

Environmental Management System and Implementation Status

1. The Company's Occupational Safety Department is responsible for managing environmental affairs and establishing, implementing, and controlling the environmental management system. A Safety and Health Committee has also been established to jointly address environmental and occupational safety issues.
2. In addition to strictly complying with environmental protection laws and regulations, the Company obtained certification for the ISO 14001 Environmental Management System in September 2014.
3. In August 2023, the Company successfully completed the transition certification to ISO 14001:2015, upgrading its environmental management system to the 2015 version.
4. Details of the ISO 14001:2015 Environmental Management System certification are as follows:

Certification Certificate	ISO 14001:2015
Certification Body	SGS
Validity Period	2023/09/08-2026/09/08
Certification Date	2023/07/18~08/11
Certificate Number	TW14/10645

Implementation Status in 2025 :

1. Regulatory Compliance and Effective Implementation

The Company regularly monitors and updates revisions to government environmental regulations. Management at all levels leads by example and fulfills supervisory responsibilities to ensure full compliance with applicable laws and regulations.

2. Energy Conservation Measures

The Company has gradually replaced lighting and equipment throughout its facilities with high-efficiency LED lighting and energy-saving devices, and implements a fixed lights-off policy during lunch breaks.

The air-conditioning temperature in office areas is set between 26°C and 28°C to reduce energy consumption.

3. Waste Classification and Recycling

Recycling stations have been established to separately collect paper, plastics, scrap iron, scrap aluminum, and waste organic solvents.

Waste organic solvents are entrusted to qualified contractors for proper treatment, ensuring compliance with applicable waste management regulations.

4. Environmental Education and Awareness Promotion

The Company promotes energy conservation and carbon reduction initiatives, encouraging employees to take practical actions to implement sustainability principles.

A total of 22 employees have completed ISO 14001 Environmental Management System internal auditor training, strengthening internal audit professionalism and ensuring the effective implementation of the management system.

The following environmental management-related training courses were conducted:

No.	Course Title	Training Method	Training Hours (HR)	Number of Participants
1	Environmental and Occupational Safety and Health Risk Assessment	Internal	3	15 participants
2	Identification of Significant Environmental Aspects and Hazards	Internal	3	15 participants
3	Waste Classification and Recycling Training for New Employees	Internal	0.5	56 participants
4	Professional Training on Waste Declaration and Resource Recycling Management	Internal	1	2 participants
5	ISO 45001 & ISO 14001 Internal Auditor Training	Internal	6	2 participants
6	Environmental Protection Programs <i>(Waste Management Procedures, Water Pollution Prevention Management Procedures, Drinking Water Management Operating</i>	Internal	1	2 participants

	Standards, Noise Management Operating Standards)			
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1. In 2025, the Company completed the ISO 14064-1:2018 greenhouse gas inventory for its Southern Taiwan Science Park (STSP) plant, covering greenhouse gas emissions for the 2024 reporting year, and obtained third-party verification certification.
2. The Company's greenhouse gas emissions, water consumption, and total waste generation over the past two years, as well as the policies governing their management.

The Company (excluding subsidiaries) recorded the following water consumption from 2021 to 2025, as shown in the table below:

Year	Water Consumption (cubic meters)	Average Number of Employees	Average Water Consumption (cubic meters)
110	36,038	386	93.36
111	35,054	442	79.31
112	35,933	397	90.51
113	25,321	333	76.04
114	23,781	320	74.31

The Company (excluding subsidiaries) recorded the following total waste generation from 2021 to 2025, as shown in the table below:

Year	Total Waste Generation (metric tons)	
	Hazardous Waste	Non-hazardous Waste
110	0	378
111	0	334
112	0	217
113	0	146
114	0	164.4078

The Company (excluding subsidiaries) has its water consumption and total waste generation verified under the ISO 14001 Environmental Management System and ISO 14064-1:2018.

During the verification process, data were validated based on water pollution prevention

measures and the waste management plan, and cross-checked using the Environmental Protection Permit Management Information System of the Environmental Protection Administration (EPA) to ensure data accuracy and reliability.

Water Resource Management and Reduction Targets

1. Rainwater Harvesting

Rainwater collected in rainwater storage tanks is reused for flushing urinals and toilets, as well as for plant irrigation, thereby reducing the consumption of tap water.

2. Recovery of Cutting Fluid from Waste Grinding Sand

During the manufacturing process, waste grinding sand is generated after grinding operations. On average, the waste grinding sand contains approximately 37% cutting fluid. A centrifugal dewatering system is used to extract the cutting fluid, which is then recovered and recycled back into the machinery for reuse.

This process reduces the need for additional tap water. In 2025, a total of 26.17 metric tons of cutting fluid were recovered, resulting in a reduction of 26.17 metric tons of water consumption.

Looking ahead, the Company has set a target to reduce tap water consumption by 30 metric tons by 2027.

Waste Management Policy and Reduction Targets

1. Reuse of Wooden Crates by Vendors
Vendors are encouraged to collect and reuse wooden crates, reducing the disposal of waste wood crates and lowering the demand for timber harvesting. In 2025, the Company reduced 0.6 metric tons of waste wood disposal. Looking ahead, the Company aims to reduce waste wood disposal by 5 metric tons by 2027.
2. Reuse of Pallets and Wooden Crates
Pallets and wooden crates are recovered and reused for shipment packaging or inventory management purposes.
3. Recycling and Reuse of Damaged Pallets and Wooden Crates
Pallets and wooden crates that are no longer usable within the factory are reported for reuse in accordance with regulations of the Ministry of Environment and collected by licensed recycling companies. Recovered materials are remanufactured into recycled pallets and crates, while remaining materials are processed into wood chips and supplied to boiler operators as fuel.
4. Recovery of Cutting Fluid from Waste Grinding Sand
Cutting fluid is recovered from waste grinding sand, thereby reducing the weight of waste grinding sand requiring disposal.
5. Waste Classification and Recycling
The Company implements waste sorting and recycling practices to enhance resource recovery.
6. Recycling of Waste Lubricating Oil
Lubricating oil generated from factory machinery is processed through an oil-water separation system operated by a certified recycling facility. The separated oil is stored in steel drums and, once a sufficient quantity is accumulated, reported in accordance with Ministry of Environment regulations and collected by licensed recycling companies for reuse. The recovered waste oil is converted into recycled fuel oil and supplied to boiler operators as fuel, thereby reducing environmental impact.
In 2025, 6.24 metric tons of waste lubricating oil were recovered. The Company has set a target to reduce waste lubricating oil by 10 metric tons by 2027.
7. Green Procurement of Bulk Oil Products
For 200-liter bulk oil products purchased by the Company, suppliers collect and recycle the empty containers after use. This practice supports green procurement and reduces waste generation.

Through the above measures, the Company continues to enhance energy efficiency and resource circularity, reduce the environmental impact of its operations, and fulfill its commitment to sustainable development.