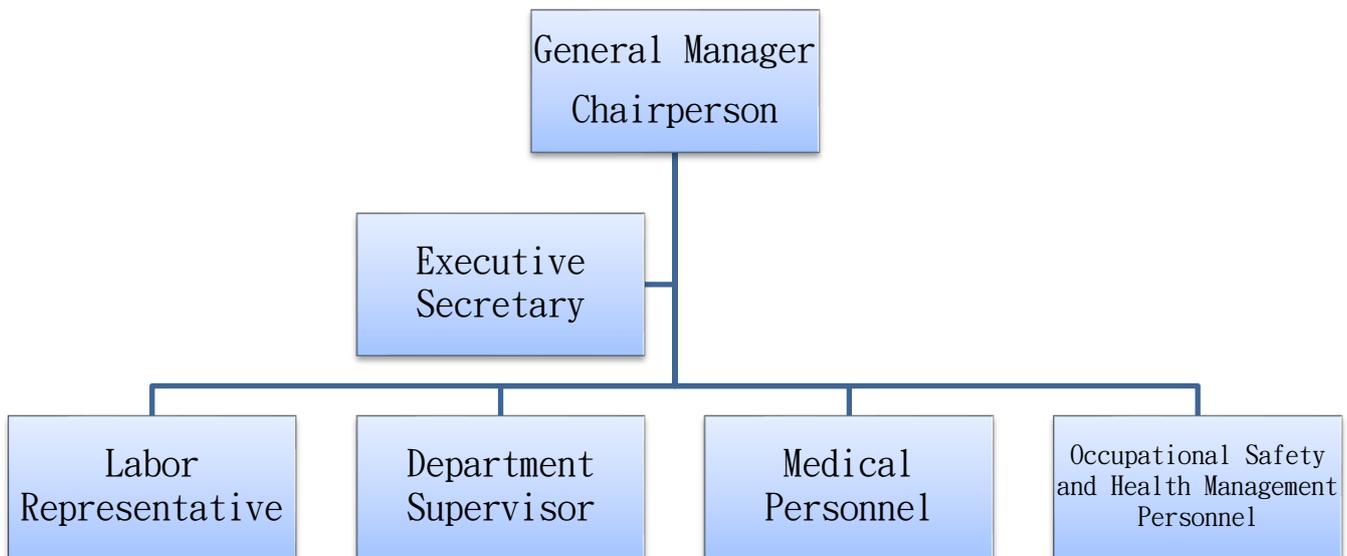


Note : Non-employee workers include contractors.

5.4.2. Occupational Safety and Health Committee

To more effectively and continuously improve occupational safety and health management, an Occupational Safety and Health Committee of 15 members is established by law, meeting quarterly. Labor representatives account for 33.3% of the members. The committee primarily discusses issues related to safety improvements, health management, occupational disease prevention, health promotion, work environment monitoring results, safety and health education and training, safety and health proposals, automatic inspections and safety audits of business units, and contractor management.

5.4.2.1. Occupational Safety and Health Committee Structure



5.4.3. Risk Management and Emergency Response Measures

5.4.3.1. Hazard Identification and Risk Assessment

Tsang Yow has established the 「Hazard Identification and Risk Assessment Management Process」 to conduct comprehensive hazard identification and risk assessment for operations that may cause personnel injuries or accidents. The effectiveness of the safety and health management performance is regularly reviewed and assessed. The Occupational Safety and Health Unit conducts an annual risk assessment of the implementation of the company's occupational safety and health policy and updates the results in the「Hazard Identification and Risk Assessment Form」.

The form covers the scope of activities at the workplace, operation hazard inspection, safety and health risk assessment, and risk/opportunity analysis. For items rated as Class 1, 2, or 3 in terms of risk/opportunity levels, corresponding operational controls and action measures must be planned to eliminate hazards and minimize risks. Additionally, when process equipment or operational procedures change, or in the event of a significant workplace accident, hazard identification and risk assessment must be re-conducted. Only after approval by the Occupational Safety and Health Management Representative can related changes be implemented.

(1) Hazard Identification and Risk Assessment Management Process



(2) Hazard Identification and Risk Assessment

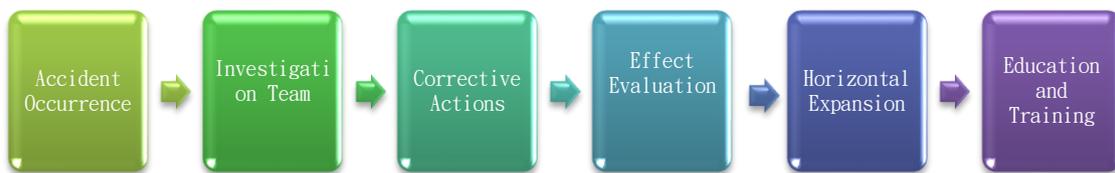
Risk/Opportunity Level	Action Measures
Class1	<ol style="list-style-type: none"> 1. Improvement goals and plans must be established, and the operational control procedures and monitoring measurement requirements should be integrated into the organization’s management system. The effectiveness of control and supervision should be reviewed regularly and included as key items for supervisor inspections and improvement. 2. Risk/Opportunity analysis must be conducted, and strategic planning should be proposed.
Class2	<ol style="list-style-type: none"> 1. Establish operational control procedures and monitoring measurement requirements, reviewing the effectiveness of control and supervision annually. 2. Conduct risk/opportunity analysis and propose strategic planning
Class3	Conditionally acceptable; appropriate procedures exist, with control and safety protection, and control measures are established as needed.
Class4	Acceptable as is; no measures need to be taken

5.4.3.2. Accident Investigation

The Occupational Safety and Health Management System at Tsang Yow applies the right to retreat from dangerous situations for all covered workers. In the event of an injury during operations, the process follows the Tsang Yow procedures outlined in the "Environmental Safety Management Process" and "Environmental Emergency Response Control Process" for emergency accident types and safety hazards. Relevant personnel, including labor representatives, are immediately assembled to form an

accident investigation team to explore the root causes of the incident and develop corrective measures. Based on the investigation results, corrective actions are implemented, and improvement progress is tracked. The event is also horizontally expanded across departments, requiring each unit to check for similar hazard factors. If any similar hazard factors are found, improvements should be made accordingly, and re-education should be conducted to achieve continuous improvement.

(1) Accident Investigation Process :



5.4.3.3. Promoting Occupational Safety and Health Culture

As unsafe behaviors are the primary cause of occupational accidents, Tsang Yow strengthens workers' awareness of workplace hazards through various training and promotional activities, instilling safety concepts and rooting a safety and health culture. The educational content includes not only the general occupational safety and health training required by regulations but also training on the environmental safety and health management system, monthly online safety and health-themed education, fire drills, emergency first-aid training, machine safety and health education, and hazard general knowledge education. Additionally, new employees must participate in occupational safety awareness training.



(1) Online Safety and Health Education Training

To reduce the incidence of workplace accidents and improve the convenience and effectiveness of communication, Tsang Yow has shifted from traditional written training materials to delivering safety awareness and concepts through the employee mobile information network. This approach addresses issues such as the dispersion of factories, communication difficulties between day and night shifts, and the ineffective impact of traditional printed materials.

✦ 2024 Occupational Safety and Health Education and Training Courses

Item Number	Course Name	Number of Participants
1	Machinery Safety Protection	256
2	Electrical Safety	253
3	Interlocking Devices and Safety Devices	249
4	Fire and Explosion Prevention	249
5	Hazard General Knowledge	248
6	Hearing Protection & Legal Violations	240
7	Environmental Protection (Environmental Safety)	231
8	Personal Protective Equipment & Environmental Protection Education	220
9	Hand Tools Safety Training	219
10	Occupational Accident Case Library - Case Advocacy 1	218
11	Occupational Accident Case Library - Case Advocacy 2 & Traffic Safety	218
12	Confined Space Work Hazard Prevention & 7S Advocacy	216
13	General Safety and Health Education & Environmental Protection Education & Legal Violations	98
Total		2,915

Note : Training completion requires passing the post-training test with a minimum score of 80.

(2) Safety Training Workshop

For new employees, Tsang Yow implements experiential education and training through the Safety Training Workshop. By engaging in hands-on operations and personal experiences, employees' awareness of workplace hazards is enhanced,

preventing hazards from occurring. A total of 19 employees completed the workshop in 2024.



(3) Contractor Safety and Health Education and Training

For non-residential contractors, entry hazard and environmental safety information is provided. Additionally, annual safety and health education and training is conducted for resident contractors, including catering staff, cleaning personnel, and security guards, to enhance the safety awareness of non-employee workers.

✦ Number of Hazard and Environmental Safety Briefings for Non-residential Contractors

Factory/Year	2022 Year	2023 Year	2024 Year
Zhongshan	13	49	144
Stamping	21	9	126
Success	1	42	70
Total	35	100	340

✦ 2024 Occupational Safety and Health Education and Training Items

Serial Number	Training Course Title
1	High-pressure Gas Specific Equipment Operators

Serial Number	Training Course Title
2	On-the-job Training for Fixed Crane Operators
3	First Aid Personnel
4	On-the-job Education and Training for Forklift Operators
5	Occupational Safety and Health On-the-job Education and Training
6	Confined Space Work Safety Education and Training
7	Online Themed Environmental Safety and Health Education and Training
8	Safety Training Workshop Experiential Education
9	Environmental Safety and Health Emergency Response Drills

(4) Emergency Response

To prevent or mitigate potential accidents or emergencies that may occur at Tsang Yow, and to reduce impacts on occupational safety and health and the environment, emergency response drill plans are established each year for various scenarios, including natural disasters, earthquakes, and other types of emergency incidents, with corresponding response measures. Various drills are carried out based on these plans.

Drill Frequency	Description of Simulated Drill Scenarios	Responsible Unit	Participants
Once every six months	Firefighting Self-Defense Drill	Management Department	Firefighting Self-Defense Team
Once a year	Emergency Evacuation Drill	Management Department	All Employees
	Flood Emergency Response Drill	Management Department	Flood Emergency Response Task Force
	First Aid Response and Drill	Occupational Safety Unit	First Aid Response Teams at Each Plant
	Environmental Safety Emergency Response Drill	Environmental Safety Unit	Environmental Safety Emergency Response Task Force at Each Unit

According to the regulations of the Fire Department, all chemical substances with physical and health hazards in each plant must be controlled in total quantity and mapped. The chemical layout diagrams for each plant are centrally managed by the security office, allowing for effective and immediate response in case of an emergency.

Fire Safety and Self-Defense Organization



Emergency Evacuation Drill



First Aid Response and Drill



Environmental Safety Emergency Response Drill



Flood Emergency Response Drill



5.4.4. Health Promotion and Occupational Safety Measures

5.4.4.1. Tsang Yow's Healthy Workplace Philosophy

Employees are Tsang Yow's most valuable asset, and their health is the foundation of the company's growth and competitiveness. By creating a supportive environment and continuously promoting various health promotion activities, we aim to raise employees' health awareness, promote holistic health, and encourage full participation.

This fosters a proactive health promotion culture, collectively creating a healthy workplace.

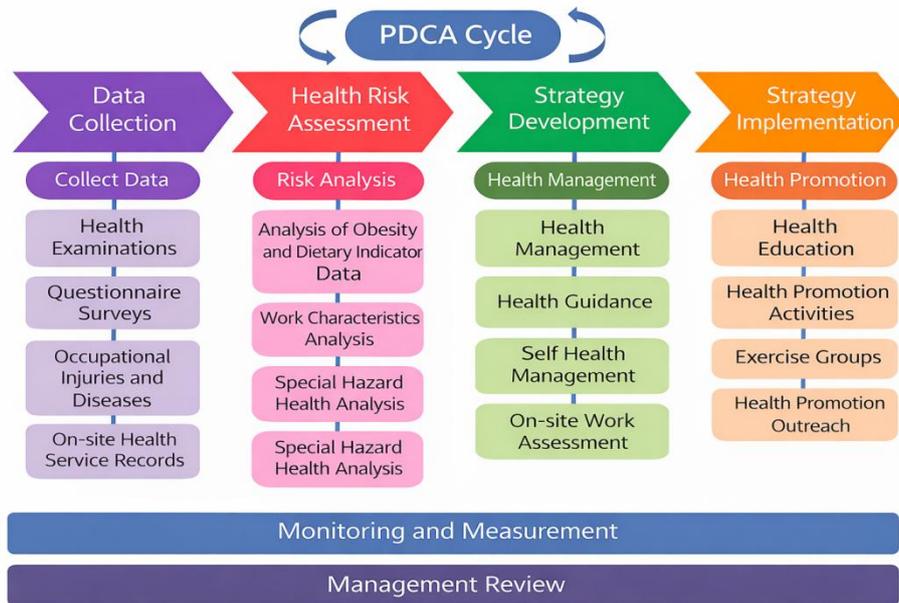
- ✦ Chairman Su Chi-Tse (left) and Founder Deng Hui-Che (right)



5.4.4.2. Health Management and Promotion Framework

With support from senior management, Tsang Yow has organized a health promotion team. Each year, the team analyzes employee physical check-up results, health assessments, and various activity surveys based on the health promotion and management activities of the year. Based on the analysis, projects with high rates of health abnormalities and successful activity outcomes are selected to develop the next year's health promotion project plan. These plans are implemented through the PDCA management cycle, closely integrated with organizational management processes and activities, ensuring the effective implementation of health promotion activities.

✦ Tsang Yow Health Promotion PDCA Cycle Framework



5.4.4.3. Health Promotion Plan

Tsang Yow designs workplace health activities based on five key dimensions, creating a supportive environment that provides comprehensive physical, mental, and spiritual care for employees, fostering a happy workplace.

- (1) **Health Awareness** : Regularly deliver accurate health information, set up health stations; hold health seminars; provide health books and magazines; conduct health surveys and health education activities, and establish a Safety Training Workshop.
- (2) **Health Activities** : Implement health exercises and work-life balance activities; establish a health promotion committee to jointly design health activities and encourage employees to form sports clubs.
- (3) **Healthy Eating** : Provide low-calorie healthy meals ; set up a central kitchen with nutritionists designing menus and controlling calorie intake; offer free reduced-sugar, sugar-free drinks and calorie labeling.
- (4) **Mental Health** : Promote employee care activities, provide emotional and stress management, relaxation, positive psychology, and interpersonal communication support ; encourage public welfare participation, offer counseling services, and organize family-friendly and parent-child activities
- (5) **Health Management** : Build the 「 Tsang Yow Health Cloud Platform 」 for health management by occupational health nurses and physicians; conduct regular employee health check-ups and environmental tests, and provide free flu vaccinations.

Since 2021, Tsang Yow has actively promoted health management and tobacco control, striving to create a friendly work environment. In 2024, Tsang Yow was awarded the 「National Outstanding Health Workplace - Comprehensive Health Award」 for the 4th consecutive year and the 「Chiayi County Workplace Smoking Cessation Service Participation Success Award」 - First Place, and received the 「Health Workplace Promotion」 certification.

- ✦ Director-General Wu Zhaojun of the National Health Service (left) and Tsang Yow's General Manager Su Chi-hu (right) pose for a photo.



- ✦ Chiayi County Mayor, Weng Zhangliang (left), and Tsang Yow's General Manager, Su Chi-hu (right), pose for a photo.

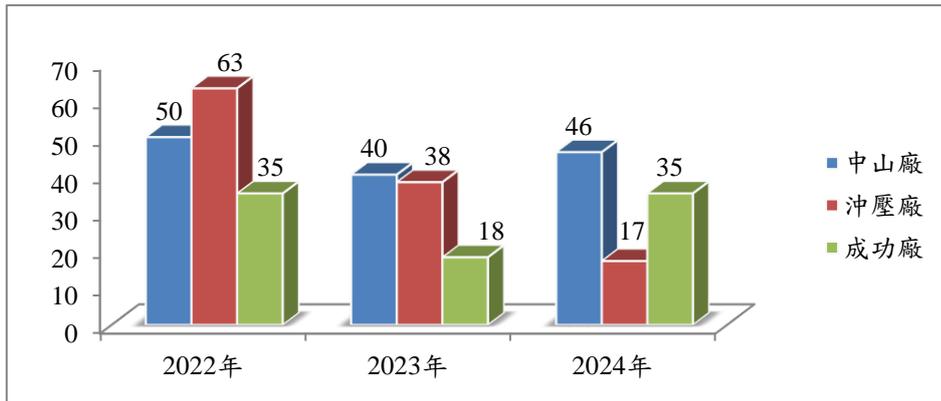


5.4.4.4. On-site Health Services

To ensure that employees receive comprehensive health care services, Tsang Yow has partnered with contracted occupational specialists from Dalin Tzu Chi Hospital, part of the Buddhist Tzu Chi Medical Foundation, to provide on-site health services for workers. These services include health consultations, maternal health risk assessments, abnormal work load evaluations, ergonomics hazard assessments, mental and physical consultations, and emergency first-aid planning.

In addition, Tsang Yow has developed plans to prevent musculoskeletal diseases caused by repetitive tasks, diseases caused by abnormal work loads, workplace violence prevention, and maternal health protection, in accordance with its internal health promotion management regulations. These plans are comprehensively evaluated every three years, with hazard identification assessments conducted irregularly each year based on operational and health risk levels. For individuals with high-risk hazards, consultations with occupational physicians are arranged to monitor their health status and, if necessary, assist in making job suitability adjustments.

Occupational Physician On-site Service Participant Statistics



Occupational Physician On-site Health Consultation Service



Occupational Physician On-site Work Hazard Assessment



5.4.4.5. Health Check-up and Management System

Tsang Yow provides health check-ups at a frequency higher than the legal requirements to protect employee health. Special physical check-ups are conducted for new employees, while regular health check-ups are provided for current employees (annually for those aged 65 and above, every three years for those under 65) and annual health check-ups for those in special operations. Additionally, health management is categorized into four levels, with priority given to follow-up and re-examination for major abnormalities. Employees at levels three and four are given priority for one-on-one consultations with occupational physicians. If necessary, they are referred to hospital outpatient care or a health protection program. For employees in other levels, consultations with occupational physicians are arranged according to their level, or health education is provided by plant nurses. For conditions such as hypertension, diabetes, and metabolic syndrome, educational materials on these conditions are provided to help employees better understand the correct concepts.

(1) Tsang Yow Health Check-up Participant Statistics for the Past Three Years

Item	2022 Year			2023 Year			2024 Year			
	Zhongshan Plant	Stamping Plant	Success Plant	Zhongshan Plant	Stamping Plant	Success Plant	Zhongshan Plant	Stamping Plant	Success Plant	
Number of Eligible Participants	1	0	0	1	0	0	167	101	45	
Number of Actual Participants	1	0	0	1	0	0	167	101	45	
Health Check-up Rate	100%	-	-	100%	100%	100%	100%	100%	100%	
Special Health Check-up	Noise	30	23	6	32	39	12	38	20	18
	Dust	7	16	12	6	18	13	17	14	5

Note : The total number of occupational disease-related cases from 2022 to 2024 is 0.

5.4.4.6. Tsang Yow Health Cloud Platform

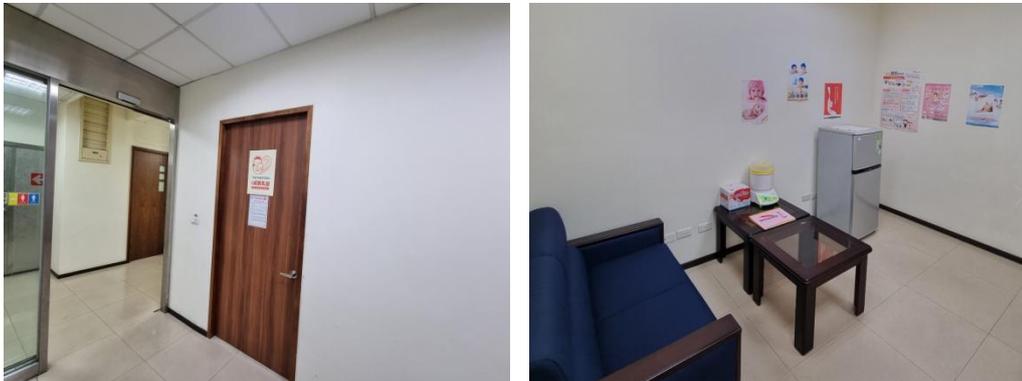
To improve the convenience and effectiveness of health information delivery and address challenges such as plant dispersion, communication difficulties between day and night shifts, ineffective health education materials, difficulties in storing paper-based information, and time-consuming data analysis, Tsang Yow developed its own "Health Cloud Platform" compatible with various mobile devices. The platform integrates internal and external health management information and resources and hosts them on the cloud. This allows employees to access relevant information and resources anytime and anywhere via mobile devices or computers, regardless of time, space, or distance. This enables more effective two-way communication and management. Health management units can also access data analysis reports and employee feedback via the platform's backend, allowing for the design and provision of more employee assistance programs (EAPs).



5.4.4.7. Maternal Health Protection and Breastfeeding Room Setup

In accordance with Article 23 of the "Gender Equality in Employment Act," all plants are equipped with breastfeeding rooms, ensuring that both "space" and "time" are well considered to create a friendly and supportive workplace environment. These rooms provide comprehensive breastfeeding facilities. For pregnant, post-partum (within one year), and breastfeeding female employees, health risk assessments and occupational physician consultations are conducted. In 2024, a total of 7 employees were under maternal health protection, and the occupational physician's assessment classified them under Level 1 management with no significant health risks.

✦ Interior and Exterior Environment of the Breastfeeding Room



5.4.4.8. Tsang Yow Vitality Stretching Exercise

Based on the results of the 「Self-Reported Musculoskeletal Questionnaire」, it was found that employees commonly report discomfort in areas such as the limbs and upper back. To address these ergonomic hazards, Tsang Yow aims to prevent musculoskeletal issues caused by prolonged sitting and repetitive administrative tasks among office staff. Additionally, production staff perform musculoskeletal stretching exercises before starting their work activities to alleviate muscle fatigue and soreness. The 「Health Promotion Excellence Unit Evaluation」 activity is designed, integrating with the Environmental Safety and Health 7S competition, to encourage full participation from all employees.

✦ On-site Production Staff Vitality Stretching Exercise



✦ Office Administrative Staff Vitality Stretching Exercise



5.4.4.9. Long-term Physical Fitness Activities

In 2024, Tsang Yow organized a physical fitness program lasting 4 months, divided into two phases, totaling 32 sessions. The program was open to all company employees, their families, and partner suppliers. It was held every Tuesday and Thursday from 17:30 to 19:00, with professional fitness coaches leading participants in strength and core exercises. The long-term course aimed to encourage employees to develop good exercise habits. A total of 709 participations were recorded, with 2 employees reducing their body fat percentage by over 3%. Additionally, some participants, after engaging in

the program, transitioned from initially trying the exercises to enjoying the fun of physical activity, leading them to spontaneously form groups and arrange after-class exercise sessions. This transformed exercise from just a classroom activity into an integral part of their daily lives.

✦ Physical Fitness Activity Class Photos



5.4.5. Risk Management and Accident Prevention

5.4.5.1. Worker Occupational Environment Monitoring Plan

As an automotive parts manufacturer, Tsang Yow regularly conducts environmental monitoring to prevent workers from being exposed to harmful substances in the workplace that could cause physical harm. Exposure risks are assessed and compared accordingly. Additionally, specific health checks for noise and dust exposure are conducted, with 76 employees undergoing noise exposure health checks and 36 employees undergoing dust exposure health checks in 2024. For special operations, appropriate protective equipment is provided to safeguard employees' health based on the type of work.

(1) List of Monitoring Items

Item Number	Monitoring Item	Monitored Substance	Frequency
1	Indoor Workplaces with Centralized Air Conditioning Systems	Carbon Dioxide Concentration	Every six months
2	Grinding Operations	Total Dust of Type IV	Every six months
3	Rust Prevention Operations	Organic Solvent of Type II	Every six months
4	Noise Exposure	8-Hour Time-Weighted Average Sound Pressure Level (dBA)	Every six months
5	Biological Hazard Exposure	Oil Mist Droplets	Every year
6	Workplace Lighting and Illumination	Lighting	Every year

✦ Workplace Protective Equipment Labeling



5.4.5.2. Emergency Medical Facilities

Each plant is equipped with AEDs (Automated External Defibrillators). In 2024, basic first aid training (CPR + AED usage) was provided to on-site personnel, with a total of 195 participants.



5.4.6. Supervision and Measurement

The Occupational Safety and Health Management System requires companies to commit to compliance with regulations and identify relevant laws and regulations. To achieve this, Tsang Yow has developed a "Government Law Management Process" to stay updated on the latest developments and information regarding environmental protection, occupational safety and health, fire safety, energy management, and

labor-related laws. This process includes the collection, identification, registration, communication, and maintenance of government regulations, ensuring that all operational activities comply with legal and regulatory requirements.

5.4.6.1. Occupational Accident Statistics

In 2024, Zhongshan Plant recorded 0 injury cases and a total injury index of 0; Stamping Plant had 2 injury cases with a total injury index of 0.28; Success Plant recorded 0 injury cases and a total injury index of 0; there were 0 occupational disease-related cases.

Regarding the prevention of occupational accidents, in addition to daily management walks by supervisors and organizing safety and environmental competitions, Tsang Yow continues to strengthen occupational safety and health education, implements occupational accident prevention management, and provides adequate personal protective equipment based on different work tasks to ensure the safety of employees.

(1) Zhongshan Plant

Item	2022 Year	2023 Year	2024 Year
Number of Fatalities	0	0	0
Number of Disabling Injuries	2	0	0
Lost Workdays (Days)	120	0	0
Total Work Hours	366,204	339,782	363,618
Frequency Rate of Disabling Injuries (FR)	5.46	0	0
Severity Rate of Disabling Injuries (SR)	328	0	0
Total Severity Index (FSI)	1.34	0	0

Note 1 : Frequency Rate of Disabling Injuries = Number of Disabling Injuries / Total Exposure Hours × (10)⁶ (decimal places are rounded to three digits)

Note 2 : Severity Rate of Disabling Injuries = Total Lost Workdays due to Disabling Injuries / Total Exposure Hours × (10)⁶

Note 3 : Data Source : Occupational Safety Reporting System (excluding commuting accidents)

(2) Stamping Plant

Item	2022 Year	2023 Year	2024 Year
Number of Fatalities	0	0	0
Number of Disabling Injuries	0	0	2
Lost Workdays (Days)	0	0	19
Total Work Hours	369,936	289,976	246,477
Frequency Rate of Disabling Injuries (FR)	0	0	8.11
Severity Rate of Disabling Injuries (SR)	0	0	77
Number of Fatalities	0	0	0.79

Note 1 : Frequency Rate of Disabling Injuries = Number of Disabling Injuries / Total Exposure Hours $\times (10)^6$ (decimal places are rounded to three digits)

Note 2 : Severity Rate of Disabling Injuries = Total Lost Workdays due to Disabling Injuries / Total Exposure Hours $\times (10)^6$

Note 3 : Data Source: Occupational Safety Reporting System (excluding commuting accidents)

(3) Success Plant

Item	2022 Year	2023 Year	2024 Year
Number of Fatalities	0	0	0
Number of Disabling Injuries	0	0	0
Lost Workdays (Days)	0	0	0
Total Work Hours	232,888	195,724	135,645
Frequency Rate of Disabling Injuries (FR)	0	0	0
Severity Rate of Disabling Injuries (SR)	0	0	0
Total Severity Index (FSI)	0	0	0

Note 1 : Frequency Rate of Disabling Injuries = Number of Disabling Injuries / Total Exposure Hours $\times (10)^6$ (decimal places are rounded to three digits)

Note 2 : Severity Rate of Disabling Injuries = Total Lost Workdays due to Disabling Injuries / Total Exposure Hours × (10)⁶

Note 3 : Data Source: Occupational Safety Reporting System (excluding commuting accidents)

(4) Total of the Three Plants

Item	2022 Year	2023 Year	2024 Year
Number of Fatalities	0	0	0
Number of Disabling Injuries	2	0	2
Lost Workdays (Days)	120	0	19
Total Work Hours	969,028	825,482	745,740
Frequency Rate of Disabling Injuries (FR)	2.04	0	2.68
Severity Rate of Disabling Injuries (SR)	124	0	25
Total Severity Index (FSI)	0.5	0	0.28

Note 1 : Frequency Rate of Disabling Injuries = Number of Disabling Injuries / Total Exposure Hours × (10)⁶ (decimal places are rounded to three digits)

Note 2 : Severity Rate of Disabling Injuries = Total Lost Workdays due to Disabling Injuries / Total Exposure Hours × (10)⁶

Note 3 : Data Source: Occupational Safety Reporting System (excluding commuting accidents)

5.4.7. Tsang Yow's Key Occupational Safety and Health Focus Areas for 2024

Tsang Yow is committed to protecting worker safety and health by promoting the three safeguards of occupational safety and health and employee health promotion activities. We have implemented an Occupational Safety and Health Management System to enhance employee safety awareness, promote full participation, and continuously improve environmental, safety, health, and occupational safety management performance. Our goal is 「Zero Workplace Accidents」, cultivating a strong safety culture and creating a safe, healthy, efficient, and environmentally-friendly work environment.

5.4.7.1. Key Occupational Safety and Health Focus Areas

2024 Occupational Safety and Health Management Plan and Implementation Results

<p>Policy</p> <p>10 Regulations</p> <ul style="list-style-type: none"> Newly established and revised 10 environmental, safety, and health (ESH) regulations and standards 	<p>Awards</p> <p>Health Promotion Administration, Ministry of Health and Welfare</p> <p>National Outstanding Healthy Workplace</p> <p>2024 Healthy Enterprise Award</p> <p>Chiayi County Health Bureau</p> <p>2024 Workplace Participation in Smoking Cessation Services – Success Award, First Place</p>	
<p>Occupational Accidents</p> <p>2 cases</p> <ul style="list-style-type: none"> Cumulative Injury-Free Working Hours (2017~2024) <p>Zhongshan Plant 18,792</p> <p>Stamping Plant 3,000</p> <p>Chenggong Plant 64,104</p> <p>1,124 person-times</p>	<p>Health Promotion</p> <p>1,568 person-times</p> <p>Activities include hiking activities, weight reduction programs, tobacco hazard prevention activities, health seminars, physical fitness programs, and influenza vaccination</p> <p>1,124 person-times</p>	<p>Training</p> <p>1,124 person- 2,915 person-</p> <p>Environmental, safety, and health education and training courses, including all new employee designated personnel, contractors, first aid personnel, and foreign migrant workers, with a 100% completion rate</p> <p>2,915 person-times</p>

5.4.7.2. Detailed Occupational Safety and Health Execution Items

Item	Execution Actions
Regulatory Identification	Regularly identify and track the compliance status of plant regulations, identifying a total of 53 regulations, 38 of which are applicable, with no non-compliance issues.
Standardized Management Procedures	Collect stakeholder feedback and revise management procedures, with a total of 10 guidelines.
Safety and Health Education and Training	<ul style="list-style-type: none"> A total of 1124 participants in safety and environmental health training courses, with a completion rate of 100%. A total of 2915 participants in online safety and environmental health training Occupational safety and health training program achievement rate of 100%.
Risk Identification and	Conducted environmental hazard identification for employees

Item	Execution Actions
Assessment	and contractors, safety and health management plans, on-site operations, work observations, and construction safety and health management analysis. All risk identification actions are managed with a tiered approach, followed by tracking and control measures to manage, prevent, or mitigate hazards and risks, with a total of 873 risk identifications and assessments executed.
Chemical Management	All chemical purchases undergo environmental and safety assessments before procurement, ensuring no toxic substances are used; there were 0 incidents of abnormal events related to chemical management.
Chemical Management	<ul style="list-style-type: none"> • Contractor entry hazard and environmental safety briefings completion rate of 100% • 0 incidents of abnormal events in construction management
Contractor Management	<ul style="list-style-type: none"> • A total of 2 non-compliance issues identified during internal audits, all of which were corrected within the specified time frame • 100% achievement rate for monthly environmental and safety supervision and control activities
Implementation Audits	According to the worker occupational environment monitoring plan, monitoring is conducted once in the first and second halves of the year, with improvements made to the work environment based on the monitoring results, and the results are publicly announced.
Workplace Environment Monitoring	Completed 5 environmental and safety emergency response drills, achieving a 100% completion rate
Health Promotion Certification (including health management and promotion activities)	<ul style="list-style-type: none"> • 「National Outstanding Health Workplace」 Comprehensive Health Award from the Ministry of Health and Welfare's National Health Bureau • Health Promotion Certification from the Ministry of Health and Welfare's National Health Bureau • 「2024 Workplace Smoking Cessation Service Success Award - First Place」 from the Chiayi County Health Bureau
Occupational Accident	The Occupational Safety and Health Committee continues to

Item	Execution Actions
Prevention	meet regularly, with the aim of expanding the relevant improvement measures across all plants to reduce the number of accidents. In 2024, the total number of workplace accidents across all plants was 2, with a total injury index of 0.28, which is below the industry standard of 0.42.

6. Social Co-Prosperity

6.1. Social Contribution

Tsang Yow is not only a business entity but also carries a profound social responsibility. We are committed to promoting a variety of public welfare activities and maintaining close interactions with the community. We believe that the success of a business should be accompanied by social contribution, creating a co-prosperous future. Tsang Yow actively participates in educational funding, environmental advocacy, and supporting vulnerable groups, aiming to bring positive changes to society and allow more people to enjoy a better life. In 2024, Tsang Yow invested a total of 1.12 million NTD in public welfare activities, as outlined below :

- (1) The company, in collaboration with the 「Tsang Yow Charity Foundation」, organized a blood donation charity event at the Chiayi Blood Donation Station and Chiayi Chuiyang Blood Donation Room. The company leveraged its positive influence to mobilize supply chain partners to join the blood donation drive, successfully collecting 1,036 bags of blood. A total of 70 volunteers, including employees and their families, participated in the blood donation activity.





- (2) The company, in collaboration with the 「Tsang Yow Charity Foundation」, provides funding, supplies, and assistance with the repair of leaking roofs in old houses for vulnerable groups such as the Taiwan Children's Alliance, Eden Social Welfare Foundation's Chang Ai Home, and others. The company's small acts of kindness serve as an example, encouraging more people to respond and contribute to the greater good of society, allowing these vulnerable groups to feel warmth and care while reaching out to more individuals in need.

- (3) The company purchased 800 items for charity sale and 163 family event tickets from the Genesis Social Welfare Foundation. A total of 35 employees and their families volunteered at the「Genesis Foundation Love Return Charity Fair」, giving back to society. All proceeds from the charity sale at the event were donated to support the construction of the Hualien and Chiayi branches and to fund long-term care for patients in a vegetative state, helping more underprivileged families with vegetative patients.



- (4) Leftover food from the employee cafeteria is shared with vulnerable groups to reduce food waste, with a total of 243 instances in the year.
- (5) The company purchased Mid-Autumn Festival mooncake gift boxes and bread from the "Chiayi Cerebral Palsy Association" to support and acknowledge the work abilities of children with cerebral palsy through tangible actions.
- (6) The company engaged with the community and organized the 「Family Parent-Child Day Sports Day and Carnival」 in collaboration with He Xing Elementary School in Zhongpu Township, Chiayi County, and donated an RV to support school activities and baseball team events.



(7) Responding to the 「2024 First Minxiong Damao Marathon Running Event」 organized by the Minxiong Township Office, the company aims to promote sports culture, boost local industry development, and support local public welfare. The company set up a supply station for the marathon, deployed event volunteers, and formed teams of employees to participate in the running event.



(8) Responding to the 「Light Up Minxiong」 streetlight adoption program by the Minxiong Township Office, the company ensures that streetlights in the township can sustainably maintain nighttime illumination, improving the quality of life for residents and safeguarding their life and property. This initiative is our way of contributing to the local community.

(9) The company maintains good interaction with the community and sponsors community events such as the Dragon Boat Festival 「Blessing」 Zongzi making, 「Joy」 Public Welfare Activity, and Minxiong Township Sports Association's "Senior Healthy Walk" to promote neighborhood harmony and community care.

(10) In response to the 「Old Shoes Save Lives International Christian Care Association」 social welfare campaign, the company collected second-hand shoes to send to rural areas in East Africa. The company called on all employees and partner (outsourced) suppliers to join in, helping others through resource recycling and contributing to environmental protection and the well-being of the planet.

(11) In 2024, 92.7% of Tsang Yow's employees are local to Chiayi County and City.

6.2. External Communication

6.2.1. Public Association Organizations

Tsang Yow actively participates in activities organized by domestic public associations, industry trade unions, and other organizational groups. By attending seminars, forums, and briefings regularly or irregularly held by these organizations, Tsang Yow has established an intensive communication mechanism with industry members. Additionally, through these activities, Tsang Yow has built diverse channels for exchange and learning, further enhancing the competitiveness of the organization and individuals while expanding its vision and insights.

6.2.1.1. List of Public Associations and Positions Held by Tsang Yow

Public Association Name	Position Held
Chiayi County Industrial Association	Member
Minxiong Touqiao Industrial Area United Manufacturers Association	Vice Chairman
Chiayi County Police Friends Association	Advisor
Taiwan Vehicle Industry Association	Member
Chinese Total Productive Maintenance (TPM) Development Association	Member
Yiyun Association	Member
Yicai Association	Member
Chinese Lean Three-in-One Production Management Association	Member





6.2.2. Industry-Academia Cooperation

Adhering to the principles of technological innovation and sustainable development, Tsang Yow actively promotes industry-academia cooperation programs. By collaborating with top domestic universities, the company attracts talented students with potential. Through professional courses, industry-academia cooperation opportunities, and technical training, Tsang Yow nurtures technical experts with practical experience and innovative thinking, while strengthening the link between industry and academia. This effort reserves excellent human resources for the company’s future development. The following are the plans for related initiatives :

6.2.2.1. Program Objectives

- (1) Attract outstanding campus talent to meet the company’s future technical talent needs.
- (2) Provide industry-academia cooperation opportunities for students to understand corporate operations and accumulate practical experience.
- (3) Strengthen cooperation between schools and businesses to promote technological exchange.

6.2.2.2. Areas of Cooperation

- (1) Collaborate with local universities to provide industry-academia cooperation positions, allowing students to participate in the company’s daily production processes.
- (2) Design short-term technical training programs covering the basic technologies of automotive parts manufacturing.

6.2.2.3. Implementation Steps

- (1) Promote and recruit for industry-academia cooperation through campus outreach, followed by interview selection.
- (2) Collaborate with universities to develop training programs, ensuring ample learning opportunities for students.
- (3) Regularly assess the effectiveness of the cooperation each year and continuously adjust the program based on needs.

Appendix 1: GRI Standards Index

Usage Statement	Tsang Yow Industrial Co., Ltd. has published the 2024 Sustainability Report in accordance with the GRI Standards, covering information for the period from January 1, 2024, to December 31, 2024.
Used GRI Standards	GRI 1 : Foundation 2021
Applicable GRI Industry Standards	None

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417-2	Incidents of Non-compliance with Product and Service Information and Labeling Regulations	2.4.2 Regulatory Compliance	40	
417-3	Incidents of Non-compliance with Marketing and Communication Regulations	2.4.2 Regulatory Compliance	40	
418-1	Complaints of Confirmed Violations of Customer Privacy or Loss of Customer Data	2.5 Information Security	43	
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Appendix 2: SASB Sustainability Accounting Standards - Automotive Parts Industry

Topic	Code	Disclosure Item	Unit	Response
Energy Management	TR-AP-130a.1	Total energy consumed	GJ	24,368.12
		Proportion of energy consumed from the grid	%	100%
		Proportion of energy consumed from renewable sources	%	Not Disclosed for the Time Being
Waste Management	TR-AP-150a.1	Total waste generated	t	543.1
		Proportion of hazardous waste generated	%	0.89%
		Proportion of waste that is recycled	%	Not Disclosed for the Time Being
Product Safety	TR-AP-250a.1	Number of product recalls and total quantity recalled	pcs	No Occurrence
Fuel Design Efficiency	TR-AP-410a.1	Revenue from products that improve fuel efficiency and/or reduce emissions	Thousand	145,629 Thousand
Material Procurement	TR-AP-440a.1	Description of risk management policies related to key materials	Qualitative	The Company conducts relevant management through the Procurement Management Process, Contracts, Confidentiality Agreements, Material Certificates, and the Corporate Social Responsibility Declaration.
Material Efficiency	TR-AP-440b.1	Percentage of total product sales that are recyclable	%	100%
	TR-AP-440b.2	Percentage of input materials sourced from recycled or remanufactured components	%	Refer to P.52 and P.57
Competitive	TR-AP-520a.1	Monetary Losses from Legal	Thousand	No Occurrence

Behavior		Incidents Related to Anti-competitive Behavior		
Disclosure Item	Code	Response	Nature	Unit
Number of Parts Produced	TR-AP-000.A	2,718,636	Quantification	pcs
Weight of Parts Produced	TR-AP-000.B	2,468,255	Quantification	Metric Ton
Manufacturing Facility Area	TR-AP-000.C	34,325.15	Quantification	Square Meter

Appendix: Relevant International Certification Certificates

Certificat Certificate

No : 109367 No IATF : 0519657

AFNOR Certification certifie que le système de management mis en place par :
AFNOR Certification certifies that the management system implemented by:

TSANG YOW INDUSTRIAL CO., LTD.

pour les activités suivantes :
for the following activities:

PRECISION MACHINING AND ASSEMBLY OF METAL PARTS.

a été évalué et jugé conforme aux exigences requises par :
has been assessed and found to meet the requirements of:

IATF 16949:2016

et est développé sur les sites suivants :
and is developed on the following locations:

NO. 16, CHUNG-SHAN RD., MIN-HSIUNG INDUSTRIAL PARK, CHAIYI COUNTY 621016, TAIWAN
IATF USI : QX38KM

Site de production dépendant / Extended manufacturing site:
NO. 45 & NO.45-1, CHUNG-SHAN RD., MIN-HSIUNG INDUSTRIAL PARK, CHAIYI COUNTY 621016, TAIWAN
IATF USI : QX38MW

NO. 38, CHENG-KONG 2ND ST., MIN-HSIUNG INDUSTRIAL PARK, CHAIYI COUNTY 621017, TAIWAN
IATF USI : QXSKCA

2024-05-26 2027-05-25

Julien NIZRI
Managing Director of AFNOR Certification

Version du certificat - Certificate Version : 1

Certificat Certificate

N° 2024/109417.1

AFNOR Certification certifies that the management system implemented by:
AFNOR Certification certifie que le système de management mis en place par :

TSANG YOW INDUSTRIAL CO., LTD.

for the following activities:
pour les activités suivantes :

PRECISION MACHINING AND ASSEMBLY OF METAL PARTS.

has been assessed and found to meet the requirements of:
a été évalué et jugé conforme aux exigences requises par :

ISO 9001 : 2015

and is developed on the following locations:
et est déployé sur les sites suivants :

NO. 16, CHUNG-SHAN RD., MIN-HSIUNG INDUSTRIAL PARK, CHAIYI COUNTY 621016, TAIWAN
NO. 45 & 45-1, CHUNG-SHAN RD., MIN-HSIUNG INDUSTRIAL PARK, CHAIYI COUNTY 621016, TAIWAN
NO. 38, CHENG-KONG 2ND ST., MIN-HSIUNG INDUSTRIAL PARK, CHAIYI COUNTY 621017, TAIWAN

2024-05-26 2027-05-25

Julien NIZRI
Managing Director of AFNOR Certification

Certificat Certificate

N° 2021/92193.2 Page 1 / 1

AFNOR Certification certifies that the quality system implemented by:
AFNOR Certification certifie que le système qualité mis en place par :

TSANG YOW INDUSTRIAL CO., LTD.

for the following activities:
pour les activités suivantes :

PRECISION MACHINING OF METAL PARTS, INCLUDING TURNING, MILLING AND GRINDING.

has been audited in accordance with the EN 9104:001:2013 and found to meet the requirements of the standard:
a été audité conformément à l'EN 9104:001:2013 et a été jugé conforme aux exigences requises par la norme :

AS9100:D / JISQ 9100:2016 / EN 9100:2018

and is developed on the following locations:
et est déployé sur les sites suivants :

NO. 16, CHUNG-SHAN RD., MIN-HSIUNG INDUSTRIAL PARK, CHAIYI COUNTY 621016, TAIWAN

2024-04-06 2027-04-05

Julien NIZRI
Managing Director of AFNOR Certification

Certificate of Registration

ENVIRONMENTAL MANAGEMENT SYSTEM - ISO 14001:2015

This is to certify that: Tsang Yow Industrial Co., Ltd. 金銘實業股份有限公司
No. 16, Chung-Shan Rd., 臺中
Min-Hsiung Industrial Park, 昌興路
Chaiyi County 民雄工業區
621016 中山路16號
Taiwan 621016

Holds Certificate No: **EMS 77148**
and operates an Environmental Management System which complies with the requirements of ISO 14001:2015 for the following scope:

The precision machining and assembly of metal parts.

For and on behalf of BSI: Michael Lam - Managing Director Assurance, APAC

Original Registration Date: 2003-08-06 Effective Date: 2024-07-31
Latest Revision Date: 2024-06-24 Expiry Date: 2027-07-30

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Certificate of Registration

OCCUPATIONAL HEALTH & SAFETY MANAGEMENT SYSTEM - ISO 45001:2018

This is to certify that: Tsang Yow Industrial Co., Ltd. 金銘實業股份有限公司
No. 16, Chung-Shan Rd., 臺中
Min-Hsiung Industrial Park, 昌興路
Chaiyi County 民雄工業區
621016 中山路16號
Taiwan 621016

Holds Certificate No: **DHS 751187**
and operates an Occupational Health and Safety Management System which complies with the requirements of ISO 45001:2018 for the following scope:

The precision machining and assembly of metal parts.

For and on behalf of BSI: Michael Lam - Managing Director Assurance, APAC

Original Registration Date: 2021-09-15 Effective Date: 2024-09-15
Latest Revision Date: 2024-06-24 Expiry Date: 2027-09-14

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