



2024

SUSTAINABILITY  
REPORT

**TRONG**

GROWING A POWERFUL FUTURE

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GROWING A POWERFUL FUTURE

## Message from the Management

The operating entity of Tong Ming Enterprise Co., Ltd., Zhejiang Tong Ming, was established at the Economic Development Zone of Jiaxing City, Zhejiang Province, China in 1995. It initially focused on export sales during the early stage of business development. With the open policy of the Chinese government, the domestic market grew rapidly and the sales market also shifted from export sales to domestic sales. Zhejiang Tong Ming continues to grow and has become an important manufacturer for stainless steel fasteners worldwide. The total shipment volume exceeded 130,000 tons in 2024, and the domestic sales shipment volume in China accounted for 78%. In addition to active market development and increase of market share, the Company also exerts great effort to achieve goals of sustainable development and social co-existence with our Earth.

With regard to the environmental aspect, the Company values energy efficiency and pollution prevention when purchasing of equipment and materials. The main production sites have been fully installed with solar panels, with the power generation capacity reaching 10.9 megawatts. In 2024, the actual power generation reached 10.3 million kWh, and approximately 89% of such electricity is used for manufacturing processes directly. All electrical equipment in the factory are certified Government-certified Energy Efficiency Grade 2 and the ISO 50001 energy management system is also implemented. With regards to pollution prevention, electrostatic precipitators are used to ensure clean exhaust gas emissions and recovery of oil mist, in order to provide a proper working environment. Furthermore, water reclamation equipment is also installed to reduce water consumption and to effectively save energy and reduce emissions.

The Company values ecological balance and social inclusion, and also promotes these values to employees. To promote the concept of vegetable-based diets and carbon reduction, we offer vegetarian meals to employees every Monday, in order to allow employees to value ecology starting from their daily lives. As for social responsibility, we collaborate with public welfare groups to provide vocational training and employment assistance, contribute to the local community, and sponsor cultural events, in order to enrich local cultural activities. For the recent earthquake occurred in Shigatse, Tibet, we took the initiative to donate and deliver goods to the local area, and we also actively participated in various local social activities.

The Company has established the ESG Committee. In the future, all departments will be integrated to establish comprehensive corporate management and corporate governance strategies. We are committed to the philosophy of sustainable management and to becoming a role model in the industry.

Chairman Ching-Tung Tsai

## About The Report

To pursue corporate sustainable management and to improve information transparency, Tong Ming Enterprise Co., Ltd. (referred to as “Tong Ming”) has issued the 2024 Sustainability Report (referred to as “this Report”). Through the release of this Report, we explain the measures and performance made by the Company toward the goal of sustainable management and with respect to the aspects of ethical governance, implementation of environmental protection and occupational safety measures, strengthening of the Company’s competitiveness, and improvement of employee relationships. Tong Ming looks forward to stakeholders’ continuous support of the Company, promoting the Company to advance further in the fulfillment of corporate social responsibility and sustainable management.

## Report Disclosure Period and Scope

The information disclosure period of this Report is January 1, 2024 to December 31, 2024. In addition, based on the consideration of the completeness of the disclosed information, if any parts of the content involve operating activities from different years, such content will be additionally explained in this Report.

The financial data in the scope of this Report is based on the consolidated financial statements certified by CPAs of Deloitte Taiwan. The remaining data is compiled from the Company and its investors (“Zhejiang Tong Ming”, Zhejiang Tong He”, “Winlink Fasteners”, and “Tongwin”). In the future, other entities in the consolidated financial statements will be further included. The present information disclosure covers more than 90% of the operating revenue indicated in the consolidated financial statements. Relevant financial disclosure data is denominated in New Taiwan dollars (NTD), and relevant statistical numbers are calculated based on internationally accepted standard indicators. Moreover, environmental protection and employee data, etc. is statistically summarized by the responsible departments individually and verified by the respective department heads.

## Preparation Basis and Verification

The preparation framework of this Report is based the GRI Standards 2021 announced by Global Reporting Initiative (GRI), which also complies with the requirements specified in the “Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies”. Furthermore, the GRI Content Index is also provided in the Appendix of this Report for stakeholder reference.

Tong Ming’s operating entity in Mainland China, Zhejiang Tong Ming, has qualified the following system certifications:

Management system	External audit unit	Certificate valid period
ISO 9001:2015 Quality Management System	TÜV Rheinland (Shanghai) Co., Ltd.	2024/09/23 ~ 2027/09/22
ISO 14001:2015 Environmental Management System	TÜV Rheinland (Shanghai) Co., Ltd.	2024/09/23 ~ 2027/09/22
ISO 45001:2018 Occupational health and safety management system	TÜV Rheinland (Shanghai) Co., Ltd.	2024/09/10 ~ 2027/09/09
ISO 50001:2018 Energy Management System	Hangzhou Wantai Certification Co., Ltd.	2023/02/08 ~ 2026/02/07
ISO/IEC17025 : 2017 Laboratory Management System	China National Accreditation Service for Conformity Assessment	2023/08/12 ~ 2029/08/11
IATF16949 : 2016 Automotive Quality Control System	Shanghai NQA Certification Co., Ltd.	2023/05/31 ~ 2026/05/30



## Release Frequency

This ESG Sustainability Report is released by Tong Ming. To improve the transparency and accessibility of the report information disclosure, a complete version of this Report in electronic format is available for download on Tong Ming's website.

Tong Ming's Website: <http://www.tonggroup.com.tw/>

Report Information Disclosure Period: January 1~December 31, 2024

Report Release Frequency: Once annually

There is no restatement of information from the previous edition of this Report (2023 edition). In addition, due to changes in the measurement methods or definitions used in the 2024 report, the reasons for the revision of relevant contents are explained in the following:

The main change refers to the change in Material Topics, and relevant changes are as follows:

- (1) Economic Aspect: After the re-implementation of the questionnaire, the topic of "Market Presence" has been changed to "Product Quality".
- (2) Environmental Aspect: After the re-implementation of the questionnaire, the topic of "Water and Effluents" has been excluded from the Material topics; however, general data collection is still performed, and the topic of "Energy Management" has been included as part of the Material Topics.
- (3) Social (People) Aspect: After the re-implementation of the questionnaire, the topics have remained the same as the ones from the previous report.

Current Release Date: August 2025.

Next Release Date: August 2026.

External Certification Unit: For this Report, a third-party impartial certification body "GREAT International Certification Co., Ltd." has been entrusted to provide assurance according to AA1000 Class 1 Moderate Level Assurance.



Shall you have any questions or recommendations on the content of this Report, please contact us.

## Comments and Feedback

Tong Ming Enterprise Co., Ltd. ESG Committee

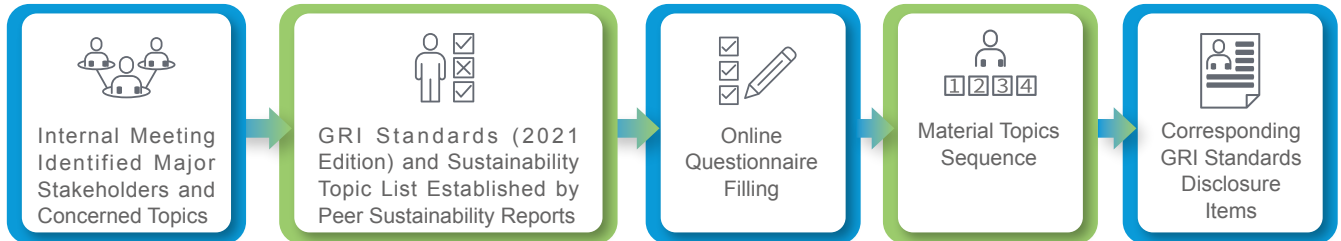
Headquarters Location:  
15F, No. 140, Zhongshan North Road,  
Gangshan District,  
Kaohsiung City

Telephone: 886-7-6235538

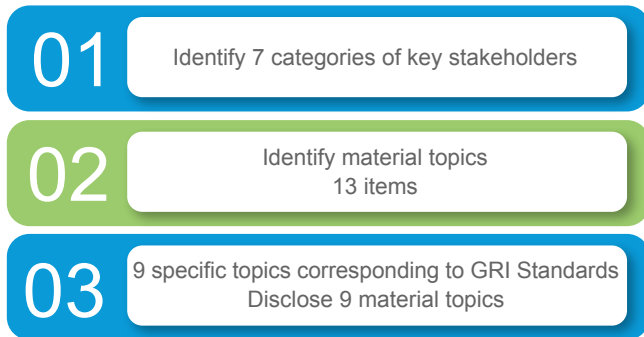
E-mail: [ir@tonggroup.com.tw](mailto:ir@tonggroup.com.tw)

# Stakeholder Engagement

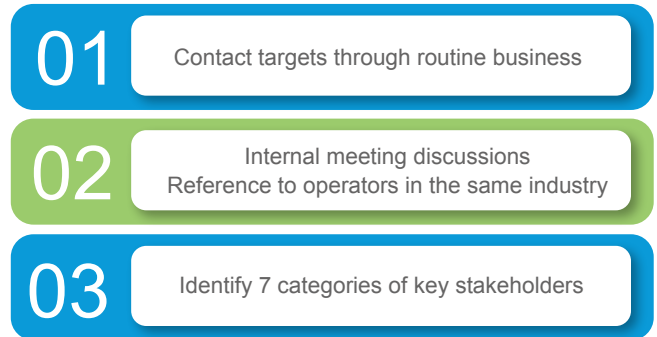
## Stakeholder Engagement Process



### Material Topic Identification Process



### Determine key stakeholders



First, stakeholders refer to the groups capable of affecting the Company or being affected by the Company, and the type of stakeholders contacted during routine business are preliminarily identified by each department. Next, according to the interaction frequency, mutual impact level, and level of importance between each stakeholder and the Company, 7 categories of key stakeholders are identified: employees, customers, corporate shareholders/investors (including banks), suppliers/contractors/subcontractors, non-government organizations, media, and surrounding neighbors.



## Key Stakeholder Communication

Since the business of each department of Tong Ming is different, the topics of concern to each key stakeholder may also vary. Tong Ming maintains continuous interaction with key stakeholders through diverse channels, in order to allow key stakeholders to understand the Company’s current operations. In addition, the Company can also understand the demands and expectations of key stakeholders and provide timely responses. Accordingly, each department of the Company compiled

Key stakeholders	Importance to the Company	Concerned Topics
 <p><b>Corporate shareholders / Investors (including banks)</b></p>	<p>When shareholders are the investors of the Company, the Company shall protect the rights and interests of shareholders, treat all shareholders fairly, and ensure that shareholders have the right to sufficiently understand, participate, and make have a voice on material matters of the Company.</p>	<ul style="list-style-type: none"> <li>• Economic performance</li> <li>• Corporate governance</li> <li>• Risk management</li> <li>• Compliance with laws and regulations</li> <li>• Information security protection</li> </ul>
 <p><b>Suppliers / contractors / subcontractors</b></p>	<p>The Company maintains long-term and proper communication channels with suppliers. Our products and services rely on numerous suppliers to stably provide raw materials and components. In addition, we also utilize the Company’s influence in the industry to collaborate with the suppliers to prevent environmental pollution and labor rights violations.</p>	<ul style="list-style-type: none"> <li>• Sustainable Supply Chain (environmental protection &amp; human rights)</li> <li>• Green Procurement</li> <li>• Energy Savings and Carbon Reduction</li> </ul>

important matters raised by key stakeholders during business dealings. In addition, the Company also reviewed the GRI Sustainability Reporting Standards 2021 Edition and sustainability reports of other business operators in the same industry, and was able to identify 9 material sustainability topics, covering the aspects of economy, environment and society (people), thereby ensuring the material sustainability topics cover the entire scope of the GRI Standards.

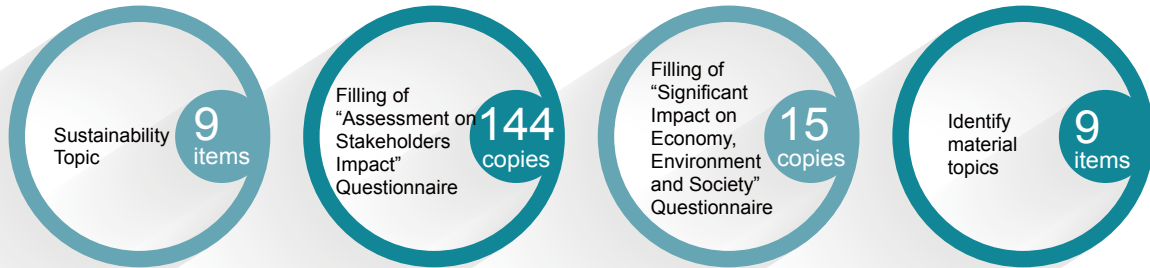
Communication Channel / Frequency	Communication Practice Statistics (estimation)	Report Corresponding Chapter
<p><b>Contact channels</b></p> <ol style="list-style-type: none"> <li>1. Stock Affairs Department/ Telephone: 886-7-6235538</li> <li>2. General Shareholders' Meeting: Annually</li> <li>3. Investors Section on the Company's website: Irregularly.</li> <li>4. Market Observation Post System (MOPS) website: Irregularly</li> </ol>	<ol style="list-style-type: none"> <li>1. Number of shares presented by attending shareholders at shareholders' meeting attendance above 90%</li> <li>2. 1 session of investor conference is organized annually</li> </ol>	<p>Stakeholder Engagement</p> <ol style="list-style-type: none"> <li>1.1 About Tong Ming Enterprise</li> <li>1.2 Corporate Governance</li> <li>1.4 Operating Performance</li> <li>1.6 Compliance with laws and regulations</li> <li>1.7 Information Protection</li> </ol>
<p><b>Contact Channels in Mainland China</b></p> <ol style="list-style-type: none"> <li>1. Procurement Department - juan. zhu@tongming.com.cn</li> <li>2. Factory Audit: Quarterly</li> <li>3. Supplier Meeting: Monthly</li> <li>4. Raw material suppliers: Communication is generally carried out through telephone calls or WeChat, and price inquiries and quotations are made at least once weekly. Both parties also visit each other in person as needed. Material suppliers: When the production department or other departments have needs, the procurement department contacts suppliers for price inquiries or quotations, or to place orders.</li> </ol> <p><b>Contact Channels in Taiwan</b></p> <ol style="list-style-type: none"> <li>1. Sales Department - sales@winlink.com.tw</li> <li>2. Factory Audit: Annually</li> <li>3. Supplier Meeting: Quarterly</li> </ol>	<p><b>Mainland China</b></p> <p>Material supplier conferences are held occasionally. In September 2021, a material supplier conference was held with 56 suppliers participating in the conference.</p> <p><b>Taiwan</b></p> <ol style="list-style-type: none"> <li>1. Price inquiry, quotation, comparison and negotiation, and procurement related matters</li> <li>2. Factory evaluation conducted annually</li> <li>3. Supplier audits conducted irregularly</li> </ol>	<ol style="list-style-type: none"> <li>1.3 Procurement Practices</li> <li>2.1 Emissions</li> </ol>

Key stakeholders	Importance to the Company	Concerned Topics
 <p><b>Customers</b></p>	<p>Customers are the main source of revenue for the Company, and the Company values product quality safety and after-sale service as our highest commitment to customers. In addition, maintaining customer high satisfaction is beneficial to the Company.</p>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Compliance with laws and regulations</li> <li>• Operational performance</li> <li>• Innovation, research and development</li> <li>• Green product</li> <li>• Product liability</li> <li>• Customer relationship</li> <li>• Information security protection</li> </ul>
 <p><b>Employees</b></p>	<p>Employees are essential to the Company's operations, and the Company is committed to providing a workplace beneficial to employees' physical and mental health and diverse development, allowing employees to work without concerns.</p>	<ul style="list-style-type: none"> <li>• Ethics and Integrity</li> <li>• Business Performance</li> <li>• Remuneration and Benefits</li> <li>• Labor-management Relations</li> <li>• Occupational Health and Safety</li> </ul>
 <p><b>Surrounding neighbors</b></p>	<p>The Company implements environmental control measures to prevent environmental pollution at the operating sites that may cause degradation of the living quality of the neighborhood communities.</p>	<ul style="list-style-type: none"> <li>• Environmental legal compliance</li> <li>• Wastewater and waste</li> <li>• Complaint filing mechanism for environmental issues</li> <li>• Community investment</li> </ul>
 <p><b>Media</b></p>	<p>The media represents the comments and recommendations of the general public to the Company, thereby inspiring the Company to improve continuously</p>	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> <li>• Community relationship maintenance</li> <li>• Social welfare</li> </ul>
 <p><b>Non-government organizations</b></p>	<p>Technical assistance of union, association and organization</p>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Compliance with laws and regulations</li> </ul>

Communication Channel / Frequency	Communication Practice Statistics (estimation)	Report Corresponding Chapter
<p><b>Contact Channels in Mainland China ①</b></p> <ol style="list-style-type: none"> <li>Export Sales Department/ export@tongming.com.cn Daily communication via emails/ communication irregularly via telephone calls</li> <li>Customer satisfaction survey: Annually</li> </ol> <p><b>Contact Channels in Mainland China ②</b></p> <ol style="list-style-type: none"> <li>Channel Business Department/ tongservice@tongming.com.cn Daily telephone calls, WeChat, email and customer communication</li> <li>Customer visits: Quarterly</li> <li>Customer satisfaction survey: Annually</li> </ol> <p><b>Contact Channels in Mainland China ③</b></p> <ol style="list-style-type: none"> <li>Wire Business Department/ peihua.lian@tongming.com.cn Daily telephone calls to communicate with customers irregularly</li> <li>Customer visits: Monthly/ Quarterly</li> <li>Customer satisfaction survey: Annually</li> </ol> <p><b>Contact Channels in Taiwan</b></p> <ol style="list-style-type: none"> <li>Sales Department - sales@winlink.com.tw</li> <li>Customer satisfaction survey: Annually (email)</li> <li>Supplier Meeting: Quarterly</li> </ol>	<p><b>Mainland China ①</b></p> <ol style="list-style-type: none"> <li>Pre-sale and after-sale issues are handled through emails, executed according to procedures, communicated daily, and quotations, orders, deliveries and customer complaints are also handled properly. More than 200 mails per day.</li> <li>WeChat, Skype, and telephone calls, etc. are used to communicate with customers timely to handle important matters.</li> <li>Annual customer satisfaction survey: more than 70 cases handled through mail and email.</li> </ol> <p><b>Mainland China ②</b></p> <ol style="list-style-type: none"> <li>Communicate with customers daily, resolve issues according to customer complaint procedures.</li> <li>Tong Ming Express Purchase after-sales service handled more than 4000 cases.</li> <li>Customer satisfaction survey from more than 600 customers.</li> </ol> <p><b>Mainland China ③</b></p> <ol style="list-style-type: none"> <li>Communicate with customers daily, resolve issues as needed, and handle quality issues according to customer complaint procedures.</li> <li>Customer service received more than 1000 contacts and calls through Wechat and telephone.</li> <li>Conduct customer satisfaction surveys with more than 300 telephone interviews.</li> </ol> <p><b>Taiwan</b></p> <ol style="list-style-type: none"> <li>Order quotation and delivery matters.</li> <li>50 customer satisfaction surveys conducted.</li> </ol>	<p>1.2 Corporate Governance</p> <p>1.4 Operating Performance</p> <p>1.5 Product Quality</p> <p>1.8 Risk Management</p>
<p><b>Contact Channels in Mainland China</b></p> <ol style="list-style-type: none"> <li>Human Resource Department/ Email: hr@tongming.com.cn</li> <li>Labor-management meetings: Once annually</li> <li>Employee complaint channel: Irregularly</li> </ol> <p><b>Contact Channels in Taiwan</b></p> <ol style="list-style-type: none"> <li>Management Department/ Telephone: 886-7-6226977</li> <li>Employee complaint channel/ Irregularly</li> </ol>	<p><b>Mainland China</b></p> <ol style="list-style-type: none"> <li>10 internal meetings with 100 participants.</li> <li>Received 1 report in the employee mailbox.</li> <li>Complaint channel received and filed 50 cases.</li> <li>Employee recognition survey average score reached 8 points.</li> </ol> <p><b>Taiwan</b></p> <ol style="list-style-type: none"> <li>24 internal meetings with approximately 19 people attending per meeting</li> <li>Periodic two-way performance evaluation for supervisors and employees.</li> </ol>	<p>1.1 About Tong Ming Enterprise</p> <p>1.4 Operating Performance</p> <p>3.1 Training and Education</p> <p>3.2 Occupational Health and Safety</p> <p>3.3 Employment</p>
<p><b>Contact channels</b></p> <p>Environmental Safety Section/ Telephone: +86-573-8220-3125</p>	<ol style="list-style-type: none"> <li>Provide care to the poor and elderly living alone in the communities of Jinxiu Community of Tanghui Street, and Yangguang Community at Jiabei Street, etc.</li> <li>Engage in periodic communication with the Ministry of Ecology and Environment.</li> <li>Environmental cleaning of Muhu Park.</li> </ol>	<p>3.4 Social Participation</p>
<p>Contact channels:</p> <ol style="list-style-type: none"> <li>Management Department/ Telephone: 886-7-6226977</li> <li>Media interviews: Irregularly</li> </ol>	<p>Media interviews 3 times / year.</p>	<p>3.4 Social Participation</p>
<p><b>Contact Channels in Mainland China</b></p> <p>R&amp;D Department/ EMAIL:jiamin.shen@tongming.com.cn</p> <p><b>Contact Channels in Taiwan</b></p> <p>Sales Department - sales@winlink.com.tw</p>	<p><b>Mainland China</b></p> <ol style="list-style-type: none"> <li>10 official correspondences with unions and associations and organizations.</li> <li>20 telephone calls.</li> </ol> <p><b>Taiwan</b></p> <ol style="list-style-type: none"> <li>1 visit and observation activity for business operators of the same industry.</li> <li>2-3 sessions of seminars or exhibitions.</li> </ol>	<p>3.4 Social Participation</p>

## Identify material topics

### Material Topic Identification Process

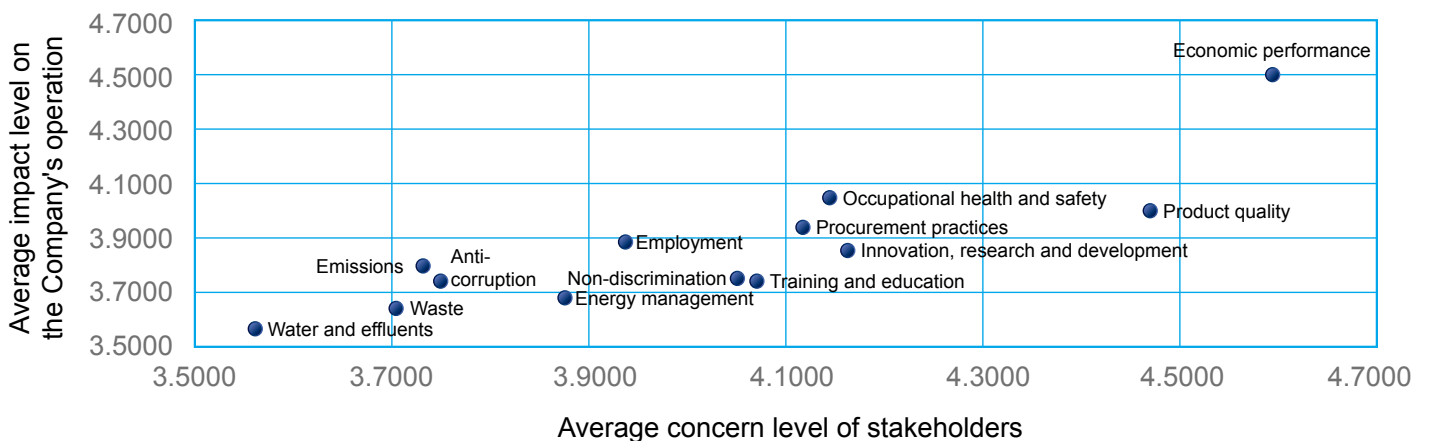


Aspect	Material Topic
Economic Aspect	1.3 Procurement Practices / 1.4 Operating Performance / 1.5 Product Quality
Environmental Aspect	2.1 Emissions / 2.2 Waste / 2.3 Energy Management
Social (People) Aspect	3.1 Training and Education / 3.2 Occupational Health and Safety / 3.3 Employment

Tong Ming requested that key stakeholders fill out the Assessment on Stakeholders Impact Questionnaire, in order to understand the sustainability topics of most concern to key stakeholders (considering factors related to stakeholder questionnaire distribution, we finally decided that employees, customers, corporate shareholders/investors (including banks), suppliers/contractors/subcontractors, non-governmental organizations, media, and nearby neighbors were to be subjects for the questionnaire survey). A total of 159 valid questionnaires were collected, and evaluation scores were given according to the level of concern of the key stakeholders on each sustainability topic. Furthermore, online questionnaires were further distributed to the Company’s internal supervisors to score the economic, environmental and social impacts of each sustainability topic on Tong Ming and its external stakeholders. Next, the level of concern and impact level were summarized to create the material topic matrix. After internal meetings, the top three sustainability topics for each of the three aspects—economy, environment, and society (people)—were then included as material topics for the current year. In addition, to ensure the balance of the ESG report disclosure information, the scope of the material topics was adjusted, in order to verify the 9 material topics required to be disclosed by Tong Ming in priority. These topics, in sequence, are: economic performance, procurement practices, product quality, emissions, waste, energy management, employment, occupational health and safety, training and education. Tong Ming will explain the management directives and relevant disclosure items for each material topic in this Report.

From the 9 material topics for 2024, the three ESG topics scoring highest in the material topic matrix, and therefore, the three topics of most concern to the Company and stakeholders are: maintaining product competitiveness and creating greater profitability, sharing profits with employees timely and enhancing competence training with provision of safe workplace, and implementing environmental protection control properly to minimize excessive environmental impact. Lastly, to ensure the completeness of the content of this Report, Tong Ming also additionally discloses the outcomes of participation in public welfare activities.

### Relationship between stakeholder concern and operational impact



### Material topic assessment is explained in the following:

Sustainability Topic Aspect	Material Topic	Description of Assessment	Selected as Material Topic
Economic Aspect	Procurement practices	Top three topics from questionnaire survey	Procurement practices
	Business Performance	Top three topics from questionnaire survey	Business Performance
	Product quality	Top three topics from questionnaire survey	Product quality
Environmental Aspect	Emissions	Top three topics from questionnaire survey	Emissions
	Waste	Top three topics from questionnaire survey	Waste
	Energy management	Top three topics from questionnaire survey	Energy management
	Water and effluents	Top four topics from questionnaire survey	Excluded after assessment; however, general data collection is required (listed as general supplementary topic)
Social (People) Aspect	Training and education	Top three topics from questionnaire survey	Training and education
	Occupational health and safety	Top three topics from questionnaire survey	Occupational health and safety
	Employment	Top three topics from questionnaire survey	Employment

Note: In addition, Information protection and social participation are listed as supplementary topics.

### Material Topic (Impact Aspect) Analysis Process

ESG Aspect	Material Topic (Impact Aspect)	Description of Impact Aspect (Analysis of positive/negative/actual/potential, etc.)	Impact Aspect Result Analysis
Economic Aspect	Procurement practices	Topic for supplier management; such as supplier's evaluation status on raw material supply. <i>Note: No occurrence of relevant negative matters</i>	Positive/Actual
	Business Performance	The evaluation is based on the Company's operation and in terms of the economic source and governance related to Company survival and development, and the overall result indicates no relevant positive/negative matters. <i>Note: No occurrence of relevant negative matters</i>	Positive/Actual
	Product quality	The evaluation is based on the quality of the products manufactured, and the overall result indicates no relevant positive/negative matters. <i>Note: No occurrence of relevant negative matters</i>	Positive/Actual
Environmental Aspect	Energy management	The company's power and energy are currently mainly from externally purchased electricity, which is continuously working on reduction initiatives. <i>Note: No occurrence of relevant negative matters</i>	Positive/Actual
	Emissions	In response to the topics of climate change and environmental protection, the Company presently continues to conduct inventories on carbon emissions and greenhouse gas emissions (GHG) and implements reduction measures. <i>Note: No occurrence of relevant negative matters</i>	Positive/Actual
	Waste	In the past year, there have been no incidents negatively affecting environmental health and or the Company's image. <i>Note: No occurrence of relevant negative matters</i>	Positive/Actual
Social (People) Aspect	Training and education	There were no incidents negatively affecting the important measures of improving employee quality, promoting corporate innovation, and development. <i>Note: No occurrence of relevant negative matters</i>	Positive/Actual
	Occupational health and safety	Presently, the Company is conducting assessments on occupational safety and health related matters. <i>Note: There are related negative matters</i>	Positive/Actual
	Employment	Presently, the Company continues to convene labor-management meetings to keep an open channel of communications between management and employees to solve any issues that may arise and simultaneously create a positive work environment and value for the Company. <i>Note: No occurrence of relevant negative matters</i>	Positive/Actual

Note: Assessment method for actual/potential and positive impact/negative impacts:

- 1) Actual (fact of previous occurrence)
- 2) Potential (possible occurrence in the future)
- 3) Positive impact (such as: superior than regulations/award and recognition/operational growth/corporate reputation)
- 4) Negative impact (such as: violation records/negative reports/operational losses/operational impact, etc.)

Sequential arrangement	2023 Material Topics	2024 Material Topics	Comparison
1	Procurement practices	Procurement practices	Please refer to the explanation in the notes.
2	Business Performance	Business Performance	
3	Market presence	Product quality	
4	Emissions	Emissions	
5	Waste	Waste	
6	Water and effluents	Energy management	
7	Training and education	Training and education	
8	Occupational health and safety	Occupational health and safety	
9	Employment	Employment	

Note 1: After the re-implementation of the questionnaire, the topic of "Market Presence" has been changed to "Product Quality".

Note 2: After the re-implementation of the questionnaire, the topic of "Water and Effluents" has been excluded from the Material topics; however, general data collection is still performed, and the topic of "Energy Management" is additionally included as part of the Material Topics.






Tong Ming complies with the requirements of the GRI Standards and prepares the Sustainability Report according to the 9 principles for defining the report, including stakeholders. The process of identifying the 9 types of key stakeholders is as follows:

1. Accuracy: The report information shall be sufficient, accurate and thorough, in order to allow stakeholders to assess the Company's ESG performance.
2. Balance: The report information reflects both positive and negative performances, in order to allow all stakeholders to make reasonable assessments on the overall performance of Tong Ming.
3. Clarity: The information presentation method adopted by Tong Ming shall allow stakeholders using the information to easily understand and access such information.
4. Comparability: Tong Ming collects and discloses relevant information according to internationally accepted standards, and the information presentation method also allows stakeholders to analyze the long-term performance of the Company.
5. Integrity: The material topics and the internal/external boundaries of this Report are sufficient to reflect the scope of level of impact of Tong Ming on the economy, environment and society (people).
6. Sustainability: The methods adopted by Tong Ming to improve or reduce the impact level with respect to the economic, environmental, and social (people) aspects of the operating locations and surrounding areas are disclosed.
7. Timeliness: Tong Ming timely provides important information on the Company's operations, in order to allow stakeholders to understand the Company's status immediately, such that the Company's information transparency is also increased.
8. Verifiability: The information disclosed by Tong Ming can be collected, summarized and disclosed to allow review and establishment of information quality and materiality.



Aspect	Material Topic	Importance to Tong Ming	Internal Boundary	External Boundary					Corresponding General / Specific Topic Disclosure Item of GRI Standards	Report Disclosure Chapter	
			Company	Suppliers / contractors / subcontractors	Customers	Surrounding neighborhood areas	Corporate shareholders / Investors (including banks)	Media			Non-government organizations
Economy	Economic performance	Through strengthening of the financial structure and implementation of cost control, continuous profit is maintained to achieve the goal of sustainable management	•		•			•	•	•GRI 201: Economic Performance 2016	1.4 Operating Performance
Economy	Procurement practices	Use local standards to select new suppliers and implement specific and effective mechanisms and actions for the selection of local suppliers.	•	•	•					•GRI 204: Procurement Practices 2016	1.3 Procurement Practices
Economy	Product quality	The control of the Company's product quality can affect customer satisfaction and the Company's sales volume.						•	•	•Self-defined Topic (source: peer companies)	1.5 Product Quality
Environment	Emissions	Reduce pollution caused by products and carbon emissions.	•			•				•GRI 305: Emission 2016	2.1 Emissions
Environment	Waste management	Reduce the output of hazardous wastes and reduce external environmental impact.	•			•				•GRI 306: Waste 2020	2.2 Waste
Environment	Energy management	Execute requirements for energy power source plans; commit to the implementation of energy management through periodic energy inventory, in order to adopt various reduction measures and to achieve energy goal of each stage.	•			•				•GRI 302: Energy 2016	2.3 Energy Management
Society	Employment	Employees are the foundation of an enterprise. The Company values the partnership between employees and itself. Through the harmonious relationship between employees and the Company, we have established friendly labor-management relations in order to reduce labor risks and to implement sustainable management.	•		•					•GRI 401: Employment 2016	3.3 Employment
Society	Occupational health and safety	Enhancement of employee safety awareness	•							•GRI 403: Occupational Health and Safety 2018	3.2 Occupational Health and Safety
Society	Training and education	1. Increase competitiveness of the Company 2. Enhance the on-the-job training of employees								•GRI 404: Training and Education 2016	3.1 Training and Education

## 2024 Achievements\_Performance Highlights of Economic Aspect

 Procurement practices	Resource investment: Annual supplier evaluation and audit Actual outcome: List of qualified suppliers
 Business Performance	Resource investment: 1. The Board of Directors directs and determines the Company's business strategies. 2. The management team plans and establishes the overall operation directives, goals and implementation. 3. All employees achieves their goals by application of their best efforts and abilities in a top-down manner. Actual outcome: Despite the weak market economy, the Company's domestic sales market still achieved a 10% growth.
 Product quality	1. Completed 7 fastener projects (project names: small screw threads outer diameter too small and gauge failed, broken needle inside small screw hole, small screw head breakage, disk screw head edge pitting, thickened nut diagonal unsaturation, countersunk head screw edge thickness too thick, thin and fine threaded gauge failed). 2. A quality improvement plan is established annually, and completion status is summarized in the following table. 3. Production, quality assurance, and sales are to convene monthly and annual quality meetings.



# 1

## Ethical Governance

Economy



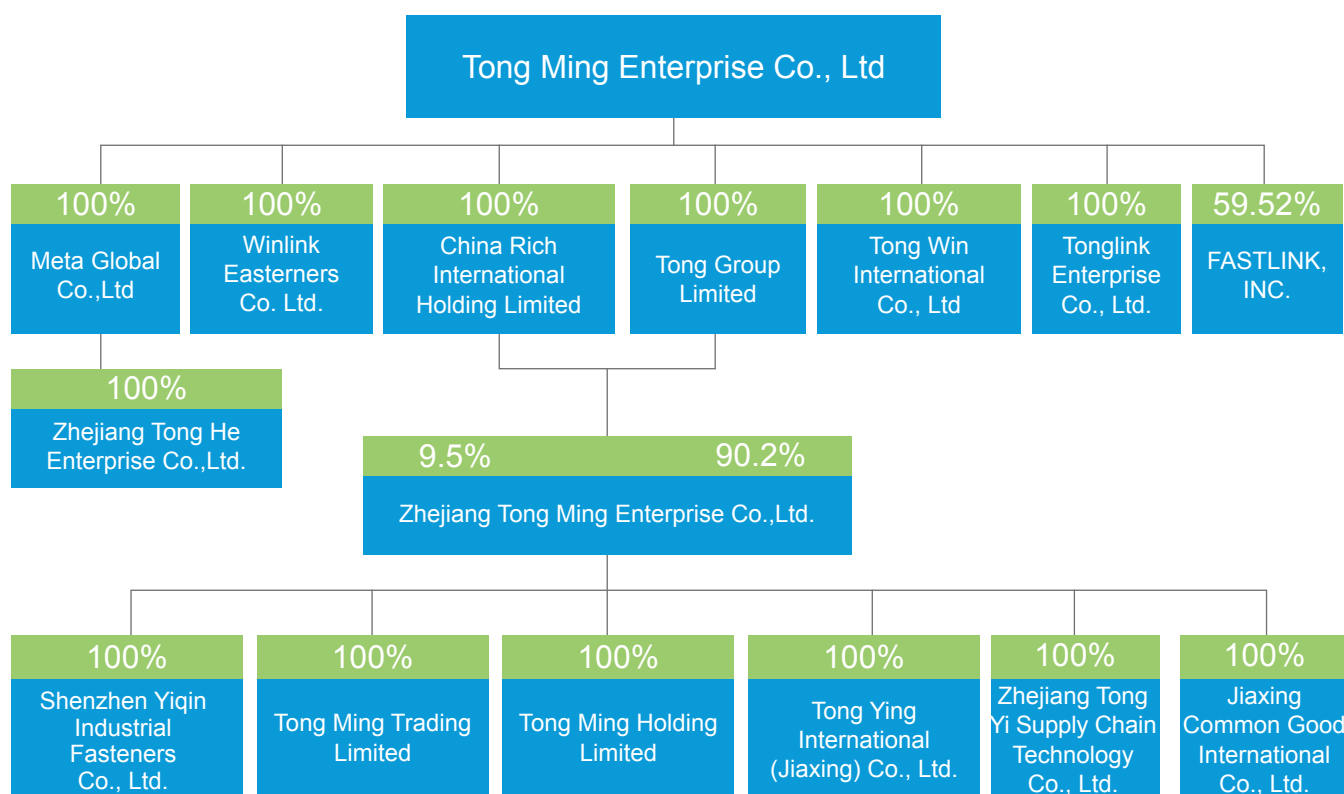
## 1.1 About Tong Ming Enterprise

### 1.1.1 Organization Overview

<b>Company Name</b>	Tong Ming Enterprise Co., Ltd.
<b>Headquarters Location</b>	15F, No. 140, Zhongshan North Road, Gangshan District, Kaohsiung City
<b>Equity Structure and Ratio</b>	Reference Note 1
<b>Capital (Unit: NT\$ thousand)</b>	NT\$2,012,033 thousand
<b>Business Location of Each Region</b>	<p>Address and Telephone of Headquarters, Branches and Factories</p> <p><b>1. The Company</b>            Name: Tong Ming Enterprise Co., Ltd.            Address: 2nd Floor, Windward 1, Regatta Office Park, P.O.Box 10338, Grand Cayman KY1-1003, Cayman Islands            Telephone: 886-7-6235538</p> <p><b>2. Main Operation Entity</b>            Name: Zhejiang Tong Ming Enterprise Co., Ltd.            Address: No. 88 Changsheng East Road, Economic Development Zone, Jiaxing City, Zhejiang Province            Telephone: +86- 573- 8220- 3125</p>

Note 1:

Shareholder Structure Quantity	Government Agencies	Financial Institutions	Other Institutional Investors	Natural Persons	Foreign Institutions & Individuals	Total
Persons	0	0	20	1,357	25	1,402
Number of Shares Held	0	0	10,803,578	65,222,284	125,177,471	201,203,333
Shareholding Percentage (%)	0	0	5.37	32.42	62.21	100.00



## 1.1.2 Organizational Activities and Value Chain

<b>Industry</b>	▶ According to the industry categories of TWSE/TPEX-listed companies on the MOPS, the Company is in the steel industry
<b>Main products/services</b>	▶ Manufacturing and sale of stainless steel fasteners and wires
<b>Product supply quantity</b> (unit: tons, pieces) (may be omitted if statistical calculation cannot be made)	▶ Please refer to the Production Volume/Value Table for Most Recent Two Years (Note 1)
<b>Revenue of current year</b> (unit: NT\$ thousand)	▶ NT\$12,543,322 thousand
<b>Regional revenue ratio</b>	▶ Please refer to Note 2

Note 1: Production Volume/Value Table for Most Recent Two Years

Unit: tons; NT\$ thousands

Year	2023			2024		
	Production capacity	Production volume	Production value	Production capacity	Production volume	Production value
Main products						
Fasteners	94,600	69,260	6,296,840	96,700	94,813	7,577,402
Wires	42,000	31,209	2,347,222	43,600	36,969	2,500,169
Total	136,600	100,469	8,644,062	140,300	131,782	10,077,571

Note 2: Regional Revenue Ratio

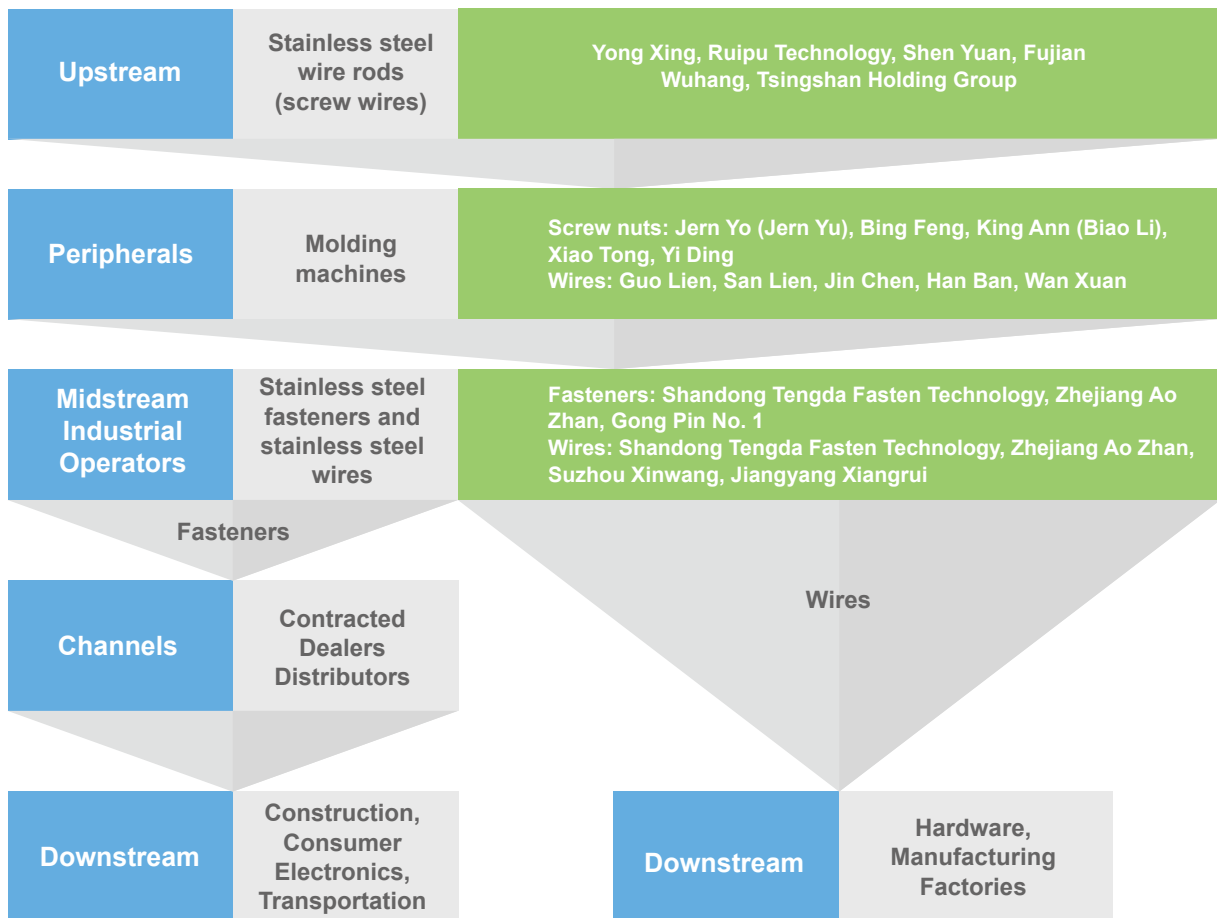
Unit: NT\$ thousand

Year Region	2023		2024	
	Amount	Ratio	Amount	Ratio
China	9,224,269	71.14	9,104,833	72.59
America	1,587,446	12.24	1,491,233	11.89
Asia	1,486,226	11.46	1,195,888	9.53
Others	668,099	5.16	751,368	5.99
Total	12,966,040	100.00	12,543,322	100.00

### Disclosure of Upstream/Midstream/Downstream Value Chain Map

The upstream of the stainless steel fastening industry mainly refers to the stainless steel smelters, and is generally classified as the special steel industry. The main products can be divided into stainless steel plates and bars, stainless steel plates used for the manufacturing the products of furniture, appliances and vehicle compartments, etc., and stainless steel rods used for the manufacturing of pipes, bars and stainless steel wire rods. A portion of the stainless steel wire rods produced are specialized for the manufacturing of stainless steel fasteners. Presently, the quality of domestically manufactured stainless steel wire rods in China is gradually satisfying the requirements, such that stainless steel fastener manufacturers are now beginning to focus on imported high-end wire rods. Stainless steel wire rods manufactured in China have also become the main source of raw materials for stainless steel fasteners.

Since the number of large midstream companies specializing in the manufacturing of stainless steel fasteners and wires is relatively small, due to the clustering characteristics of the industry, most of these manufacturers are located in coastal provinces such as Hebei Province, and the areas of Yangtze River Delta and the Pearl River Delta. The downstream of the industry refers to distribution channels and direct customers. For distribution channels, stainless steel fastener manufacturers operate channels directly and there are less than five branches altogether. Zhejiang Tong Ming is the only manufacturer with widely established branches in China, while other stainless steel fastener business operators mostly sell their products through other channels and contracted distributors. Professional distributors are located throughout China, with the number of large chain operators being less than 20 while the number of fastener dealers in China is estimated to exceed ten thousand distributors. Stainless steel fasteners have a wide range of applications, and relevant services of sales to direct-use customers are provided through downstream distributors. Authorized distributors must accept the reasonable price difference imposed by distributors, which can squeeze profits. The China Stainless Steel Fastener and Cable Upstream/Downstream Industry Relationship Diagram is summarized below:



Note: The name indicated in the brackets are names of peer companies operating in Taiwan

Source of information: Tong Ming 2024 Shareholders' Meeting Annual Report

### Additional Disclosure

The Company currently has no ESG suppliers. Relevant surveys will be conducted subsequently.

## 1.1.3 Company's Business Philosophy and Goals



### Company's Business Philosophy

#### 1. Domestic Sales of Easterners:

We continue to optimize the Tong Ming Express Shopping e-commerce platform and value-added services, and increase the sales of self-manufactured standard products. To satisfy customer demands and to expand our product line, we have also developed an online sales platform for non-standard products, in order to cooperate with various value-added services of the Tong Ming Express Purchase and to increase shipment volume.

#### 2. Export Sales of Fasteners:

We expand shipment volume based on the production advantages and quick delivery model of main products. Although the international market competition is relatively strong, the Company is able to integrate relevant resources of subsidiaries and strengthen the cooperation between specific regions and industrial consumers, in order to focus on maintaining market share and stable growth.

#### 3. Wire Products:

We will continue to exploit the Company's advantages to achieve business growth in the overall market, and will expand shipment volume by utilizing our advantage in production capacity.

### Short-term goals:

#### A. Marketing strategy

##### (A) Product pricing strategy and new products

In terms of standard products, we will use our advantages in raw material purchasing to respond to the market price swiftly, in order to increase the overall sales volume and market share. We will continue to increase investment in resources for high-end products and increase the non-product sales ratio along with increasing stainless steel related product items.

##### (B) Enhancement of logistics and channel development

Although competition in China is expected to become more intense in the future, the domestic market still indicates continuous growth and the Company's domestic sales ratio will increase. Since large regional warehousing performance in East China, South China and North China have been great, we continue to expand the establishment of shipping warehouses in the Central West region and other regions along with the upgrade of the warehouse management system, in order to increase shipping efficiency and to provide fast delivery services to customers in all regions of China.

##### (C) Strengthening of customer relationship and e-commerce

Under the existing e-commerce model, we cooperate with financial institutions to increase service items, strengthen our branch businesses, and focus on the enhancement of customer service content and expansion of new customers, in order to establish a comprehensive channel platform for hardware products.

#### B. Production strategy

##### (A) Maintain optimal inventory level and low product shortage rate

- (a) The Company's inventory level is at the lowest level currently adopted in the industry (approximately 4 months)
- (b) Zero product shortages

##### (B) Implement the quality control system and continue to improve product quality.

#### C. Product development direction

For stainless steel fasteners, we enhance the development of special non-standard products and stainless steel materials, and also establish intellectual property rights effectively.

For stainless steel wires, we have expanded our investment in the development of relevant wire manufacturing techniques that are less susceptible to raw material price fluctuations, and we have also increased the applications of stainless steel wire related products.

### Medium/Long-term goals:

#### A. Marketing strategy

- (a) We integrate domestic and overseas channels locally, and with the domestic channel business department as the basis, we aim to become a domestic industry pioneer and have our own brand and comprehensive sales platform, in order to expand stainless steel related products.
- (b) For the export business, we will utilize the production advantages, diversify services, and rapidly ship key products, in order to achieve our main goals of extending channel value and establishing a global presence.

#### B. Production policy

- (a) Continue to promote equipment upgrades and process improvements, improve production efficiency, and achieve the goals of reducing emissions and enhancing environmental protection.
- (b) Establish an information platform for domestic and foreign large companies, respond to actual market demands timely, and meet the supply and demand of large customers.

#### C. Product development direction

In response to limited global resources and increasing environmental burden, the long-term R&D goals of the Company are to head towards the development of eco-friendly materials and processes and to integrate innovative techniques.

#### D. Operation and financial management

- (a) To cope with changes in the business environment and improvements of information products, the Company continuously optimizes its information system, in order to maintain the Company's competitiveness.
- (b) In line with the development of the distribution business, the Company will actively cultivate distribution talents and promote international management competence, in order to meet the Company's needs of future growth.



### Short / Medium / Long-term Goals

### 1.1.4 Tong Ming Affiliated Enterprises and Development History

Year	Milestones
1995	Zhejiang Tong Ming, formerly Tong Ming (Jiaxing) Ltd., was established in the Economic Development Zone of Jiaxing City, Zhejiang Province, with the planned site area of 150 thousand square meters.
2008	After review and approval by the Ministry of Commerce, the Chinese and foreign joint venture was restructured into a foreign invested company and its name was changed to Zhejiang Tong Ming Enterprise Co., Ltd.
2009	<ol style="list-style-type: none"> <li>1. Zhejiang Tong Ming Enterprise Co., Ltd. reinvested RMB 5,498 thousand in Yiqin International (Shanghai) Co., Ltd.</li> <li>2. The Company's holding company, Tong Ming Enterprise Co., Ltd., was established and organizational restructuring was completed.</li> </ol>
2010	To implement the equity distribution planning of Tong Ming Enterprise, the Company's director, Tong Hwei Co., Ltd., with the shareholding of 89.5%, transferred its shares to four natural-person shareholders with actual capital contributions - Ching-Tung Tsai, Hung-Chuan Tsai, Ming-Ti Tsai, and Yi-Ting Tsai.
2012	<ol style="list-style-type: none"> <li>1. Tong Ming Enterprise invested in Winlink Easterners Co. Ltd.;</li> <li>2. Tung Ming Enterprise established Tung Win International Co., Ltd.</li> </ol>
2013	<ol style="list-style-type: none"> <li>1. Tong Ming Enterprise's four natural-person shareholders - Ching-Tung Tsai, Hung-Chuan Tsai, Ming-Ti Tsai, and Yi-Ting Tsai transferred their individual shareholdings to "Tong One International Co., Ltd." and "Richard International Co., Ltd.", and the actual controlling power remained the same after the transfer.</li> <li>2. The shareholders' meeting approved the full re-election of directors (including three independent directors) and supervisors of Tong Ming Enterprise. The three independent directors were appointed to act as members of the Audit Committee to carry out the role of supervisors.</li> <li>3. Established the Remuneration Committee.</li> <li>4. Zhejiang Tong Ming established a subsidiary Shenzhen Yiqin Industrial Fasteners Co., Ltd.</li> <li>5. On December 16, 2016, the Company was publicly listed on the Taiwan Stock Exchange Corporation (TWSE) for trading.</li> </ol>
2016	<ol style="list-style-type: none"> <li>1. Zhejiang Tong Ming established the Distribution Business Department.</li> <li>2. On December 5, the Chairman, Ching-Tung Tsai, with an original shareholding of 16.26%, donated shares to the L'ETOILE NEUVE CO., LTD. investment account entrusted for custody under CTBC, the Kai Lien Co., Ltd. investment account entrusted for custody under CTBC, and the YANGS GLOBAL CO., LTD. investment account entrusted for custody under CTBC.</li> </ol>
2018	The rooftop solar power generation project was completed at all Zhejiang Tong Ming facilities.
2019	<ol style="list-style-type: none"> <li>1. Zhejiang Tong Ming established Tong Ying International (Jiaxing) Co., Ltd. In May.</li> <li>2. Tong Ming Express Shopping "Joint Business Section" was launched.</li> </ol>
2020	In November 2020, Tong Ming Enterprise invested to establish FASTLINK Co., Ltd. in Japan to engage in trading in Japan.
2021	<ol style="list-style-type: none"> <li>1. In March 2021, Tong Ming Enterprise's Board of Directors resolved to execute a cash capital increase of 30,000 shares.</li> <li>2. From June to August 2021, 3,203 thousand shares were converted from convertible corporate bonds.</li> <li>3. Completed the cash capital increase of 30,000 shares in August 2021.</li> </ol>
2022	<ol style="list-style-type: none"> <li>1. In March 2022, Tong Ming Enterprise invested and established Zhejiang Tong He Enterprise Co.,Ltd. in China, mainly specialized in the manufacturing of wire products.</li> <li>2. In June 2022, Zhejiang Tong He completed factory construction to officially engage in the manufacturing of wire products.</li> <li>3. In September 2022, the Zhejiang Tong Ming established the Tong Yi Supply Chain Co., Ltd. to engage in the online sales platform for non-standard fastener products.</li> <li>4. In November 2022, Tong Ming Enterprise invested in the establishment of Tonglink Enterprise Co., Ltd. in Taiwan, specialized in the sales of stainless steel fasteners and the design of computer programs in Taiwan.</li> </ol>
2023	<ol style="list-style-type: none"> <li>1. Received the 2023 National Class Specialized, Sophisticated and New "Little Giant" Enterprise Award.</li> <li>2. In July 2023, the online sales platform of Tong Ming Plaza officially launched.</li> <li>3. In October 2023, Zhejiang Tong Ming Gaoke Plant officially started production</li> </ol>
2024	<ol style="list-style-type: none"> <li>1. Received the Zhejiang Province Manufacturing Method Transformation Demonstrative Model Project Award.</li> <li>2. Awarded the Zhejiang Province "Foreign-invested R&amp;D Center" project.</li> <li>3. Received the Zhejiang Province Green Factory label.</li> <li>4. Received the 2024 Provincial Industrial Internet Platform Award.</li> </ol>

## 1.15 Participation in External Organizations

To understand the latest industrial trends and to manage relevant operational risks and opportunities, Tong Ming actively participates in relevant industrial unions and associations. Through the participation in unions and associations, we are able to protect the rights and interests of employees and to establish a proper working environment for all employees of Tong Ming at the same time. During 2024, the unions and associations participated by Tong Ming were as follows:

Company	Name of external association	Participation Identity
Winlink Easterners Co. Ltd.	Taiwan Fastener Trading Association	Member (Taiwan)
Zhejiang Tong Ming Enterprise Co., Ltd.	China General Machinery Industry Association	Member (China)
Zhejiang Tong Ming Enterprise Co., Ltd.	Zhejiang Fasteners Association	Member (China)
Zhejiang Tong Ming Enterprise Co., Ltd.	Zhejiang Fasteners Alliance	Member (China)

## History of Awards and Honors Received

### 1.1.6 Recent Award Winning Records of the Company

No.	Award name	Award time	Awarded department
1	2019 Top 10 Industrial Enterprises for High-Quality Development	2020.2	Jiaying Economic & Technological Development Zone Party Working Committee; Jiaying International Commercial Zone Party Working Committee; Management Committee
2	2019 Digital Economy Outstanding Enterprise	2020.2	Jiaying Economic & Technological Development Zone Party Working Committee; Jiaying International Commercial Zone Party Working Committee; Management Committee
3	2019 Harmonious Labor Relationship Advanced Unit	2020.2	Jiaying Economic & Technological Development Zone Party Working Committee; Jiaying International Commercial Zone Party Working Committee; Management Committee
4	2020 Top 10 Industrial Enterprises for High-Quality Development	2021.2	Jiaying Economic & Technological Development Zone Party Working Committee; Jiaying International Commercial Zone Party Working Committee; Management Committee
5	Zhejiang Province Top 10 Technology Innovation Enterprise	2021.3	Fasteners Industry Association of Zhejiang Province
6	Fastener Single Product of Zhejiang Province Champion Enterprise	2021.3	Fasteners Industry Association of Zhejiang Province
7	2021 Top 10 Industrial Enterprises for High-Quality Development	2021	Jiaying Economic & Technological Development Zone Party Working Committee; Jiaying International Commercial Zone Party Working Committee; Management Committee
8	Red Cross Fraternity Achievement Award Bronze Medal	2022.4	Jiaying City Red Cross Society
9	2022 Charity and Public Welfare Donation Certificate	2022.9	Zhejiang Provincial Women and Children Foundation
10	2023 National Class Specialized, Sophisticated and New "Little Giant" Enterprise	2023.8	Ministry of Industry and Information Technology of the People's Republic of China
11	2023 Provincial Enterprise Research Center	2023.11	Zhejiang Provincial Department of Industry and Information Technology
12	2023 Provincial Enterprise Research Institute	2023.11	Zhejiang Provincial Science & Technology Cooperation Center
13	2024 Jiaying City Industrial Design Center	2024.8	Jiaying City Bureau of Economy and Information Technology
14	2024 Zhejiang Provincial Green and Low-carbon Factory	2024.9	Zhejiang Provincial Department of Industry and Information Technology
15	2024 Jiaying City First Batch of Emerging Materials	2024.10	Jiaying City Bureau of Economy and Information Technology
16	2024 Provincial Foreign Investment R&D Center	2024.11	Zhejiang Provincial Department of Commerce
17	2024 Zhejiang Province Foreign Investment R&D Center for R&D Investment Incentives	2024.12	Zhejiang Provincial Science & Technology Cooperation Center
18	2024 Provincial Industrial Internet Platform	2024.12	Zhejiang Provincial Department of Industry and Information Technology



2019 Top 10 Industrial Enterprises for High-Quality Development



2019 Digital Economy Outstanding Enterprise Top 10 Industrial Enterprise



2019 Harmonious Labor Relationship Advanced Unit



2020 Top 10 Industrial Enterprises for High-Quality Development



Zhejiang Province Top 10 Technology Innovation Enterprise



Provincial Enterprise Research Center



Provincial Enterprise Research Institute



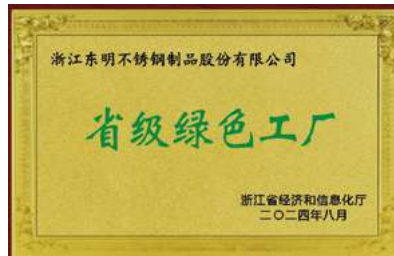
2022 Charity and Public Welfare Donation Certificate



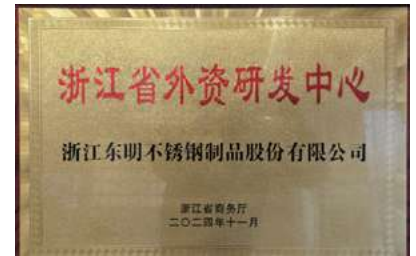
Provincial Enterprise Research Center



Provincial Enterprise Research Institute



Zhejiang Provincial Green and Low-carbon Factory



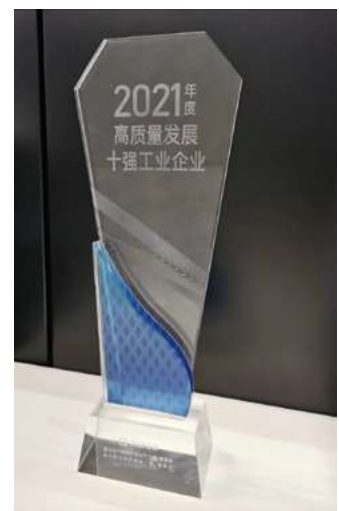
Provincial Foreign Investment Research Center



Provincial Industrial Internet Platform



National Class Specialized, Sophisticated and New "Little Giant" Enterprise



2021 Top 10 Industrial Enterprises for High-Quality Development

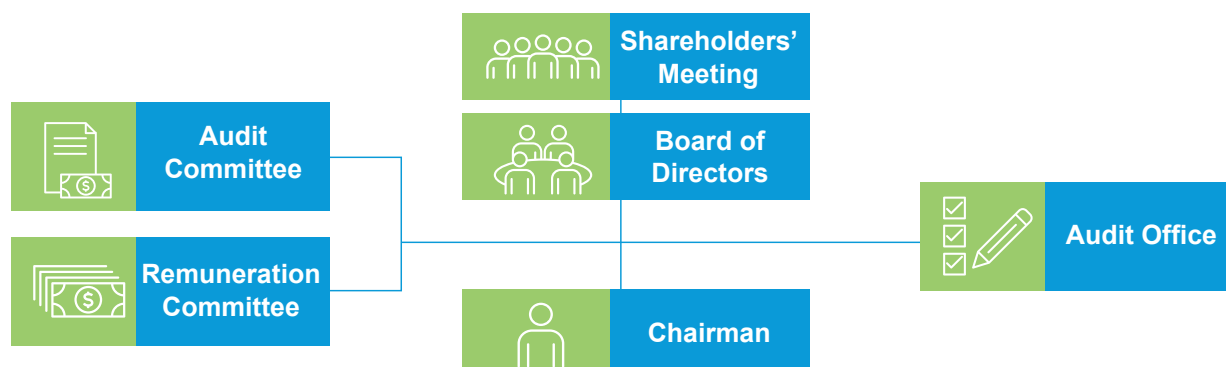


Zhejiang Province Foreign Investment R&D Center for R&D Investment Incentives

## 1.2 Corporate Governance

### Governance Structure

The Company's Board of Directors has established functional committees as needed. These include the Audit Committee, Remuneration Committee and ESG Committee. In addition, to further strengthen the Board of Directors' functions, the Company has also established the position of Corporate Governance Officer.



### Board Composition and Operation

#### 1.2.1 Board of Directors

The Board of Directors is the highest-level governance and decision-making body of the Company, and is responsible for planning of the Company's overall strategies and supervision of the management team operations while also bearing the ultimate responsibility for the Company and all shareholders. For the design and implementation of the governance system, the Company must ensure that the Board of Directors are able to effectively perform its duties according to relevant laws, articles of incorporation and resolutions of the shareholders' meetings.

#### 1.2.2 Board Member Nomination and Election Method

The Company adopts the candidate nomination system to elect independent directors. During the public listing period, the election of any director shall adopt the candidate nomination system. Directors and independent directors shall be elected by shareholders from the lists of director and independent candidates. The rules and procedures for the candidate nomination system may be established by the Board of Directors in accordance with the laws of Cayman Islands and the regulations for TWSE/TPEX-listed companies. The number of independent directors shall not be less than three, and independent directors shall not serve more than three consecutive terms, in order to maintain their independence. The nomination of directors and independent directors shall be made separately, and election thereof shall be held simultaneously, with the votes for the candidates of the respective seats being counted separately.

#### 1.2.3 Board Member Diversity Policy

##### (1) Board Member Diversity Policy:

- A. According to the "Corporate Governance Best Practice Principles" established by the Company, diversity shall be considered for Board composition. In addition, an appropriate diversity policy shall be established according to the Board operation, business model and development needs, including but not limited to the following two major aspects:
- (a) Basic requirements and values: gender, age, nationality, and culture.
  - (b) Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.
- B. All board members are being required to possess the knowledge, skills, and character needed to perform their duties. To achieve the ideal goal of corporate governance, the entirety of the board of directors shall possess the following abilities:



**(2) Specific management goal for diversity of board members:**

The Board of Directors of the Company shall direct company strategies, supervise management, and be responsible to the Company and shareholders. The various procedures and arrangements of the Company's corporate governance system shall ensure that, in exercising its authority, the Board of Directors complies with laws and regulations, the Articles of Incorporation, and resolutions of its shareholders' meetings. Specific management goals are as follows:

- A. The Board of Directors of the Company also promote gender diversity and shall have at least one female director.
- B. The Board of Directors of the Company shall focus on its operational judgment, business management, and crisis management abilities, and more than 2/3 of board members shall be equipped with competency related to the Company's core business items.
- C. Independent directors shall not serve more than three consecutive terms, in order to maintain their independence.
- D. Among the Board members, the number of directors concurrently serving as an employee for the parent, a subsidiary or sister company shall be no more than 1/3 of all directors in order to achieve the purpose of effective supervision.

Diversity item  Name of director	Basic composition				Industry experience and professional competence							
	Nationality	Gender	Age	Concurrent position as employee of the Company	Business management	International market	Knowledge of the industry	Marketing and sales	Environmental protection and green energy	Finance and accounting	Law	Risk management
Ching-Tung Tsai	R.O.C.	Male	61-70	None	V	V	V	V				V
Richard International Co., Ltd. Representative: Yi-Ting Tsai	R.O.C.	Male	31-40	None	V	V	V	V				V
Tong One Holdings Limited Representative: Hung-Chuan Tsai	R.O.C.	Male	41-50	V	V	V	V	V				V
Shih-Kun Wang	R.O.C.	Male	61-70	None	V	V	V			V		V
Po-Min Yang	R.O.C.	Male	41-50	None	V	V	V	V				V
Yung-Lung Chen	R.O.C.	Male	51-60	None	V	V	V	V		V		V
Jung-Fu Chiu	R.O.C.	Male	61-70	None	V	V	V	V				V

### (3) Board member diversity achievement status

All Board members of the Company are equipped with the knowledge, skills, qualifications and industry decision-making experience required for the execution of duties. The Company also continuously arranges diverse continuing education and training courses for Board members, in order to increase collective and individual decision-making ability, to fulfill supervisory responsibility, and to further enhance the functions and powers of the Board of Directors.

The current Board of Directors consists of 7 directors, and to ensure the independence of the Board, there are 4 independent directors, making up 57.14% of the Board. One director concurrently serves as an employee, accounting for 14.29% of the total number of directors. It is expected that after the full reelection of directors by the shareholders' meeting in 2025, the number of female directors will be increased to achieve the goal of gender equality.

The business management qualifications of the board member is outstanding, and all directors are equipped with relevant professional background and professional knowledge, skills and qualities necessary for executing their duties. For the 8 main core items, more than 1/3 of the board members are equipped with relevant competencies. In addition, the Company focuses on the three main core items of operational judgments, business management, and crisis handling, and more than 80% of the board members are equipped with core competencies in these areas.



## 1.2.4 Attendance Rate of Board of Directors

Attendance Rate of Board of Directors					
Job Title	Name	Actual attendance rate (%)	Number of other companies for adjunct position of director	Equipped with industry and ESG related background/ experience	Holding shares of competitors, suppliers or customers
Chairman	Ching-Tung Tsai	100	0	Industry	None
Director	Tong One Holdings Limited Representative - Hung-Chuan Tsai	100	0	Industry	None
Director	Richard International Co. Ltd. Representative - Yi-Ting Tsai	75	0	Industry	None
Independent Director	Shih-Kun Wang	100	1	Accounting	None
Independent Director	Po-Min Yang	100	2	Industry	None
Independent Director	Yung-Lung Chen	100	2	Industry	None
Independent Director	Jung-Fu Chiu	50	0	Industry	None

### 1.2.5 Performance Evaluation of Board of Directors

To strengthen corporate governance functions and the operational performance of the Board of Directors, Tong Ming has established the "Regulations for Performance Evaluation of Board of Director", in order to conduct internal performance evaluation on individual directors and each functional committee at least once annually. The evaluation result is then reported to the Board of Directors' meeting in March annually. In addition, an external professional independent institution or external professional scholar team shall be retained to conduct an evaluation at least once every three years. The most recent external evaluation report on the Board of Directors' performance was completed by Chin An Management Consulting Co., Ltd. in 2024.

Performance Evaluation of Board of Directors			
Self-evaluation (Questionnaire)	2022	2023	2024
Board of Directors	4.35	4.43	4.33
Audit Committee	4.62	4.83	4.73
Remuneration Committee	4.68	4.84	4.68
<b>External Evaluation</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Board of Directors	None	Rated for Excellence	None
Audit Committee	None	Rated for Excellence	None
Remuneration Committee	None	Rated for Excellence	None

Note: The total score for the self-evaluation is 5 points.

### 1.2.6 Principles for Determination of Remuneration of Managers and Directors

(1) Regarding the Company's remuneration of directors, according to Article 64 of the Company's Articles of Incorporation, the remuneration for directors' performance of duties shall be determined based on the level of participation and contribution value of individual director, and the Board of Directors may also consider the common standard adopted in the industry. Furthermore, if the Company has a profit for the current year, no more than 5% of such profit may be appropriated as the remuneration for directors according to Article 91 of the Company's Articles of Incorporation. The Company periodically assesses the remuneration of directors according to the "Regulations for Performance Evaluation of Board of Directors". Relevant performance evaluations and remuneration reasonableness are reviewed by the Remuneration Committee and the Board of Directors regularly. Important assessment items and ratios for the remuneration of directors are as follows:

- A. Remuneration of directors = Distributable remuneration of directors × Directors' performance evaluation distribution ratio
- B. In addition to the monthly fixed remuneration for directors, a meeting attendance fee is paid based on the actual number of meetings attended.

(2) With regard to the remuneration of managers of the Company, the Regulations for Salaries have specified various job allowances and bonuses, in order to provide reward employees for their efforts and contributions at work. Relevant bonuses are also issued according to the annual business performance, financial status, operating status, and individual job performance. Furthermore, when the Company has profit for the year, an amount not less than 0% of and not higher 0.1% is appropriated as the remuneration for employees according to Article 91 of the Articles of Incorporation of the Company.

The Company uses the performance evaluation results, according to the "Performance Management Regulations", as the reference basis for the issuance of bonuses for managers. The managers' performance evaluation items are classified into: 1. financial indicators: According to the goal achievement rate of each manager; 2. Non-financial indicators: implementation of the Company's core values and operational management capabilities and participation in sustainable operations. The remuneration system is reviewed regularly according to business needs and relevant laws and regulations.

## 1.2.7 Board of Directors Related Issues

<p>When a specific issue discussed at a Board meeting involves a conflict of interest for an individual director, the details of the issue and the recusal process shall be disclosed and explained.</p>	<p>The Company's "Rules of Procedure for Board of Directors' Meetings" has specified the conflict of interest recusal system for directors. When any director or judicial person represented by director has a conflict of interest with a matter raised at a Board meeting, such that there is a likelihood of damaging the interests of the Company, the director may express his/her opinions and raise questions or provide answers; however, he/she must not participate in the actual discussion and voting on the matter, and shall also recuse himself/herself during the discussion and voting; in addition, he/she is prohibited to act as a proxy for other director on this item.</p>
<p>If the Chairman also serves as the President, please explain the reasons for such arrangement.</p>	<p>No such condition for the Company.</p>
<p>According to the above, when the Chairman also serves as the President, how does the Company implement the recusal mechanism for conflict of interest?</p>	<p>No such condition for the Company.</p>
<p>Describe the process of communication of critical concerns and material events with the Board of Directors (Note: Critical and material events refer to events raised by stakeholders through complaints/reports or other channels due to the actual/potential negative impacts of the Company on the stakeholders).</p>	<p>Reference Note 1</p>
<p>Nature and total number of communication of critical concerns in the current year</p>	<p>Reference Note 1</p>
<p>Explain the Company's method for identifying complaints, including whether complaint filing channel is established (Note: 1. The complaint filing mechanism provides a channel for stakeholders to raise concerns on potential and actual negative impacts and to seek remedies; 2. The whistleblowing mechanism allows stakeholders to raise concerns on improper actions or violations of the Company's operations or business relationships, regardless whether the individual is affected)</p>	<p>The Company has a set up the spokesperson and the deputy spokesperson, and has retained litigation and non-litigation agents in the jurisdiction of R.O.C., in order to allow investors and other stakeholders to inquire into Company's operations or relevant rights issues. In addition, the Company has also set up a stakeholder section on the Company's website, so that stakeholders may contact the Company via telephone, writing, fax or email at any time.</p> <p>(I) The Company has provided proper reporting and complaint filing channels, and has also specified the disciplinary actions for violations of rules in the personnel management regulations. In addition, the Company also announces the information of the violator, such as the title, name, date of violation, details of violation, and handling status to the internal timely.</p> <p>(II) The responsible unit of the Company handles the issue immediately upon receipt of any reporting case and also discusses related circumstances, in order to reduce the risk of recurrence. In addition, it is prohibited to disclose any information learned to others.</p> <p>(III) The Company adopts confidentiality measures for reported matters, in order to protect reporters from any improper treatment due to the reporting.</p>
<p>Describe the measures established by the Company in response to any negative impacts the Company's operations have caused.</p>	<p>No occurrence of such condition.</p>
<p>Describe how stakeholders participate in the design, review, operation and improvement of such mechanism.</p>	<p>The Company maintains smooth communication channels with its banks, employees, consumers and suppliers, and also respects and protects their legitimate rights and interests. In addition to the establishment of the spokesperson system and litigation and non-litigation agents, the Company also publicly discloses corporate information transparently according to the law, in order to provide highly transparent financial and business information to stakeholders.</p>
<p>Describe how the organization tracks the effectiveness of the complaint filing mechanism and remedial measures, including stakeholder feedback and opinions.</p>	<p>(I) The Company has provided proper reporting and complaint filing channels, and has also specified the disciplinary actions for violations of rules in the personnel management regulations. In addition, the Company also announces the information of the violator, such as the title, name, date of violation, details of violation, and handling status to the internal timely.</p> <p>(II) The responsible unit of the Company handles the issue immediately upon receipt of any reporting case and also discusses related circumstances, in order to reduce the risk of recurrence. In addition, it is prohibited to disclose any information learned to others.</p> <p>(III) The Company adopts confidentiality measures for reported matters, in order to protect reporters from any improper treatment due to the reporting.</p>

Note 1:

Date of Board of Directors' Meeting	Major Resolutions of the Board of Directors' Meeting	States
2024/03/14	1. Proposal for the Company's 2023 business report and consolidated financial statements	Resolution status: The proposal was passed as proposed and reported to the shareholders' meeting.
	2. Proposal for Company's 2023 earning distribution	Resolution status: The proposal was passed as proposed and reported to the shareholders' meeting.
	3. Proposal for the Statement of Internal Control System of the Company.	Resolution status: The proposal was passed as proposed.
	4. Proposal for adjustment of Tong Ming Enterprise's endorsement and guarantee limits.	Resolution status: The proposal was passed as proposed.
	5. Proposal for amendments to the "Rules and Procedures of Shareholders' Meeting," "Rules of Procedure for Board of Directors' Meetings," and "Ethical Corporate Management Best Practice Principles".	Resolution status: The proposal was passed as proposed and reported to the shareholders' meeting.
	6. Proposal for amendment to the "Regulations for Performance Evaluation of Board of Directors".	Resolution status: The proposal was passed as proposed.
	7. Proposal for distribution of 2023 remuneration of employees and remuneration of directors.	Resolution status: The proposal was passed as proposed and reported to the shareholders' meeting.
	8. Proposal for convention of the Company's 2024 general shareholders' meeting.	Resolution status: The proposal was passed as proposed.
2024/05/13	1. Proposal for approval of the Company's 2024 Q1 consolidated financial statements.	Resolution status: The proposal was passed as proposed.
	2. Proposal for adjustment of Tong Ming Enterprise's endorsement and guarantee limits.	Resolution status: The proposal was passed as proposed.
	3. Proposal for amendments to the "Audit Committee Charter" and the "Regulations Governing the Exercise of Powers by Audit Committee".	Resolution status: The proposal was passed as proposed.
	4. Proposal for CPA independence and competency assessment, appointment, and remuneration.	Resolution status: The proposal was passed as proposed.
	5. Proposal for appointment of the Vice President of the Company's Operation Management Center.	Resolution status: The proposal was passed as proposed.
	6. Proposal for removal of the non-compete restriction on the manager Chia-Yen Tsai.	Resolution status: The proposal was passed as proposed.
2024/08/22	1. Proposal for approval of the Company's 2024 Q2 consolidated financial statements.	Resolution status: The proposal was passed as proposed.
	2. Proposal for approval of the Company's 2023 Sustainability Report.	Resolution status: The proposal was passed as proposed.
2024/11/12	1. Proposal on the replacement of CPAs due to internal job rotation within Deloitte Taiwan.	Resolution status: The proposal was passed as proposed.
	2. Proposal for approval of the Company's 2024 Q3 consolidated financial statements.	Resolution status: The proposal was passed as proposed.
	3. Proposal for stipulation of the Company's 2025 business plan (annual budget).	Resolution status: The proposal was passed as proposed.
	4. Proposal for stipulation of the Company's 2025 audit plan.	Resolution status: The proposal was passed as proposed.
	5. Proposal for the construction of Tong Ming Enterprise's headquarters building.	Resolution status: The proposal was passed as proposed.
	6. Proposal for the establishment of the Company's subsidiary in Thailand.	Resolution status: The proposal was passed as proposed.
	7. Proposal for amendments to the "Audit Committee Charter", "Corporate Governance Best Practice Principles", and "Internal Audit System".	Resolution status: The proposal was passed as proposed.
	8. Proposal for the establishment of the "Sustainability Information Management Operation Procedures" and "Sustainable Information Management Control Operations".	Resolution status: The proposal was passed as proposed.

+Board of Directors' Role in Establishing Corporate Strategies and Due Diligence



Role of the highest governance body in overseeing the management of impacts

<p>Role of the Board of Directors or President in establishing and approving the Company's business policy and ESG strategy</p>	<p>The President announces the annual business policy in the annual report</p>
<p>During the process of due diligence of Company, what is the role of the Board of Directors?</p>	<p>The Board members currently bears the responsibility for due diligence.</p>

## Continuing Education for Directors

To enhance the functions of the Board of Directors, Tong Ming continues to assist the Board in planning education and training courses and also organizes diverse external courses and individual training, in order to strengthen the professionalism of directors, to fulfill the Board’s responsibility to operate with the due care of a prudent administrator, thereby adequately leveraging its decision making, leadership, and supervisory functions. In 2024, continuing education courses covered the aspects of corporate governance, sustainable development and legal trends, etc. The education and training courses are as follows:

Job Title	Name	Date of Education and Training	Organizer	Course Name	Number of Education and Training Hours
Director	Ching-Tung Tsai	2024/08/22	Taiwan Corporate Governance Association	Analysis of International IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3.0
Corporate Director Representative	Hung-Chuan Tsai	2024/08/22	Taiwan Corporate Governance Association	Analysis of International IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3.0
Corporate Director Representative	Yi-Ting Tsai	2024/08/22	Taiwan Corporate Governance Association	Analysis of International IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3.0
Independent Director	Shih-Kun Wang	2024/08/22	Taiwan Corporate Governance Association	Analysis of International IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3.0
Independent Director	Po-Min Yang	2024/08/22	Taiwan Corporate Governance Association	Corporate Management Methods From CSR to ESG	3.0
Independent Director	Yung-Lung Chen	2024/08/22	Taiwan Corporate Governance Association	Analysis of International IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3.0
Independent Director	Jung-Fu Chiu	2024/08/22	Taiwan Corporate Governance Association	Analysis of International IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3.0
Director	Ching-Tung Tsai	2024/11/12	Taiwan Corporate Governance Association	Ethical Corporate Management Best Practice Principles and How to Prevent Violation Against Responsibilities of Directors and Supervisors	3.0
Corporate Director Representative	Hung-Chuan Tsai	2024/11/12	Taiwan Corporate Governance Association	Ethical Corporate Management Best Practice Principles and How to Prevent Violation Against Responsibilities of Directors and Supervisors	3.0
Corporate Director Representative	Yi-Ting Tsai	2024/11/12	Taiwan Corporate Governance Association	Ethical Corporate Management Best Practice Principles and How to Prevent Violation Against Responsibilities of Directors and Supervisors	3.0
Independent Director	Shih-Kun Wang	2024/11/12	Taiwan Corporate Governance Association	Ethical Corporate Management Best Practice Principles and How to Prevent Violation Against Responsibilities of Directors and Supervisors	3.0
Independent Director	Po-Min Yang	2024/11/12	Taiwan Corporate Governance Association	Ethical Corporate Management Best Practice Principles and How to Prevent Violation Against Responsibilities of Directors and Supervisors	3.0
Independent Director	Yung-Lung Chen	2024/11/12	Taiwan Corporate Governance Association	Ethical Corporate Management Best Practice Principles and How to Prevent Violation Against Responsibilities of Directors and Supervisors	3.0
Independent Director	Jung-Fu Chiu	2024/11/12	Taiwan Corporate Governance Association	Ethical Corporate Management Best Practice Principles and How to Prevent Violation Against Responsibilities of Directors and Supervisors	3.0

Total Continuing Education and Training Hours of All Board Members

42 hours



Weight of ESG-related Courses for Directors

100%

## Directors’ Liability Insurance

The Company purchases liability insurance for directors.	▶ The Company has purchased liability insurance for directors (USD 2 million).
The supervisor appointed to serve as the corporate governance officer, and their job duties and results (such as enhancement of corporate governance evaluation items, continuing education and corporate governance related course hours)	▶ The accounting head appointed to serve as the corporate governance officer, and their job duties and results. They took part in 12 hours of relevant continuing education courses.
The corporate governance evaluation for TWSE-listed companies and TPEX-listed companies placed the Company in the following range (within the Company’s business category):	▶ 36–50% evaluation interval

### Board Member Diversity Indicator

Diversity Statistics / Year			2022		2023		2024	
			Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
Director	Gender	Male	6	85.71%	7	100%	7	100%
		Female	1	14.29%	0	0%	0	0%
	Age	Under 50 years old	2	28.57%	3	42.86%	3	42.86%
		50~60 years old	3	42.86%	1	14.28%	1	14.28%
		Above 60 years old	2	28.57%	3	42.86%	3	42.86%
	Education background	Graduate School	5	71.44%	5	71.44%	5	71.44%
		University/college	1	14.28%	1	14.28%	1	14.28%
		Others	1	14.28%	1	14.28%	1	14.28%

Note: Calculation equation: Female director percentage = (Number of female directors at the end of current year / Total number of directors at the end of current year) x 100%.  
 Male director percentage = (Number of male directors at the end of current year / Total number of directors at the end of current year) x 100%.  
 Female director percentage + Male director percentage shall be 100%.  
 Percentage of direct personnel under 30 years old = (Total number of direct personnel under 30 years of age at the end of current year / Total number of employees at the end of current year) x 100%.  
 Percentage of indirect personnel with graduate school degrees = (Total number of indirect personnel with graduate school degrees in the current year / Total number of employees at the end of the current year) x 100%.

### Complaint Filing (Reporting) / Opinion Submission Channels

Complaint Filing (Reporting) / Opinion Submission Channels	Number of cases accepted in 2024	Processed	Case closed
Audit mailbox joan@winlink.com.tw	0	0	0
Competent authority case acceptance mailbox jessica@winlink.com.tw.	0	0	0
Mailbox for stakeholders on Company's website (Submission of concerns to the Company) tongming@tonggroup.com.tw	0	0	0

### Audit Committee

The Audit Committee consists of four members and is comprised of all serving independent directors. Its main functions are to assist the Board of Directors in the supervision and assessment of the fair presentation of the Company's financial statements, selection (dismissal) of CPAs and their independence and performance, effective implementation of the internal control system, compliance with relevant laws and regulations, risk management, and other related matters, in order to ensure that the Company's operations comply with relevant government regulations and practice standards and appropriately manage corporate sustainability. The committee convenes at least one meeting per quarter. In 2024, a total of 4 meetings were convened. For details on the committee's operational status, please refer to the Company's website.

### Audit Committee Member Attendance Status

Audit Committee	
Member	Actual attendance rate (%)
Shih-Kun Wang	100
Po-Min Yang	100
Yung-Lung Chen	100
Jung-Fu Chiu	50

#### Disclosure of Communication Practice of Independent Directors with Internal Audit Officer and CPAs

In 2024, independent directors, internal audit officer and CPAs convened a total of four meetings, and the communication between the independent directors and the internal audit officer and CPAs was smooth. For details on the operation, please refer to the Company's website.

### Remuneration Committee

The Remuneration Committee consists of four independent directors. All members are equipped with more than five years of working experience and relevant qualifications, such that they are sufficient to maintain the required independence, professionalism and impartiality. The committee is mainly in charge of reviewing the selection of directors and senior officers, remuneration policies, performance evaluation standards, and submission of recommendations, in order to enhance the director appointment mechanism and to establish diverse and professional Board of Directors. The committee convenes meetings at least twice annually. In 2024, a total of two meetings were convened. For details on the operation, please refer to the Company's website.

#### Remuneration Policies

Unit: NT\$ thousand

Item	Director	Managers
Fixed salary and variable salary	2,712	14,286
Signing bonus or recruitment bonus	None	None
Deferred or vested shares	None	None
Recovery mechanism	None	None
Retirement benefits	None	According to regulatory requirements.
How are the goals and performance of the Board of Directors and managers, with respect to the ESG topics of economy, environment and society, linked to the remuneration policy	Presently, the Company has not yet linked the Company's ESG goals and performance to the personal remuneration of the Board of Directors and managers. However, the Company will continue to monitor this trend and will establish appropriate measures after the ESG implementation is more mature.	

Note: The remuneration of directors does not include the employee compensation received by directors concurrently acting as employees.

#### Remuneration Committee Member Attendance Status

Unit: NT\$ thousand

Remuneration Committee	
Member	Actual attendance rate (%)
Shih-Kun Wang	100
Po-Min Yang	100
Yung-Lung Chen	100
Jung-Fu Chiu	50

#### Annual Total Compensation Ratio

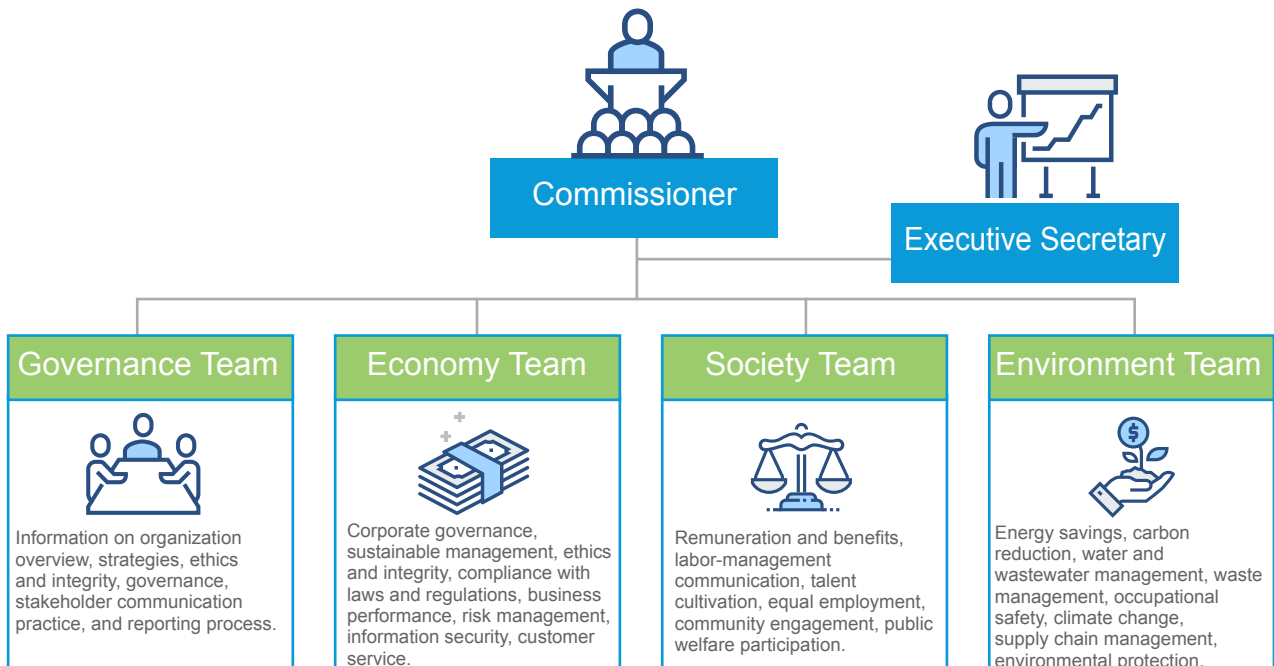
Unit: NT\$ thousand

Year	Taiwan	China
Company's ratio of highest-paid individuals over median salary	805.8%	1468.4%
Ratio of increase of highest-paid individuals over total salary of previous year	-21.2%	
Ratio of increase of average annual total salary of other employees of the organization over the total salary of previous year	-1.9%	13.1%

## ESG Committee

<b>The Company's Establishment Review Process for "Sustainable Development Best Practice Principles"</b>	The Audit Office is responsible for the establishment of these principles, which are implemented after the approval of the Board of Directors. Content summary: <a href="https://www.tonggroup.com.tw">https://www.tonggroup.com.tw</a>	
<b>ESG Committee Organization Chart</b>	As shown in Figure 1 below	
<b>ESG Committee Operation Status</b>	1	The ESG Committee was established in 2023.
	2	A Vice President is appointed to act as the ESG Committee Chairperson. Several functional teams are established under the committee, and the department heads act as the team leaders.
	3	The committee convenes meetings at least twice annually. Prior to the meeting, the Executive Secretary issues a meeting notice, and all team leaders are requested to summarize the suggestions and opinions of the stakeholders before being submitted to the Executive Secretary for further discussion and resolution. The Vice President then makes the final decision and grants final approval.
	4	After the report is completed, the Vice President then convenes the ESG Committee meeting, in order to jointly verify that the report of the current year has covered all ESG material topics.
	5	After the report is completed, the Vice President then convenes the ESG Committee meeting, in order to jointly verify that the report of the current year has covered all ESG material topics. In addition, the meeting minutes of the ESG Committee discussions is also submitted, in order to provide relevant reports (review of material topics for goal achievements and improvement status) to the highest governance unit (Board of Directors).
<b>ESG Committee Implementation Outcomes and Goals</b>	Relevant KPIs of 2024 reviewed during the meeting convened in February 2025 are as follows: 1.3 Procurement Practices (target achieved) 1.4 Operating Performance (target not yet achieved) 1.5 Market Presence (target achieved) 2.1 Emissions (target achieved) 2.2 Waste (target achieved) 2.3 Water and Effluents (target not yet achieved) 3.1 Training and Education (target achieved) 3.2 Occupational Health and Safety (target not yet achieved) 3.3 Employment (target achieved) Please refer to the performance indicators in each chapter for details.	

ESG Committee Organization Chart Figure 1



## Policy Commitments

The Company conducts due diligence on official government documents and releases, applies the early-warning principles, respects human rights, and complies with all relevant standards and regulations.

Official government documents and releases: Responsible unit (Administrative Department)

Due diligence execution: Responsible unit (Internal Audit Office)

Application of early-warning principles: Responsible unit (Internal Audit Office)

Human rights compliance: Responsible unit (Administrative Department)




Implemented according to the Company's annual education and training schedule.

### 1.2.8 Collective Bargaining Agreements

The Company has established a labor union according to the Collective Agreement Act, and a representative conference is also convened annually. 100% of employees are members of the labor union.

To stabilize labor-management relations, to promote labor-management harmony, and to improve labor benefits, the Company and the labor union uphold the concept of labor-management autonomy and the principle of integrity.

## 1.3 Procurement Practices

<b>Policy</b>	Use local standards to select new suppliers	
<b>Commitment</b>	Implement specific and effective mechanisms and actions for the selection of local suppliers.	
<b>Short-term goals</b>	<b>Medium and long-term goals</b>	<b>Specific strategies</b>
 <ol style="list-style-type: none"> <li>1. Raw material delivery rate reaches 95% or above, and raw material qualification rate reaches a minimum of 99.7%.</li> <li>2. Material delivery rate reaches 90% or above, and AB type mold qualification rate reaches a minimum of 96%</li> <li>3. Supplier quality improvement a minimum of 12 times/year</li> <li>4. Increase additional 3 suppliers (inclusive) or more for local purchase.</li> </ol>	 <ol style="list-style-type: none"> <li>1. Supplier evaluation and selection based on quality goals</li> <li>2. Purchase from relevant green energy and eco-friendly raw material suppliers</li> <li>3. Conduct raw material supplier evaluation once annually</li> <li>4. Conduct an evaluation once annually for Type A material suppliers, and conduct an evaluation once every two years for Type B suppliers</li> </ol>	 <p>Resource investment: Annual supplier evaluation and audit</p> <p>Actual outcome: List of qualified suppliers</p>
<b>Responsible department and complaint filing mechanism</b>	Procurement Department Taiwan: Sales Department - sales@winlink.com.tw China: juan.zhu@tongming.com.cn	
<b>Evaluation mechanism</b>	Annual supplier evaluation and audit	

Note: The target was achieved in 2024, and the implementation status is as follows:

(1) Raw material delivery rate reached 95%, and raw material qualification rate reached 99.85%.

(2) Material delivery rate reached 94.8%, and AB type mold qualification rate reached 98.7%.

(3) Supplier quality improvement of 21 times (inclusive)/year.

(4) Increased additional 3 suppliers (Yongda Special Steel, Zhejiang Yoyi, Jiangsu Minglu) for local purchase.




### 1.3.1 Proportion of Spending on Local Suppliers

Procurement categories include labor services, equipment and raw materials

Taiwan	2022	2023	2024
Ratio of local suppliers (%)	96%	91.9%	92.8%
Ratio of local procurement amount (%)	92%	95.3%	93.7%

China	2022	2023	2024
Ratio of local suppliers (%)	97%	96.7%	98.0%
Ratio of local procurement amount (%)	97%	97.0%	99.8%

## 1.4 Operating Performance

<b>Policy</b>	Through strengthening of the financial structure and implementation of cost control, continuous profit is maintained to achieve the goal of sustainable management		
<b>Commitment</b>	The Group integrates resources to pursue steady growth, maintains proper financial performance and achieves maximum value, in order to provide returns to all stakeholders.		
<b>Short-term goals</b>	<b>Medium and long-term goals</b>	<b>Specific strategies</b>	
 <p>Continue to secure the leading position in the market.</p>	 <ol style="list-style-type: none"> <li>Plan products to suit current trends and actively diversify channels.</li> <li>Continue to increase the user group of the Tong Ming Plaza Trading Platform, in order to increase revenue.</li> </ol>	 <p><b>Resource investment:</b></p> <ol style="list-style-type: none"> <li>The Board of Directors directs the Company's business operation strategies.</li> <li>The management team plans and establishes the overall operation directives, goals and implementation.</li> <li>All employees achieve their goals through their best efforts in a top-down manner.</li> </ol> <p><b>Actual outcome:</b> Despite the weak market economy, the Company's domestic sales market still achieved a 10% growth.</p> <p><b>The annual goal achievement status is as follows:</b></p> <ol style="list-style-type: none"> <li>2024 consolidated revenue reached NT\$12.54 billion.</li> <li>The 2024 fastener shipment volume was 101 thousand tons.</li> <li>The 2024 wires product shipment volume was 30 thousand tons.</li> </ol>	
<b>Responsible department and complaint filing mechanism</b>	Sales Department - sales@winlink.com.tw		
<b>Evaluation mechanism</b>	Shareholders' meeting annual business report.		

### 1.4.1 Direct Economic Value Generated and Distributed

Unit: NT\$ thousand

Item	2022	2023	2024
Revenue	15,428,409	12,966,040	12,543,322
Operating costs	13,416,559	11,998,060	11,056,456
Employee salaries and benefits	707,449	630,742	720,861
Dividends paid to investors	643,851	402,407	201,203
Government taxes paid	293,051	42,766	60,191
Donation	2,260	5,926	841

### 1.4.2 Benefits plan obligations and other retirement plans

1. The Company distributes employee remuneration according to the law; performance bonuses are calculated and distributed to employees monthly according to the indicators; in addition, year-end bonuses and profit-sharing/special bonuses are also distributed annually according to the operating profit.
2. Level-specific education and training and various professional courses are organized annually. Certificate examination subsidies and employee education advancement bonuses are also provided.
3. The "Labor Pension Act", "Labor Standards Act" in Taiwan, and the "Labor Law" and "Social Insurance Act" of Mainland China are applicable to the Company.
4. The Company has established cafeterias in its Mainland China facilities and lunch and overtime meals are provided to employees; for Taiwan, the Company provides lunch and group insurance with high coverage, emergency relief loans, subsidies for wedding, childbirth, miscarriage, hospitalization, occupational injury, high-temperature work, and employee children scholarships, etc.; in addition to employee birthday cash gifts, we also provide various festival cash gifts to employees.
5. The Company has established a diverse recreational center (equipped with a library, fitness equipment, billiard room, cafeteria and training room) and also subsidizes various clubs to organize diverse internal and external activities. These activities include: outdoor hiking, mountain climbing, yoga classes, various internal and external ball games, charity and public welfare visits, etc. Furthermore, various sporting activities are organized irregularly, and employees are welcome to invite their family members to participate in these activities.

### 1.4.3 Financial Assistance Received From Government

**In 2024, the local government related assistance and subsidies received by the Company was NT\$168,235 thousand. The assistance and subsidies are as follows:**

Item	Amount
Factory digitalization and technology transformation	44,540
Gaoke Plant modification and construction subsidy	71,932
Additional 5% deduction for purchase taxes	51,763

## 1.5 Product Quality

<b>Policy</b>	▶	Satisfy customers, expand market, increase sales volume, create profit.
<b>Commitment</b>	▶	No nonconforming products shall be released to customers.
<b>Short-term goals</b>	▶	1. Defect rate $\leq 0.3\%$ . 2. Quality improvement cases: $\geq 8$ cases (6 cases for fasteners + 2 cases for wires).
<b>Medium and long-term goals</b>	▶	1. Improvement of the Company's product quality (continuous improvement of the Company's products). 2. Introduction of product and quality type of projects.
<b>Resource investment/specific strategies</b>	▶	1. Completed 7 fastener projects (project names: small screw threads outer diameter too small and gauge failed, broken needle inside small screw hole, small screw head breakage, disk screw head edge pitting, thickened nut diagonal unsaturation, countersunk head screw edge thickness too thick, thin and fine threaded gauge failed). 2. A quality improvement plan is established annually, and completion status is summarized in the following table. 3. Production, quality assurance, and sales are to convene monthly and annual quality meetings.
<b>Responsible department and complaint filing mechanism</b>	▶	Quality Assurance Department/Telephone/Extension: 0573-82203125-201; Email; jiamin.shen@tongming.com.cn
<b>Evaluation mechanism</b>	▶	1. Review during annual management review meetings. 2. Review during annual verification (internal/external).

### 1.5.1 Quality Performance Status

#### Number of quality improvement cases

Unit: cases

Category/Year	2022	2023	2024
Number of improvement cases for Type A products (fasteners)	5	8	7
Number of improvement cases for Type B products (wires)	3	2	3

#### Quality of each product (defect rate)

Unit: defect rate ‰

Category/Year	2022	2023	2024
Quality defect rate or yield rate of Type A products (incoming fasteners defect rate)	0.23	0.11	0.08
Quality defect rate or yield of Type B products (total wires defect rate)	0.18	0.32	0.13

Note 1: Incoming defect rate: refers to the actual defect rate, or the rate of nonconforming products that are completely unusable.

Note 2: Total defect rate: in order strengthen production quality statistics, the defect rate only considers defects that occurred during the manufacturing process, where repair may be completed in subsequent processes, and so is not the total defect rate.

## 1.6 Compliance with laws and regulations

Tong Ming upholds the principle of integrity and complies with the local laws and ethical standards of the operating locations. In addition, compliance management is also included as part of core policies. Continue to improve regulatory compliance capability through comprehensive management systems, regulatory identification and periodic training. Material events are defined according to the “Procedures for Verification and Disclosure of Material Information of Publicly Listed Companies”, and when the amount of penalty fines has accumulated to reach NT\$1 million, it shall be disclosed in the report.

### 1.6.1 Violation of Laws and Regulations

Year	Category	Status of violation	Amount of loss	Countermeasures	Explanation of differences and changes:
2022	Economy	0	0	None	None
	Environment	0	0	None	None
	Society (People)	0	0	None	None
2023	Economy	0	0	None	None
	Environment	0	0	None	None
	Society (People)	0	0	None	None
2024	Economy	0	0	None	None
	Environment	0	0	None	None
	Society (People)	0	0	None	None


## 1.7 Information Protection

Information security protects the Company’s internal information, as well as information of suppliers and customers, from various threats and attacks, in order to minimize business losses, ensure the continuity of the Company operations, and uphold the Company’s solid reputation.

<b>Policy</b>	▶	<ol style="list-style-type: none"> <li>1. Implement cybersecurity education and promotion in order to enhance employee awareness on cyber security.</li> <li>2. Effectively manage information assets, continue to perform risk assessments, and adopt appropriate protective measures.</li> <li>3. Protect information and cyber systems from unauthorized accesses, and maintain the confidentiality of the information and cyber systems.</li> </ol>
<b>Commitment</b>	▶	Zero information security events each year.
<b>Short-term goals</b>	▶	<ol style="list-style-type: none"> <li>1. Employee cybersecurity awareness sessions (education and training/promotion) at least 2 times per year</li> <li>2. Zero major information security events</li> </ol>
<b>Medium and long-term goals</b>	▶	<ol style="list-style-type: none"> <li>1. Implement internal and external audits properly</li> <li>2. Continue to maintain zero information security events and implement internal and external audits.</li> </ol>
<b>Resource investment/ specific strategies</b>	▶	<p><b>Resource investment:</b> The Company invested approximately NT\$2.4 million in 2024 for the implementation of the network security improvement project.</p> <p><b>Actual outcome:</b></p> <ol style="list-style-type: none"> <li>1. Establish various information security control measures, such as: server room maintenance, operating computer maintenance, server room access control, network control, personnel access authority control, data remote backup, real-time antivirus software updates, and periodic vulnerability scans, etc.</li> <li>2. Implement information security education promotion occasionally.</li> <li>3. At least 2 information security education and training/promotion sessions are organized annually, and the number of participants is approximately 100 people.</li> <li>4. Implement internal and external information security audits annually.</li> <li>5. Implement a zero-trust management platform based on the core capabilities of trusted terminals, trusted identities, trusted applications, and trusted connections, etc., in order to achieve secure, stable, and efficient terminal access to enterprise resources and data under any network environment.</li> <li>6. Expand servers to enhance server processing capability and storage capacity in order to handle the increasing data processing demand. After the expansion, the server’s processing performance, storage capacity, and system response speed will be improved significantly, which is advantageous in reducing the risk of system collapse and failure, thereby improving the server’s stability and reliability.</li> <li>7. Purchase SSL certificate to achieve website trusted identity verification, apply trusted authentication, to apply data transmission protection, in order to prevent website security breaches and to prevent data theft and tampering, etc.</li> <li>8. Cloud backup, lease of cloud storage rental, remote backup of enterprise data.</li> <li>9. Update firewall virus database to prevent virus intrusion and to protect network data security.</li> <li>10. Appoint information security responsible supervisor.</li> </ol>
<b>Responsible department and complaint filing mechanism</b>	▶	Information Technology Division; Ming-Jen Wang/Yun-Li Hsiao, Complaint Filing Mechanism: email: sam@winlink.com.tw / yunli.xiao@tongming.com.cn
<b>Evaluation mechanism</b>	▶	<ol style="list-style-type: none"> <li>1. Internal/external review</li> <li>2. Review of information security events</li> </ol>

## 1.8 Risk Management

Risk Category	Risk description	Risk management strategy (countermeasure)
<p><b>Sustainable environment</b></p>	Greenhouse gas emissions continue to increase	<ol style="list-style-type: none"> <li>1. Establish ESG Committee, with the President acting as the committee chairperson, and convene committee meetings annually to review electricity reduction and carbon reduction goals and measure improvement status, and then report the status to the management.</li> <li>2. Establish a GHG inventory mechanism to satisfy the requirements of the stakeholders.</li> <li>3. Improvement measures include replacement of old and obsolete energy-consuming equipment, installation of solar panels at plant sites, replacement of Grade 3 energy efficiency motors with Grade 2 energy efficiency motors according to relevant government relations; additionally install electrostatic precipitators to overcome the issue of smoke emissions during the manufacturing process.</li> <li>4. Introduce highly efficient steam generators for the manufacturing process in order to save electricity consumption.</li> </ol>
	Energy savings cannot be achieved effectively	
	Wastewater discharge volume continues to increase	<ol style="list-style-type: none"> <li>1. Autonomous management on water consumption for manufacturing process of production line unit, in order to reduce water consumption and wastewater treatment volume.</li> <li>2. Replace old pipelines in the plant site in order to prevent leakage that may cause additional water consumption, and to reduce unusable wastewater treatment volume.</li> <li>3. Establish water reclamation system at Changsheng Plant and Gaoke Plant.</li> </ol>
	Increase of waste disposal volume/ Reduction of recycle rate	<ol style="list-style-type: none"> <li>1. Risk management organization: The Environmental Safety Section is the management unit for waste reduction.</li> <li>2. Risk identification process: The Environmental Safety Section statistically analyzes the waste output ratio monthly, and the statistical result is provided to relevant units for reference. In addition, based on the statistical result, relevant units are requested to establish waste reduction measures.</li> <li>3. Risk countermeasures and effectiveness: Apply the use improvement chemicals and adopt a central oil tank to reduce the consumption of oils, thereby reducing the output of sludge.</li> </ol>
	Water and electricity shortage	<ol style="list-style-type: none"> <li>1. Monitor the water and electricity consumption status daily, in order to allow relevant units to perform autonomous management.</li> <li>2. Install solar power generation for production use.</li> </ol>
	Typhoon, flood	After the Weather Bureau issues a marine typhoon warning, the Environmental Safety Section announces the typhoon information to inform all responsible units to implement typhoon impact prevention and preparation measures. The latest typhoon updates are announced regularly by the Weather Bureau.
	Violation of environmental protection laws	<ol style="list-style-type: none"> <li>1. Risk management organization: The Environmental Safety Section is the management unit for environmental protection regulations.</li> <li>2. Risk identification process: Report to the environmental safety meeting and clearly inform the requested units how to implement regulatory requirements, in order to prevent violating environmental protection regulations.</li> <li>3. Risk countermeasures and effectiveness: There was no violation of environmental protection regulations in 2024. Subsequent monitoring will continue to be made.</li> </ol>
<p><b>Employees</b></p>	Occurrence of occupational accidents (including COVID-19 impact)	<ol style="list-style-type: none"> <li>1. Convene safety meetings monthly to review the current status of occupational safety and health.</li> <li>2. Review the performance of short-term goals and inspect the improvement status during the monthly management review.</li> <li>3. The Environmental Safety Section reviews internal and external occupational injury cases and discloses related information to employees.</li> </ol>
	Overwork (long period of working hours)	<ol style="list-style-type: none"> <li>1. During the annual health examination, participating employees are required to fill out forms, and high-risk (heavy workload) employees receive a consultation with an occupational physician.</li> <li>2. Safety meetings are convened monthly to review the current status of occupational safety and health.</li> </ol>
	High turnover rate (labor shortage)	When the Company has a job vacancy, recruitment is performed to fill the job position. All units also perform job arrangement and adjustment in order to prevent impacts on the production and business operation.

Risk Category	Risk description	Risk management strategy (countermeasure)
 <p><b>Operational performance</b></p>	Ethics and integrity risk	<p>The Company has established the Ethical Management Policy and the Ethical Corporate Management Best Practice Principles, which are also disclosed on the Company's website and in the annual report. The Company implements its ethical management policy to actively prevent any unethical conduct. In addition, the Company also discloses the status of its corporate ethical management operations on the Company's website, in order to establish proper corporate governance and risk control mechanisms and to establish an operational environment of sustainable development.</p>
	Insufficient transparency in information disclosure	<ol style="list-style-type: none"> <li>1. Investor conferences are convened annually in order to explain the current operational status and future outlook of the Company to investors.</li> <li>2. When encountering events having material impact on the Company, all material information is announced to the external timely.</li> <li>3. If there are any doubts on the information disclosure of the Company, the Company's spokesperson or deputy spokesman can be contacted for answers.</li> <li>4. The Company's website discloses information on business performance and corporate governance, and the stakeholder contact method is also provided.</li> </ol>
	Decline of market competitiveness	<ol style="list-style-type: none"> <li>1. Develop new sales channels, visit relevant customers to link to product referral and recommendation.</li> <li>2. Implement operation team education and training in order to continually improve the skills and competencies of employees and establish supervisor performance indicators.</li> </ol>
	Occurrence of information security event	<ol style="list-style-type: none"> <li>1. Determine whether it is an information security event first and then determine the event type and threat level.</li> <li>2. Report to management according to the event level. If the case is urgent, it shall be immediately reported via telephone/email. If the event has affected user operations, the IT Department shall inform relevant units.</li> <li>3. Implement resolution measures to reduce the damage level, and if legal liability is involved, evidence shall be preserved properly.</li> <li>4. If an information security event occurs, the consequences and handling process shall be reviewed and improvement mechanisms shall be established.</li> </ol>
	Product liability (product recall/ off-shelf)	<ol style="list-style-type: none"> <li>1. Optimize product quality control and return/exchange mechanism.</li> <li>2. Enhance negotiation and communication with customers to fully understand customer expectations.</li> <li>3. If a customer makes specific requirements, the Company shall comply with and satisfy those requirements.</li> <li>4. If a major product abnormality is discovered it shall be reported to management immediately, and the response procedures, as stipulated by management, shall be followed.</li> </ol>
	Supply chain interruption	<ol style="list-style-type: none"> <li>1. Short-term risk: Demand increases rapidly, and supply becomes tight. Countermeasure: Manage delivery and inventory operations intently and respond to material shortages early.</li> <li>2. Medium and long-term risks: Production and material supply affected by the spread of pandemic, city-wide lockdowns, and postponed factory operations. Countermeasure: Increase buffer inventory and diversify procurement sources in order to reduce reliance on one single supplier and to increase overall flexibility.</li> </ol>

## 1.9 Internal Audit

Internal Audit	
Internal Audit Process	Internal audit flowchart
Are key audits conducted on special businesses/departments?	None
Total number of audit items for the current year	273 items
Audit compliance rate? (%)	100%
All non-conforming items completing the improvement rate within the deadline.	√



## 1.10 Industry Standards (Steel Industry)

Presently, no international standards have been disclosed, and relevant contents are to be provided after such standards are disclosed.

### 2024 Environmental Performance Highlights

#### Emissions

##### Resource investment:

1. Installation of solar power generation equipment
2. Inspection and repair of discharge equipment
3. Installation of energy-saving transformers
4. Introduction of a smart energy system to effectively manage electricity consumption
5. Continuous upgrading to battery-powered forklifts to reduce factory carbon emissions
6. Upgraded all electrical equipment to Grade 2 energy efficiency equipment

##### Actual outcome:

All discharge indicators (VOC, odor concentration) met the target level

#### Waste

##### Sewage station:

1. Resource investment: Investment budget of approximately NT\$19.5 million (chemicals for wastewater treatment)
2. Actual outcome: Reduction of sludge generated per ton of wastewater by more than 20% (inclusive)

#### Waste oil recycling and reuse (including oil throwers and electrostatic precipitators)

##### Resource investment:

Investment budget of approximately NT\$2.4 million

##### Actual outcome:

Reduction of 5% of oil consumption

#### Energy management

1. Installation of harmonic filter cabinet for low-voltage transformers at a price of NT\$175 thousand (expected annual electricity savings of 100 thousand kWh).
2. The Environmental Safety Section of Gaoke Plant has additionally installed a reclaimed water channel for the polishing unit at a cost of NT\$65 thousand (expected annual water savings of 20 thousand tons of water)



# 2

## Sustainable environment

environment



## II. Sustainable environment

### 2.1 Emissions

<b>Policy</b>	▶	To enhance climate resilience, reduce disaster losses and possible impacts
<b>Commitment</b>	▶	<ol style="list-style-type: none"> <li>1. Committed to the Company's GHG inventory.</li> <li>2. Properly understand the GHG emission status of the Company.</li> <li>3. Propose feasible plans for GHG reduction.</li> </ol>
<b>Short-term goals</b>	▶	Reduction of GHG emissions generated per unit energy consumption by at least 1% (inclusive) (Scope 1 + 2).
<b>Medium and long-term goals</b>	▶	<ol style="list-style-type: none"> <li>1. Reduction of GHG emissions generated per unit of energy consumption by 5–10%.</li> <li>2. The goal is expected to achieve carbon neutrality in the future.</li> </ol>
<b>Specific strategies</b>	▶	<p><b>Resource investment:</b></p> <ol style="list-style-type: none"> <li>1. Installation of solar power generation equipment</li> <li>2. Periodical inspection and repair of discharge equipment</li> <li>3. Replacement of energy-saving transformers</li> <li>4. Introduction of smart energy system to effectively manage electricity consumption</li> <li>5. Adoption of battery-powered forklifts to reduce factory carbon emissions</li> <li>6. Complete replacement of all electrical equipment with Grade 2 energy efficient equipment</li> </ol> <p><b>Actual outcome:</b> All discharge indicators (VOC, odor concentration) have achieved the target level</p>
<b>Responsible department and complaint filing mechanism</b>	▶	Environmental Safety Section, Telephone: +86-573-8220-3125#111
<b>Evaluation mechanism</b>	▶	Annual energy saving rate/periodic air pollution inspection complying with emission standards

Note: Target achieved in 2024: GHG emissions per production unit in China reduced by 8.1%.

## 2.1.1 Carbon Emission-related Information

### ●Direct (Scope 1) GHG emissions

#### China

Year	Scope 1 CO <sub>2</sub> e equivalent	Explanation of differences and changes
2022	1,463.631	Energy consumption increased in 2024 due to an increase in production volume.
2023	1,688.062	
2024	2,739.612	

Unit: CO<sub>2</sub>e metric tons Reference: Emission factor method

#### Taiwan

Year	Scope 1 CO <sub>2</sub> e equivalent	Explanation of differences and changes
2022	22.905	
2023	16.593	
2024	16.827	

Unit: CO<sub>2</sub>e metric tons Reference: Emission factor method

### ●Energy indirect (Scope 2) GHG emissions

#### China

Year	Externally purchased electricity (kWh)	Scope 2 CO <sub>2</sub> e equivalent	Explanation of differences and changes
2022	37,487,310	14,507.699	Energy consumption increased in 2024 due to an increase in production volume.
2023	33,259,893	12,871.579	
2024	38,275,866	14,812.759	

Unit: CO<sub>2</sub>e metric tons Reference: Emission factor method

#### Taiwan

Year	Externally purchased electricity (kWh)	Scope 2 CO <sub>2</sub> e equivalent	Explanation of differences and changes
2022	84,858	42.005	
2023	82,594	40.884	
2024	81,944	38.842	

Unit: CO<sub>2</sub>e metric tons Reference: Emission factor method

●Other indirect (Scope 3) GHG emissions

China

Year	Total fuel used for business trips	Upstream raw materials
2022	1,064.282	2,844.137
2023	2,240.721	2,792.263
2024	3,145.180	3,108.217

Unit: CO2e metric tons Reference: Emission factor method

Taiwan

Year	Total fuel used for business trips	Upstream raw materials
2022	15.098	-
2023	121.767	-
2024	711.699	-

Unit: CO2e metric tons Reference: Emission factor method

●GHG emissions intensity

China

Year	Total emissions (Unit: metric tons CO2e/year)	Total area (Unit: square meter)	Emission intensity	Remarks
2022	15,971.330	152,063	0.1050	Scope 1+2
2023	14,559.641	164,676	0.0884	Scope 1+2
2024	17,552.371	212,603	0.0826	Scope 1+2

Note 1: Emission intensity: CO2e metric ton/square meter

Note 2: For 2023, the area of Tong He Plant was additionally included, and the area of Gaoke Plant was additionally included in 2024; therefore, the emission intensity was reduced.

Taiwan

Year	Total emissions (Unit: metric tons CO2e/year)	Total area (Unit: square meter)	Emission intensity	Remarks
2022	64.910	718	0.0904	Scope 1+2
2023	57.477	718	0.0801	Scope 1+2
2024	55.669	718	0.0775	Scope 1+2

Note 1: Emission intensity: CO2e metric ton/square meter

## ●Reduction of GHG emissions

### China

Year	GHG emissions directly reduced	Energy saving methods adopted:
2022		1. Installation of solar power generation equipment 2. Periodical inspection and repair of discharge equipment 3. Replacement of energy-saving transformers 4. Introduction of smart energy system to effectively manage electricity consumption 5. Adoption of battery-powered forklifts to reduce factory carbon emissions 6. Complete replacement of all electrical equipment with Grade 2 energy efficient equipment Note: The current control measures adopted are mainly to save energy and reduce emissions.
2023	-1,411.689	
2024	2,992.730	

Unit: metric tons CO<sub>2</sub>e/year

### Taiwan

Year	GHG emissions directly reduced	Energy saving methods adopted:
2022	-	
2023	-7.433	
2024	-1.808	

Unit: metric tons CO<sub>2</sub>e/year

## ●Emissions of ozone-depleting substances (ODS)

### China

Ozone-depleting substances (ODS)	Production volume	Input volume	Output volume
For 2022–2024, the Company performed air pollution related inspection; however, ODS related inspection was not made.			

Unit: Co<sub>2</sub>e metric tons/year

### Taiwan

Ozone-depleting substances (ODS)	Production volume	Input volume	Output volume
No relevant test data disclosure for 2022–2024 (Taiwan Headquarters is mainly office buildings; therefore, relevant inspections are not required).			

Unit: Co<sub>2</sub>e metric tons/year

## ●Nitrogen oxides (NO<sub>x</sub>), sulfur oxides (SO<sub>x</sub>), and other significant air emissions

### China

Year	Nitrogen oxides (NO <sub>x</sub> )	Sulfur oxides (SO <sub>x</sub> )	Persistent organic pollutants (POP)	Volatile organic compounds (VOC)	Suspended solids	Particulate matter (PV)	Hazardous air pollutants (HAP)	Source of information:
2022	The Company has conducted air pollution inspections; however, relevant inspection for such type of emissions has not yet been conducted			4.23	The Company has conducted air pollution inspections; however, relevant inspection for such type of emissions has not yet been conducted			Note 1: Environmental evaluation report and Pollutant discharge permit.  Note 2: Non-Methane Hydrocarbons (NMHC) emission standard is 120 mg/m <sup>3</sup> .
2023	The Company has conducted air pollution inspections; however, relevant inspection for such type of emissions has not yet been conducted			4.23	The Company has conducted air pollution inspections; however, relevant inspection for such type of emissions has not yet been conducted			
2024	The Company has conducted air pollution inspections; however, relevant inspection for such type of emissions has not yet been conducted			4.23	The Company has conducted air pollution inspections; however, relevant inspection for such type of emissions has not yet been conducted			

Note: Unit: kg

### Taiwan

Year	Nitrogen oxides (NO <sub>x</sub> )	Sulfur oxides (SO <sub>x</sub> )	Persistent organic pollutants (POP)	Volatile organic compounds (VOC)	Suspended solids	Particulate matter (PV)	Hazardous air pollutants (HAP)
2022	Taiwan Headquarters is mainly office buildings; therefore, relevant inspections are not required.						
2023	Taiwan Headquarters is mainly office buildings; therefore, relevant inspections are not required.						
2024	Taiwan Headquarters is mainly office buildings; therefore, relevant inspections are not required.						

Note: Unit: kg

## 2.2 Waste

<b>Policy</b>	▶	Reduce the output of hazardous wastes and reduce external environmental impact
<b>Commitment</b>	▶	Waste generated by the factory is disposed of by qualified contractors
<b>Short-term goals</b>	▶	1. Hazardous waste disposal rate of 100% 2. Waste oil recycling and reuse rate above 93% (inclusive)
<b>Medium and long-term goals</b>	▶	1. Waste oil recycling and reuse 2. Reduction of sludge generated per ton of wastewater by more than 20% (inclusive)
<b>Specific strategies</b>	▶	Sewage station: 1. Resource investment: Investment budget of approximately NT\$19.5 million (chemicals for wastewater treatment) 2. Actual outcome: 20–25% reduction in sludge generated per ton of wastewater  Waste oil recycling and reuse: 1. Resource investment: Investment budget of approximately NT\$2.4 million 2. Actual outcome: 5% reduction in oil consumption
<b>Responsible department and complaint filing mechanism</b>	▶	Environmental Safety Section, Telephone +86-573-8220-3125#111
<b>Evaluation mechanism</b>	▶	Statistically calculate the annual output volume, ensure complete disposal, and monitor the disposal rate

Note: The target was achieved in 2024, and the implementation status is as follows:

- (1) Hazardous waste disposal volume: 2028 tons, for a hazardous waste disposal rate of 100%.
- (2) Waste oil recycling and reuse rate of 93.8%.

### 2.2.1 Waste-related information

#### ●Waste generation and significant waste-related impacts

Disclosure Item 306-1 Waste generation and significant waste-related impacts

1. The Company contracts qualified operators to perform disposal and treatment
2. Waste sources: Sewage station and production equipment

#### ●Management of significant waste-related impacts

Disclosure Item 306-2 Management of significant waste-related impacts

1. The Company outsources disposal to qualified contractors
2. The factory is equipped with the ISO 14001 environmental management system certificate
3. Waste reduction measures: (1) Recycling and reuse of oil from electrostatic precipitators and centrifuges  
(2) The sewage station treatment technique has changed from a chemical method to a biological method, resulting in a 25% reduction in waste.

## ●Waste generated

### China

Unit: tons

Item	Total waste	2022	2023	2024	Explanation of differences and changes
General industrial waste	Wire drawing powder	73	28	25	
	Domestic waste	381	369	406	
	Total	454	397	431	
Hazardous industrial waste	Hazardous waste (Sludge and waste oil)	2,264	1,806	2,028	

### Taiwan

Unit: tons

Item	Total waste	2022	2023	2024	Explanation of differences and changes
General industrial waste	Domestic waste	6	6	7	
Hazardous industrial waste	None	0	0	0	

## ●Waste diverted from disposal

### China

Unit: tons

Year	Reuse	Renewal	Others
2022	9,020	0	0
2023	7,054	0	0
2024	9,219	0	0

### Taiwan

unit: tons

Year	Reuse	Renewal	Others
2022	0	0	0
2023	0	0	0
2024	0	0	0

## ●Waste directed to disposal

### China

Unit: tons

Year	General industrial waste			Hazardous industrial waste		
	On-site	Incineration	Landfill	On-site	Incineration	Others
2022	454	454	0	2,264	0	2,264
2023	397	397	0	1,806	0	1,806
2024	431	431	0	2,028	0	2,028

### Taiwan

unit: tons

Year	General industrial waste			Hazardous industrial waste		
	On-site	Incineration	Landfill	On-site	Incineration	Others
2022	6	6	0	0	0	0
2023	6	6	0	0	0	0
2024	7	7	0	0	0	0

## 2.3 Energy Management

Policy	▶	Control energy management and commit to the increase of factory production capacity.
Commitment	▶	Commit to the implementation of energy conservation management (energy saving).
Short-term goals	▶	<ol style="list-style-type: none"> <li>1. Electricity reduction of at least 6% per year (inclusive)</li> <li>2. Natural gas reduction of at least 3% per year (inclusive)</li> <li>3. Steam reduction of at least 4.8% per year (inclusive)</li> <li>4. Gasoline reduction of at least 5% per year (inclusive)</li> <li>5. Diesel reduction of at least 5% per year (inclusive)</li> </ol>
Medium and long-term goals	▶	<ol style="list-style-type: none"> <li>1. Replace old and obsolete high energy consuming equipment; 14 old and obsolete machines will be replaced with 50 new ones in 2025.</li> <li>2. Constant temperature control of air conditioners</li> </ol>
Specific strategy/outcome	▶	<ol style="list-style-type: none"> <li>1. Installation of harmonic filter cabinets for low-voltage transformers at a price of NT\$175 thousand (expected annual electricity savings of 100 thousand kWh).</li> <li>2. The Environmental Safety Section of Gaoke Plant has additionally installed a reclaimed water pipeline for the Polishing Department at a cost of NT\$65 thousand (expected annual water savings of 20 thousand tons of water).</li> </ol>
Responsible department and complaint filing mechanism	▶	Equipment Section Chief/ Hsu-Fei Zhou (Email: zhou@tongming.com.cn)
Evaluation mechanism	▶	Periodically assess electricity consumption status and usage rate of other power sources

### 2.3.1 Energy-related Information

#### ●Energy consumption within the organization

Unit: kWh

Changsheng Plant	2022		2023		2024	
Externally purchased electricity	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)
	35,323,063	127,163	24,818,616	89,347	23,504,808	84,617
Diesel (emergency power generators, forklifts)	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)
	99	3,478	80	2,817	34	1,182
Steam	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)
	16,321	45,372	15,028	41,777	14,135	39,296
Natural gas	Cubic meters	Gigajoules (GJ)	Cubic meters	Gigajoules (GJ)	Cubic meters	Gigajoules (GJ)
	585,777	22,069	347,408	13,088	466,509	17,575
Gasoline (company vehicles)	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)
	25	803	18	585	21	674
Total energy consumption within the organization	Gigajoules (GJ)		Gigajoules (GJ)		Gigajoules (GJ)	
	219,787		167,674		163,407	
Solar power generation	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)
	5,954,255	21,435	5,949,838	21,419	6,005,975	21,622
Solar power for self-consumption	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)
	5,806,295	20,903	5,572,218	20,060	5,572,935	20,135

Unit: kWh

Gaoke Plant	2022		2023		2024	
Externally purchased electricity	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)
	346,687	1,248	4,388,037	15,797	11,238,578	40,459
Diesel (emergency power generators, forklifts)	liters	Gigajoules (GJ)	liters	Gigajoules (GJ)	liters	Gigajoules (GJ)
	-	-	-	-	2	72
Steam	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)
	-	-	-	-	-	-
Natural gas	Cubic meters	Gigajoules (GJ)	Cubic meters	Gigajoules (GJ)	Cubic meters	Gigajoules (GJ)
	-	-	68,348	2,575	281,965	10,623
Gasoline (company vehicles)	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)
	-	-	-	-	2	64
Total energy consumption within the organization	Gigajoules (GJ)		Gigajoules (GJ)		Gigajoules (GJ)	
	1,248		24,362		59,983	
Solar power generation	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)
	-	-	2,301,114	8,284	2,736,489	9,851
Solar power for self-consumption	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)
	-	-	1,663,882	5,990	2,434,884	8,766

Unit: kWh

Zhejiang Tong He	2022		2023		2024	
Externally purchased electricity	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)
	1,817,560	6,543	4,053,240	14,592	3,532,480	12,717
Diesel (emergency power generators, forklifts)	liters	Gigajoules (GJ)	liters	Gigajoules (GJ)	liters	Gigajoules (GJ)
	-	-	11	370	7	229
Steam	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)
	584	1,624	946	2,630	721	2,004
Natural gas	Cubic meters	Gigajoules (GJ)	Cubic meters	Gigajoules (GJ)	Cubic meters	Gigajoules (GJ)
	-	-	149,423	5,629	323,983	12,206
Gasoline (company vehicles)	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)
	-	-	-	-	1	34
Total energy consumption within the organization	Gigajoules (GJ)		Gigajoules (GJ)		Gigajoules (GJ)	
	8,167		24,027		31,470	
Solar power generation	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)
	-	-	255,378	919	1,564,464	5,632
Solar power for self-consumption	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)
	-	-	235,178	847	1,193,584	4,297

Unit: kWh

Taiwan	2022		2023		2024	
Externally purchased electricity	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)
	84,858	305	82,594	297	81,944	295
Diesel (emergency power generators, forklifts)	liters	Gigajoules (GJ)	liters	Gigajoules (GJ)	liters	Gigajoules (GJ)
	-	-	-	-	-	-
Steam	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)
	-	-	-	-	-	-
Natural gas	Cubic meters	Gigajoules (GJ)	Cubic meters	Gigajoules (GJ)	Cubic meters	Gigajoules (GJ)
	-	-	-	-	-	-
Gasoline (company vehicles)	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)	tons	Gigajoules (GJ)
	8	271	6	195	6	185
Total energy consumption within the organization	Gigajoules (GJ)		Gigajoules (GJ)		Gigajoules (GJ)	
	577		492		480	
Solar power generation	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)
	-	-	-	-	-	-
Solar power for self-consumption	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)	kWh	Gigajoules (GJ)
	-	-	-	-	-	-

Total	2022	2023	2024
Total energy consumption within the organization	229,779	216,556	255,340

Note: The energy consumption has been converted into joules. 1 kWh is equivalent to 3,600,000 joules.  
 1 cubic meter of natural gas = 9,000 kcal, and diesel 1L = 8,400 kcal  
 Gasoline 1L = 7,800 kcal, and 1 cal = 4.186 joules.

●Energy consumption outside of the organization

No relevant information on suppliers and customers is available.

## ●Energy intensity

Changsheng Plant			
Unit: GJ	Total energy consumption	Production volume (tons)	Energy intensity
2022	219,787	117,949	1.8634
2023	167,674	89,332	1.8770
2024	163,479	98,435	1.6608

Gaoke Plant			
Unit: GJ	Total energy consumption	Production volume (tons)	Energy intensity
2022		—	
2023	24,362	2,696	9.0363
2024	59,983	21,989	2.7279

Zhejiang Tong He			
Unit: GJ	Total energy consumption	Production volume (tons)	Energy intensity
2022	8,167	3,407	2.3972
2023	24,027	8,441	2.8512
2024	31,470	11,358	2.7722

Note: Since Taiwan is for trading business only; no energy intensity is disclosed.

## ●Reduction of energy consumption

Changsheng Plant			Gaoke Plant		
Unit: GJ	Total energy consumption	Total energy saved	Unit: GJ	Total energy consumption	Total energy saved
2022	219,787	-	2022	-	-
2023	167,674	-52,113	2023	24,362	-
2024	163,479	-4,195	2024	59,983	35,621

Note: Total energy consumption decreased from 2022 to 2024

Note: Total energy consumption increased from 2022 to 2024

Zhejiang Tong He			Taiwan		
Unit: GJ	Total energy consumption	Total energy saved	Unit: GJ	Total energy consumption	Total energy saved
2022	8,167		2022	577	
2023	24,027	15,860	2023	492	-85
2024	31,470	7,443	2024	480	-12

Note: Total energy consumption increased from 2022 to 2024

## ●Reductions in energy requirements of products and services

Unit: %

Year	Energy reduction amount	Explanation: Energy-saving methods adopted:
2022	Note: The Company's industry is not classified as an energy-saving industry (equipped with energy-saving label).	
2023		
2024		

## 2.4 Water and Effluents

The target was not achieved in 2024, and the implementation status is as follows:

- (1) The total water withdrawal per ton of fastener products was 111,204 tons (target not achieved).
- (2) Water consumption was 1.39 tons/ton of fasteners (target not achieved).

This material topic was reviewed for two years (2022-2023), and in 2024 the target was still not achieved. After re-implementation of the material topic questionnaire survey, this topic was not listed among the top three topics in the stakeholders' questionnaire. Nevertheless, after review and assessment, this topic continues to be listed for monitoring. Energy Management is additionally listed as a material indicator in the environmental dimension for 2024.

### 2.4.1 Water Resource-related Information

#### ●Interactions with water as a shared resource

For the Company's policies and water management, the industrial water consumed by factories in China mainly comes from river water, and the water for manufacturing processes is recycled for reused (reclaimed water) along with treated wastewater, etc.

The river is the main water source; a water withdrawal permit (No.: D330418S2024-0012-001) has also been obtained.

#### ●Management of water discharge-related impacts

##### China (Changsheng Plant + Gaoke Plant)

Unit: mg/L

Year	Nickel	Chromium	COD	Explanation of differences and changes
2022	< 1.0mg/L	< 1.5mg/L	< 500 mg/L	The Company conducts relevant inspections twice annually, and the data shown on the left indicates that the data complies with relevant standards.
2023	< 1.0mg/L	< 1.5mg/L	< 500 mg/L	
2024	< 1.0mg/L	< 1.5mg/L	< 500 mg/L	

Note 1: Discharge standard: According to the local "Integrated Wastewater Discharge Standard" (GB8978-1996) in China: For the maximum acceptable discharge concentration of Type 1 pollutants, the acceptable discharge concentration is 1.0 mg/L for nickel and 1.5 mg/L for chromium.

For the Level 3 standard of the maximum acceptable discharge concentration of Type 2 pollutants, the COD concentration limit is 500 mg/L.

Note 2: The local government's audit unit inspects the wastewater discharge indicators monthly. If the discharge is within the standard, the factory is permitted to discharge the wastewater to the local sewage treatment plant.

#### ●Water withdrawal

Unit: ML

Year	Water withdrawal source	Water withdrawal volume	Water withdrawal volume at water stress area	Total water withdrawal	Remarks
2022	River water (Industrial water)	120,467	None	172,976	Note 1: Industrial water: From river water Water for domestic use: From tap water Note 2: The total water withdrawal amounts for 2022 and 2023 were similar. Reasons for increase in tap water usage in 2024: Gaoke Plant started mass production in 2023 Q4. Since tap water was used for cleaning screw nuts, the tap water consumption in 2024 increased significantly.
	Tap water (domestic water)	52,509	None		
2023	River water (Industrial water)	111,926	None	172,289	
	Tap water (domestic water)	60,363	None		
2024	River water (Industrial water)	122,341	None	244,096	
	Tap water (domestic water)	121,755	None		

## ●Water discharge

Unit: tons





Year	Drainage area	Water discharge (tons)	Total water discharge (tons)	Remarks
2022	Jiaxing City Combined Wastewater Treatment Plant	96,981	96,981	Note: The total water discharge amounts for 2022 and 2023 were similar. Reasons for increase in total water discharge in 2024: Gaoke Plant started mass production in 2023 Q4. Since tap water was used for cleaning screw nuts, the tap water consumption in 2024 increased significantly, and the total water discharge amount also increased accordingly.
	Regulated discharge			
2023	Jiaxing City Combined Wastewater Treatment Plant	110,494	110,494	
	Regulated discharge			
2024	Jiaxing City Combined Wastewater Treatment Plant	163,622	163,622	
	Regulated discharge			

## ●Water consumption

Unit: tons

Year	Total water withdrawal area	Total water discharge	Water consumption	Remarks
2022	172,976	96,981	75,995	Note: Water saving measures: Implement water reclamation measures. Reasons for increase in water consumption in 2024: Gaoke Plant started mass production in 2023 Q4. Since tap water was used for cleaning screw nuts, the tap water consumption in 2024 increased significantly, and the water consumption also increased accordingly.
2023	172,289	110,494	61,795	
2024	244,096	163,622	80,474	

## 2024 Achievements and Performance Highlights for the ESG dimension of Society (People)

 <b>Training and education</b>	<p><b>Resource investment:</b></p> <ol style="list-style-type: none"> <li>Annual education and training plan</li> <li>Internal/external course planning and arrangement</li> <li>Employee learning expansion training</li> <li>Internal lecturers cultivation</li> </ol> <p><b>Actual outcome:</b></p> <ol style="list-style-type: none"> <li>Completion of annual education and training</li> <li>Completion of internal/external course training</li> <li>Internal lecturers cultivation</li> <li>Learning knowledge sharing</li> </ol>
 <b>Occupational health and safety</b>	<p><b>Resource investment:</b></p> <ol style="list-style-type: none"> <li>Labor insurance supplies purchase / on-site safety potential hazard improvement / on-site equipment and tool repair and replacement / occupational health examination / occupational health and safety operation training / special equipment inspection and maintenance, for a total of approximately NT\$14.6 million.</li> </ol> <p><b>Actual outcome:</b></p> <ol style="list-style-type: none"> <li>Compliance with local regulations in China to reduce the operating risk costs</li> <li>Protection of employee physical health to prevent occupational injuries</li> </ol>
 <b>Employment</b>	<p><b>Resource Investment</b></p> <ol style="list-style-type: none"> <li>Convene labor-management meetings periodically to discuss labor-management related issues and to promote harmony of labor-management relations.</li> <li>Appropriate legal reserve to welfare committee and departments annually.</li> </ol> <p><b>Actual outcome</b></p> <ol style="list-style-type: none"> <li>Employee travel, department meal gatherings</li> <li>Salary raise by the Company</li> <li>Year-end party</li> <li>Company's welfare policy</li> <li>Organization of club activities</li> <li>Additional medical insurance</li> </ol>
 <b>Social Participation</b>	<p>Social participation is classified into the aspects of community welfare / social welfare / environmental welfare / cultural activities.</p>



3 Social Care

Society



### 3.1 Training and Education

<p><b>Policy</b></p>	<ul style="list-style-type: none"> <li>▶ 1. Increase competitiveness of the Company</li> <li>▶ 2. Enhance the on-the-job training of employees</li> </ul>
<p><b>Policy commitments</b></p>	<ul style="list-style-type: none"> <li>▶ Cultivate employees with high level technical skills and competitiveness.</li> </ul>
<p><b>Short-term goals</b></p>	<ul style="list-style-type: none"> <li>▶ 1. Average training hours per person <math>\geq</math> 6 hours/person/year</li> <li>▶ 2. Annual education and training achievement rate of 100%</li> <li>▶ 3. Post-training satisfaction <math>\geq</math> 87%</li> </ul>
<p><b>Medium and long-term goals</b></p>	<ul style="list-style-type: none"> <li>▶ 1. Improve on-the-job employee education and training</li> <li>▶ 2. Enhance the content of the Company's internal and external training, common courses / professional technical courses</li> </ul>
<p><b>Specific strategy/ outcome</b></p>	<p><b>Resource investment:</b></p> <ul style="list-style-type: none"> <li>1. Annual education and training plan</li> <li>2. Internal/external course planning and arrangement</li> <li>3. Employee learning expansion training</li> <li>4. Internal lecturers cultivation</li> </ul> <p><b>Actual outcome:</b></p> <ul style="list-style-type: none"> <li>1. Completion of annual education and training</li> <li>2. Completion of internal/external course training</li> <li>3. Internal lecturers cultivation</li> <li>4. Learning knowledge sharing</li> </ul>
<p><b>Responsible department and complaint filing mechanism</b></p>	<ul style="list-style-type: none"> <li>▶ Management Department/E-mail: hr@tongming.com.cn</li> </ul>
<p><b>Evaluation mechanism</b></p>	<ul style="list-style-type: none"> <li>▶ 1. Periodically convene education and training-related meetings (management review meetings) to review performance goals</li> <li>▶ 2. Training scores</li> <li>▶ 3. Course completion certificate</li> </ul>

Note: The target was achieved in 2024, and the implementation status is as follows:

- (1) Average training hours per person of 9.65 hours.
- (2) Annual education and training achievement rate of 100%.
- (3) Post-training satisfaction of 87.4% and the target was achieved.

### 3.1.1 Education and Training-related Information

#### Average hours of training per year per employee

Unit: hours

Statistics/Year	2022		2023		2024		Please explain the difference in employee training hours for the recent years	
	China	Taiwan	China	Taiwan	China	Taiwan		
<b>Average training hours per employee</b> (Note 1)	7	9	10	8.7	9.65	7.4	Note: Since dispatched employees receive internal training from the Company, the number of trainees includes the number of dispatched employees.	
<b>Average training hours of employees according to gender</b> (Note 2)	Female	6	8	10	8.4	7.61		7.4
	Male	8	10	10	9.8	10.58		6.8
<b>Average training hours of employees according to employee type</b> (Note 3)	Direct	7	0	10	0	7.06		0
	Indirect	7	9	11	8.7	10.90		7.34

Note 1: Average training hours per employee: Total training hours of all employees in that year / Total number of employees at the end of that year.

Note 2: Average training hours per female employee: Total training hours of female employees in that year / Total number of female employees at the end of that year.

Note 3: Average training hours of employees according to employee category: Total training hours for such employee category in that year / Total number of employees of such employee category at the end of that year.

#### Programs for upgrading employee skills and transition assistance programs

Assistance type	Implementation plan and type and scope of assistance provided
 <p>Training plan for improving employee competence</p>	<ol style="list-style-type: none"> <li>1. Organize employee professional skill level training and examination</li> <li>2. Annual plan for internal trainings</li> <li>3. External courses</li> <li>4. Training for special operators</li> <li>5. System training</li> <li>6. Laboratory personnel training</li> <li>7. Specific training (supervisor's empowerment training)</li> <li>8. Training for management trainees</li> </ol>
Continued employment assistance (retirement or termination of employment)	Packaging, workshop assistants, workshop operators, finance, re-employment after retirement

#### Percentage of employees receiving regular performance and career development reviews

Employees evaluated in 2024 (China)		Number of employees evaluated	Total number of employees	Percentage	Employees evaluated in 2024 (Taiwan)		Number of employees evaluated	Total number of employees	Percentage
Gender	Male	843	1229	69%	Gender	Male	3	20	15%
	Female	386	1229	31%		Female	17	20	85%
Employee category	Direct	828	1229	67%	Employee category	Direct	0	20	0%
	Indirect	401	1229	33%		Indirect	20	20	100%

Note: Dispatched employees included.

### 3.2 Occupational health and safety

<b>Policy</b>	▶	Enhancement of employee safety awareness
<b>Commitment</b>	▶	Legal compliance, continuous development of employee health, preventive measures for energy saving and carbon reduction, prevention of environmental pollution and safety, continuous improvement of organization leadership, employee participation.
<b>Short-term goals</b>	▶	<ol style="list-style-type: none"> <li>1. A maximum of 3 occupational injuries for the Changsheng Plant, and no more than 100 days lost. No more than 2 occupational injuries for the Gaoke Plant, and no more than 60 days lost. No more than 1 occupational injury for the Tonghe Plant, and no more than 20 days lost.</li> <li>2. 0 instances of occupational disease.</li> </ol>
<b>Medium and long-term goals</b>	▶	<ol style="list-style-type: none"> <li>1. Major accident occurrence rate is 0.</li> <li>2. 0 fire incidents resulting in a loss exceeding NT\$130 thousand.</li> </ol>
<b>Specific strategy/outcome</b>	▶	<p>Resource investment: Labor insurance supplies purchase / on-site safety potential hazard improvement / on-site equipment and tool repair and replacement / occupational health examination / occupational health and safety operation training / special equipment inspection and maintenance, for a total of approximately NT\$14.6 million.</p> <p>Actual outcome:  <ol style="list-style-type: none"> <li>1. Compliance with local regulations in China to reduce the operating risk costs</li> <li>2. Protection of employee physical health to prevent occupational injuries</li> </ol> </p>
<b>Responsible department and complaint filing mechanism</b>	▶	Environmental Safety Section and Departments / +86-573-8220-3125#111
<b>Evaluation mechanism</b>	▶	<ol style="list-style-type: none"> <li>1. Convene environmental safety meetings monthly to review management progress</li> <li>2. Review the annual management review report progress</li> </ol>

Note: The target was not achieved in 2024, and the implementation status is as follows:

- (1) There were 5 cases of occupational injuries for Changsheng Plant, and the number of days lost was 237 days.
- (2) There were 3 cases of occupational injuries for Gaoke Plant, and the number of days lost was 171 days.
- (3) No occupational injuries at Tonghe Plant.
- (4) The number of occupational disease was 1 person.

### 3.2.1 Occupational Safety and Health Management System Related information

#### ● Occupational health and safety management system

1. Equipped with the ISO45001 system, and certified by TÜV Rheinland (Shanghai) Co., Ltd.
2. This management system covers the Company's employees, dispatched employees, and contractors, and relevant activities are executed at Changshu Plant, Gaoke Plant, and Tonghe Plant in China

#### ● Hazard identification, risk assessment, and incident investigation

1. According to the "HS01 Hazard source identification and risk evaluation control procedure", hazards are identified and risk assessment is performed in order to propose improvement measures.
2. Carry out the accident handling process according to the "HSM034 Occupational injury handling management regulations", and adhere to the "Four No-tolerance" principle in the wake of an occupational accident.

#### ● Occupational health services

The Company organizes occupational health examinations during onboarding, during job performance, and after job performance. The Company classifies employees according to occupational hazardous factors in order for them to receive appropriate occupational health examinations according to GBZ 188-2014 "Technical specifications for occupational health surveillance".

#### ● Worker participation, consultation, and communication on occupational health and safety

The Company organizes routine environmental safety meetings monthly, and the Environmental Safety Department reports and implements improvements relating to occupational accidents occurring in the previous month, environmental safety concerns, and government requirements, as well as the latest regulatory regulations. When any department encounters environmental and occupational safety issues at work, it should be reported and discussed in order to find the resolution method. The personnel participating in the meeting include production department heads, full-time safety employees, and part-time safety employees.

#### ● Worker training on occupational health and safety

1. During onboarding, new employees receive three-level safety education, and each team also convenes morning meetings on topics related to safety. The Environmental Safety Department periodically distributes safety manuals for promotion, and departments also organize periodic safety training.
2. All training is provided free of cost to employees.

#### ● Promotion of worker health

1. The Company has established risk mechanisms to care for the physical and mental health of employees
2. The Company provides regular occupational health examinations and welfare health examinations

#### ● Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

Environmental safety meetings and executive meetings are convened every month, and all departments discuss major occupational safety issues and propose solutions.

#### ● 2024 Workers covered by an occupational health and safety management system

##### China

Management System/ laws and regulations	Inspection type	Number of people (days)	Ratio	Remarks
Occupational Safety and Health Act	Internal Audit	410	34%	
	Labor inspection	410	34%	
ISO 45001	Internal Audit	410	34%	
	External verification	410	34%	

##### Taiwan

Management System/ laws and regulations	Inspection type	Number of people (days)	Ratio	Remarks
Occupational Safety and Health Act	Internal Audit	0	-	The Taiwan headquarters is mainly office space; therefore, the occupational safety and health incidents are relatively lower.
	Labor inspection	0	-	
ISO 45001	Internal Audit	0	-	
	External verification	0	-	

### 3.2.2 Occupational Injury and Disease Related information

#### ●Employees - Occupational Injury and Disease Statistics

##### China

Statistics/Year		2022	2023	2024
Total number of working hours (Note 1)		2,860,487	2,814,241	3,236,878
Death incident due to occupational injury (Note 1)	Number of people	0	0	0
	Ratio	-	-	-
Severe occupational injuries (Note 2)	Number of people	0	0	0
	Ratio	-	-	-
Recordable occupational injury (Note 3)	Number of people	14	2	8
	Ratio	0.86503	0.12358	0.49430
Occupational disease	Number of people	0	0	1
	Ratio	-	-	0.06179
Recordable occupational disease (Note 3)	Number of people	0	0	1
	Ratio	-	-	0.06179

##### Taiwan

Statistics/Year		2022	2023	2024
Total number of working hours (Note 1)		37,848	31,744	40,000
Death incident due to occupational injury (Note 1)	Number of people	0	0	0
	Ratio	-	-	-
Severe occupational injuries (Note 2)	Number of people	0	0	0
	Ratio	-	-	-
Recordable occupational injury (Note 3)	Number of people	0	0	0
	Ratio	-	-	-
Occupational disease	Number of people	0	0	0
	Ratio	-	-	-
Recordable occupational disease (Note 3)	Number of people	0	0	0
	Ratio	-	-	-

Note 1: The Company may choose to calculate the ratio based on every 200 thousand or 1 million working hours.

Note 2: Severe occupational injury: Severe occupational injuries causing employees to be unable to or having difficulty in recovering to their pre-injury health condition within six months; the statistical data shall exclude the number of deaths.

Note 3: Recordable occupational injury or disease: refers to occupational injury or disease causing: death, leave, work restriction or job transfer, medical care exceeding first-aid, or loss of conscious, or major injury or disease diagnosed by physician or other medical professional; the statistical data shall include the number of deaths. In addition, whether minor injuries (occupational injuries requiring only on-site first aid treatment) are excluded or included shall be explained.

## ●Occupational Injury and Disease Type Statistics

### China

Type/Year		2022	2023	2024	Hazard and improvement description
Type of occupational injury	Fall injury	3	0	1	Hazard: Employee being injured.  Improvement explanation: Enhance employee safety education, and follow standard operating procedures
	Crush injury	10	2	4	
	Scald	1	0	0	
	Cutting injury	0	0	3	
	Death	0	0	0	
Type of occupational disease	Hearing impairment	0	0	1	
	Death	0	0	0	

### Taiwan

Type/Year		2022	2023	2024	Hazard and improvement description
Type of occupational injury	Fall injury	0	0	0	
	Crush injury	0	0	0	
	Scald	0	0	0	
	Cutting injury	0	0	0	
	Death	0	0	0	
Type of occupational disease	Hearing impairment	0	0	0	
	Death	0	0	0	

### 3.2.3 Information related to occupational injury frequency, occupational disease, lost day ratio and absence rate, and death in the line of duty

- Occupational injury frequency, occupational disease, lost day ratio and absence rate, and total number of deaths in the line of duty

#### China

Item	Gender	2022	2023	2024
Injury rate (IR)	Male	0.99494	0.14213	0.37073
	Female	-	-	0.12358
Disabling injury frequency (FR)	Male	4.9747	0.71067	1.85364
	Female	-	-	0.61788
Occupational disease rate (ODR)	Male	-	-	0.06179
	Female	-	-	-
Lost day rate (LDR)	Male	30.98526	8.45669	14.21122
	Female	-	-	10.99825
Disabling injury severity rate (SR)	Male	154.92632	42.28494	71.05612
	Female	-	-	54.99126
Absence rate (AR)	Male	247.88211	67.65590	113.69980
	Female	-	-	87.98602
Total number of death accidents	Male	-	-	-
	Female	-	-	-

#### Taiwan

Item	Gender	2022	2023	2024
Injury rate (IR)	Male	-	-	-
	Female	-	-	-
Disabling injury frequency (FR)	Male	-	-	-
	Female	-	-	-
Occupational disease rate (ODR)	Male	-	-	-
	Female	-	-	-
Lost day rate (LDR)	Male	-	-	-
	Female	-	-	-
Disabling injury severity rate (SR)	Male	-	-	-
	Female	-	-	-
Absence rate (AR)	Male	-	-	-
	Female	-	-	-
Total number of death accidents	Male	-	-	-
	Female	-	-	-

- Injury rate (IR) = (Total number of occupational injuries / Total number of working hours of all employees) × 200,000
- Disability injury frequency rate (FR) = Total number of people with disability injury / Total number of working hours of all employees) × 1,000,000
- Occupational disease rate (ODR) = (Total number of occupational diseases / Total number of working hours of all employees) × 200,000
- Lost day rate (LDR) = (Total number of lost days / Total number of working hours of all employees) × 200,000
- Disability injury severity rate (SR) = Total number of lost days due to disability injury / Total number of working hours of all employees) × 1,000,000
- Absence rate (AR) = (Total number of absent days / Total number of working days of all employees) × 200,000

Note 1: The number of lost days is defined as the sum of all lost days lost due to temporary total disability, permanent partial disability, permanent total disability and death.

(Temporary disability refers to when a victim cannot continue to perform work normally and must leave the workplace for recovery, and the lost time at least one day (including: national holidays, scheduled rest days or regular work days).

Note 2: Absence is defined as an employee leaving his/her job position due to loss of labor capability. It includes sick leave (including occupational injury, occupational disease, general sick leave, menstrual leave) and personal leave; however, it excludes approved leave, maternity leave, paternity leave, and funeral leave, etc.

**Category of occupational injury (China)**

Category of occupational injury			2022	2023	2024
Traffic accident	Gender	Male	0	0	0
		Female	0	0	0
Cutting injury	Gender	Male	0	0	1
		Female	0	0	2
Falling	Gender	Male	3	0	1
		Female	0	0	0
Scald	Gender	Male	1	0	0
		Female	0	0	0
Crush, compression, rebound injury	Gender	Male	10	2	4
		Female	0	0	0

**Category of occupational injury (Taiwan)**

Category of occupational injury			2022	2023	2024
Traffic accident	Gender	Male	0	0	0
		Female	0	0	0
Cutting injury	Gender	Male	0	0	0
		Female	0	0	0
Falling	Gender	Male	0	0	0
		Female	0	0	0
Scald	Gender	Male	0	0	0
		Female	0	0	0
Crush, compression, rebound injury	Gender	Male	0	0	0
		Female	0	0	0

### 3.3 Employment

<p><b>Policy</b></p>	<p>▶ Employees are the foundation of an enterprise organization. The Company values its partnership with employees. Under the solid foundation of a harmonious relationship between employees and employer, we have established friendly labor-management relations, in order to reduce labor risks and to implement sustainable management.</p>
<p><b>Commitment</b></p>	<p>▶ Employees are the Company's greatest assets. To protect employee rights and interest, and to promote labor-management collaboration, labor-management meetings are convened periodically, in order to establish proper communication mechanisms and to achieve harmonious labor-management relations.</p>
<p><b>Short-term goals</b></p>	<p>▶</p> <ol style="list-style-type: none"> <li>1. Convention of labor-management meetings (union): At least one/year.</li> <li>2. Convention of Employee Welfare Committee meetings: At least 3/year</li> <li>3. Complaint cases: 0 case</li> <li>4. Sexual harassment prevention cases: 0 case</li> <li>5. Reporting of violation of ethical conduct: 0 cases</li> <li>6. Anti-corruption conduct case: 0 cases</li> <li>7. Non-discrimination conduct case: 0 cases</li> </ol>
<p><b>Medium and long-term goals</b></p>	<p>▶</p> <ol style="list-style-type: none"> <li>1. Convention of labor-management meetings and Employee Welfare Committee meetings</li> <li>2. Investigation of complaints and sexual harassment investigations</li> <li>3. Investigation of major labor-management issues and relevant illegal incidents</li> <li>4. Two-way communication through evaluation system</li> <li>5. Employee satisfaction survey</li> </ol>
<p><b>Specific strategy/outcome</b></p>	<p>▶</p> <ol style="list-style-type: none"> <li>1. <b>Resource Investment</b> <ol style="list-style-type: none"> <li>(1) Convene labor-management meetings periodically to discuss labor-management related issues and to promote harmony of labor-management relations.</li> <li>(2) Appropriate legal reserve to welfare committee and departments annually.</li> </ol> </li> <li>2. <b>Actual outcome</b> <ol style="list-style-type: none"> <li>(1) Employee travel, department meal gatherings</li> <li>(2) Salary raise by the Company</li> <li>(3) Year-end party</li> <li>(4) Company's welfare policy</li> <li>(5) Organization of club activities</li> <li>(6) Additional medical insurance</li> </ol> </li> </ol>
<p><b>Responsible department and complaint filing mechanism</b></p>	<p>▶ Management Department/E-mail: hr@tongming.com.cn</p>
<p><b>Evaluation mechanism</b></p>	<p>▶</p> <ol style="list-style-type: none"> <li>1. Periodic convention of (labor-management, Employee Welfare Committee) meetings for evaluation</li> <li>2. Physical and complaint mailboxes</li> <li>3. Report to supervisors directly</li> </ol>

Note: The target was achieved in 2024, and the implementation status is as follows:

- (1) Convention of labor-management meetings (union): 1 time/year.
- (2) Convention of Employee Welfare Committee meetings: 3 times/year.
- (3) Complaint cases: 0
- (4) Sexual harassment investigations: 0
- (5) Reports of violations of ethical conduct: 0

### 3.3.1 Employee-related Information

#### ● Full-time employees

Statistics/Year		2022		2023		2024	
Total number of employees (Note 1)		1,134		1,081		1,157	
Employment contract (Note 2)		Non-fixed	Fixed	Non-fixed	Fixed	Non-fixed	Fixed
Gender	Male	709	28	685	17	764	8
	Female	364	33	351	28	358	27
Region	Taiwan	17	2	17	1	19	1
	China	1,056	59	1,019	44	1,103	34
Employment type (Note 3)		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Gender	Male	719	18	685	17	767	5
	Female	383	14	351	28	383	2
Region	Taiwan	17	2	17	1	19	1
	China	1,085	30	1,019	44	1,131	6

Note 1: Please use the total number of employees is calculated at the end of that year (12/31).

Note 2: Employee contracts are classified into non-fixed term contracts (official) and fixed-term contract (temporary, short-term, seasonal, specific nature).

Note 3: Employment type is classified into full-time employees (weekly working hours reaching the statutory working hour upper limit) and part-time employees (weekly working hours not reaching the statutory working hour upper limit, including interns, hourly-paid personnel).

Note 4: Non-guaranteed working hours employees: Employees without minimum or fixed working hours guaranteed by the Company, and they may be required to be available to work; however, the Company has no contractual obligation to provide them with a minimum or fixed number of daily, weekly or monthly working hours. Temporary employees, contract employees, and standby employees are classified under this category. If the Company has no such type of employees, disclosure of information is not required.

#### ● Ratio of female employees over total number of employees

##### China

Statistics/Year	Female employees	All employees
Total	368	1137
Ratio	32.4%	

##### Taiwan

Statistics/Year	Female employees	All employees
Total	17	20
Ratio	85.0%	

#### ● Ratio of female senior managers over all employees

##### China

Statistics/Year	Female senior officers	Total number of senior officers
Total	15	38
Ratio	39.5%	

Note: Senior officers are defined as staff with job ranks above Section Chiefs (inclusive).

##### Taiwan

Statistics/Year	Female senior officers	Total number of senior officers
Total	5	6
Ratio	83.3%	

Note: Senior officers are defined as staff with job ranks above Manager (inclusive).

### Workers who are not employees

Statistics/Year		2022		2023		2024	
Total number of workers (Note 1)		43		65		92	
Contract type		Dispatched	Other types	Dispatched	Other types	Dispatched	Other types
Gender	Male	43	0	65	0	74	0
	Female	0	0	0	0	18	0
Region	Taiwan	0	0	0	0	0	0
	China	43	0	65	0	92	0
Job type		Technicians / Operators	Technical Consultants	Technicians / Operators	Technical Consultants	Technicians / Operators	Technical Consultants
Gender	Male	43	0	65	0	74	0
	Female	0	0	0	0	18	0
Region	Taiwan	0	0	0	0	0	0
	China	43	0	65	0	92	0

Note 1: Please use the total number of workers is calculated at the end of that year (12/31)

Note 2: If more than 30% of the Company's business activities are performed by non-employee workers of the Company (such as dispatched personnel, contractors), please describe the nature and scale of such type of workers.

### New employee hires and employee turnover

New and Resigned Employees Statistics/Year		2022		2023		2024		Change of difference in the number of employees under the same employment category over the past 3 years
		Total (persons)	Ratio (Note)	Total (persons)	Ratio (Note)	Total (persons)	Ratio (Note)	
<b>New employees</b>								
Age (years old)	Under 30 years old	333	43%	231	45%	446	47%	Reasons of change in the number of new employees:
	30-49 years of age	412	53%	265	52%	463	49%	
	50 years of age or older	27	4%	14	3%	41	4%	
Gender	Male	589	76%	409	80%	714	75%	
	Female	183	24%	101	20%	236	25%	
Education background	Graduate School	0	0%	1	0%	1	0%	
	College and University	84	11%	119	23%	161	17%	
	Others	688	89%	390	77%	788	83%	
Region	Taiwan	2	0%	1	0%	4	0%	
	China	770	100%	509	100%	946	100%	
<b>Resigned employees</b>								
Age (years old)	Under 30 years old	306	44%	239	41%	373	45%	Reasons of change in the number of resigned employees:
	30-49 years of age	369	53%	311	54%	395	48%	
	50 years of age or older	23	3%	28	5%	54	7%	
Gender	Male	539	77%	456	79%	615	75%	
	Female	159	23%	122	21%	207	25%	
Education background	Graduate School	0	0%	0	0%	1	0%	
	College and University	73	10%	86	15%	140	17%	
Region	Others	625	90%	492	85%	681	83%	
	Taiwan	2	0%	0	0%	0	0%	
	China	696	100%	578	100%	822	100%	

Note: New employment rate = (Total number of new employees of the specific category in that year / Total number of employees of the specific category at the end of that year) x 100%.

Rate of new female employees = (Total number of new female employees in that year / Total number of female employees at the end of that year) x 100%.

Turnover rate = (Total number of resigned employees of the specific category in that year / Total number of employees of the specific category at the end of that year) x 100%.

Turnover rate of employees under the age of 30 years old = (Total number of resigned employees under the age of 30 years old in that year / Total number of employees under the age of 30 years old at the end of that year) x 100%.

### 3.3.2 Employee Benefits

#### ● Salary of full-time employees in non-managerial positions

Unit: Person/NT\$ thousand

Full-time non-managerial positions	Number of employees	Average annual salary	Median annual salary
2023 (Taiwan)	11	726,693	660,438
2023 (China)	1093	345,211	349,428
2024 (Taiwan)	14	602,544	677,379
2024 (China)	1159	388,973	392,091

#### ● Benefits provided to full-time employees

Employee benefit Item	Full-time employees Key business locations (Taiwan)
Group accident insurance	V
Wedding/funeral subsidies	V
Three-holiday bonus	V
Year-end bonus	V
Periodic health examination	V
Parental leave	V
Employee travel	V

### 3.3.3 Parental leave

Employee parental leave without pay/Year (China)	Gender	Statistics		
		2022	2023	2024
Number of employees qualifying for parental leave without pay	Male	13	13	13
	Female	12	13	13
Number of employees applying for parental leave without pay	Male	13	13	13
	Female	12	13	13
Number of employees eligible to be reinstated after parental leave without pay (A)	Male	13	13	13
	Female	12	13	11
Number of employees actually reinstated after maturity of parental leave without pay (B) (including early reinstatement)	Male	13	13	13
	Female	11	13	8
Reinstatement rate (B/A)	Male	100%	100%	100%
	Female	92%	100%	73%
Total number of employees completing the parental leave and remaining at job positions for 12 months after reinstatement in last year (C)	Male	12	12	10
	Female	11	11	13
Retention rate (C/B of last year)	Male	92%	92%	77%
	Female	100%	100%	100%

Note 1: The number of employees qualified for parental leave without pay is calculated based on the number of male and female employees who have applied for maternity leave or paternity leave in the last 3 years.

Note 2: Reinstatement rate = (Total number of employees actually reinstated in that year / Total number of employees required to be reinstated in that year) × 100%.

Note 3: Retention rate = (Total number of employees remaining at job positions for 12 months after reinstatement in last year / Number of employees actually reinstated in last year) × 100%.

Employee parental leave without pay/Year (Taiwan)	Gender	Statistics		
		2022	2023	2024
Number of employees qualifying for parental leave without pay	Male	0	0	0
	Female	2	3	1
Number of employees applying for parental leave without pay	Male	0	0	0
	Female	0	1	1
Number of employees eligible to be reinstated after parental leave without pay (A)	Male	0	0	0
	Female	0	0	0
Number of employees actually reinstated after maturity of parental leave without pay (B) (including early reinstatement)	Male	0	0	0
	Female	0	0	0
Reinstatement rate (B/A)	Male	0	0	0
	Female	0	0	0
Total number of employees completing the parental leave and remaining at job positions for 12 months after reinstatement in last year (C)	Male	0	0	0
	Female	0	0	0
Retention rate (C/B of last year)	Male	0	0	0
	Female	0	0	0

Note 1: The number of employees qualified for parental leave without pay is calculated based on the number of male and female employees who have applied for maternity leave or paternity leave in the last 3 years.

Note 2: Reinstatement rate = (Total number of employees actually reinstated in that year / Total number of employees required to be reinstated in that year) × 100%.

Note 3: Retention rate = (Total number of employees remaining at job positions for 12 months after reinstatement in last year / Number of employees actually reinstated in last year) × 100%.

## 3.4 Social Participation

### 3.4.1 Community Welfare (certificate of appreciation, donations)

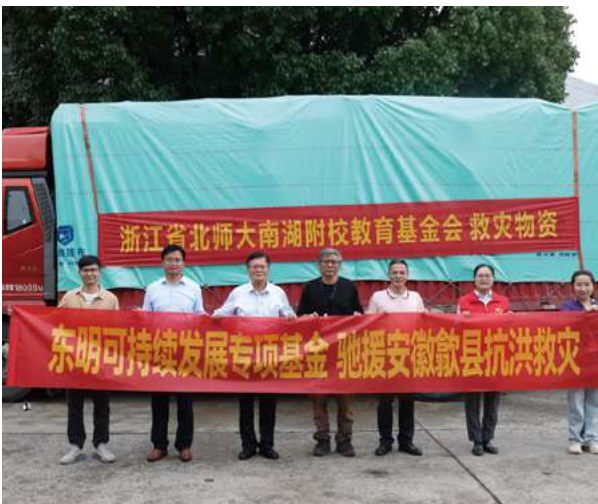
The Company upholds the principle of giving back to society, and actively participates in social welfare activities. In 2024, the total number of social participation activities was 14 and is described in the following.

- On July 1, 2024, Tong Ming's public welfare team brought carefully prepared supplies to a family facing difficulties at Jiangnan New Homes. Supplies included children diapers, adult clothing, and more. The grandmother and daughter-in-law had previously suffered from major burns, putting the family under a heavy economic burden.



### 3.4.2 Social Welfare

- On June 26, 2024, the Company's staff transported charity supplies including disinfectant, mineral water, instant food, bread, rice, underwear, and more from Zhejiang Tong Ming Enterprise Co., Ltd. to She County, Anhui Province, to provide urgent support.



- On May 19, 2024, the Company organized the “Wonderful Childhood, Enjoy Learning” youth protection seminar and children’s handcraft activity at the Jiaxing Charity and Common Good Public Welfare Service Center. The purpose of this event was to further enhance the self-protection awareness of the youth and to strengthen the parent-child relationship.



- On May 25, 2024, before International Children’s Day, and under the support of the Tong Ming Continuity Development Project Fund and Cibes Lift Group, a special event, “Childhood Companion and Fun Travel”, was organized. The purpose of this event was to allow children being taken care of by their grandparents to enjoy a fulfilling and joyful weekend, in order to enhance their social inclusion and to allow them to feel the charm of culture.



- On July 22, 2024, the Company organized the “Bright Future for Children” summer camp at the Jiaxing Charity and Common Good Public Welfare Service Center. The present summer camp event was supported by Tong Ming Continuity Development Project Fund, which providing funding to Jiaxing Starfinder Yough Social Worker Office to organize the event together with Jiaxing Charity and Common Good Public Welfare Service Center. The purposes of the event were to enrich the summer lives of children in the local area, to provide a self-exploration platform, to cultivate an active and optimistic attitude, to improve their courage and confidence in the face of adversity, and enhancing their problem-solving abilities.



- In December 2024, the Jiaxing Charity and Common Good Public Welfare Service Center collaborated with a university volunteer team to participate in the 2024 China-Jiaxing Import/Export (cross-border e-commerce operators) Exhibition and Jiaxing Import/Export Commodity Trading Charity Sale Event. The purpose of this event was to raise fund and supplies for those in need.



### 3.4.2 Environmental Welfare

- April 2024 was Zhejiang Province's wildlife protection month. To increase public awareness of wildlife protection and to promote the progress of urban-rural co-prosperity, the Company organized an event based on the theme of "Jiaxing City Wild Bird Catalog 1.0 Announcement and Nanhu Urban-Rural Co-prosperity Market" at Nanhu Community, and our general representative in China, Chien-Kun Lu, represented Tong Ming Continuity Development Project Fund at the event. Based on the philosophy of animal care and protection, we believe that under the joint efforts of every one, Jiaxing City's wild bird protection and ecological conservation project will be successful.



### 3.4.3 Cultural Events

- On March 8th, International Women's Day, Zhejiang Tong Ming offered special gifts to all female employees of the Company as a unique blessing to them. The gifts not only demonstrated our respect for female employees but also our recognition and appreciation of their hard work.



- On March 31, 2024, Zhejiang Tong Ming organized a new employee team building event. To cultivate team spirit and to enhance group cohesion and awareness, the Company organized an employee team building event allowing all employees to get close to nature as well as the atmosphere of team success



- On the morning of April 21, 2024, a spring day with flowers blooming and a gentle breeze, to promote carbon reduction and environmental protection, Tong Ming organized a new spring cycling event. Join TONG cycling for green transportation and low-carbon living. Tong Ming's spring cycling event allows employees to enjoy the beauty of spring and the charm of cycling, and further allows employees to understand the importance of carbon reduction and environmental protection. In the future, we will continue to promote carbon reduction and environmental protection.



- On June 26, 2024, Tong Ming's human resources Department invited Officer Lee from the Tanghui District Anti-fraud office to organize a seminar in order to provide a speech on recent telephone fraud cases occurring in the neighborhood.



- In July 2024, all employees of Tong Ming continued to exert efforts in improving the community and performing their job duties despite the hot summer. Accordingly, our union organized a high-temperature caring event, in order to demonstrate Tong Ming's appreciation for all employees' hard work.



- September 5, 2024 was Chinese Charity Day, and on such a meaningful day, we organized a charity event based on the theme of "Tong Ming's First Annual Charity Cultural Festival"! To implement environmental protection, to provide assistance to children with difficulties, to support people with employment difficulties, and to provide warmth and assistance to people in need, Tong Ming Continuity Development Project Fund has made significant contributions in various aspects, in order to demonstrate Tong Ming's fulfillment and commitment to social responsibility.



- On December 17, 2024, Zhejiang Tong Ming's first internal lecturer appointment ceremony was organized successfully at the company. Although the lecturers appointed were from different job positions with different professional backgrounds, they were all dedicated to the common focus of improvement and teaching, such that they were able to implement the philosophy of "Ingenuity in action", in order to transform personal professional skills and working experience into valuable teaching resources, thereby driving the continuous development of Tong Ming.



## Appendix 1: GRI Content Index

<b>Statement of Use</b>		The disclosure period for all relevant data and statistics in this report by Tong Ming Enterprise Co., Ltd. is January 1 to December 31, 2024, as per the GRI Standards				
<b>GRI 1 Adopted</b>		GRI 1: Foundation 2021				
<b>Applicable GRI Sector Standards</b>		Not applicable				
Topic	Disclosure Item	Item Description	Chapter	Page No.	Reason for Omission/ Necessary Explanation	Disclosure Item Reference Number in GRI Standards
<b>GRI 2: General Disclosures 2021</b>						
The organization and its reporting practices	2-1	Organizational details	1.1.1 Organization Overview	P17		
	2-2	Entities included in the organization's sustainability reporting	Report Disclosure Period and Scope	P4		
	2-3	Reporting period, frequency and contact point	Frequency of Issuance	P5		
	2-4	Restatements of information	Frequency of Issuance	P5		
	2-5	External assurance	Frequency of Issuance	P5		
Activities and workers	2-6	Activities, value chain and other business relationships	1.1.2 Organizational Activities and Value Chain	P18		
	2-7	Employees	3.3.1 Employee-related Information	P68		
	2-8	Workers who are not employees	3.3.1 Employee-related Information	P68		
Governance	2-9	Governance structure and composition	1.2 Corporate Governance / Governance Structure / ESG Committee	P24		
	2-10	Nomination and selection of the highest governance body	1.2 Corporate Governance	P24		
	2-11	Chair of the highest governance body	1.2.7 Relevant Topics of Board of Directors	P28		
	2-12	Role of the highest governance body in overseeing the management of impacts	1.2.7 Relevant Topics of Board of Directors	P28		
	2-13	Delegation of responsibility for managing impacts	ESG Committee	P33		
	2-14	Role of the highest governance body in sustainability reporting	ESG Committee	P33		
	2-15	Conflicts of interest	1.2.7 Relevant Topics of Board of Directors	P28		
	2-16	Communication of critical concerns	1.2.7 Relevant Topics of Board of Directors	P28		
	2-17	Collective knowledge of the highest governance body	Continuing Education of Directors	P30		
	2-18	Evaluation of the performance of the highest governance body	1.2.5 Performance Evaluation of Board of Directors	P27		
	2-19	Remuneration policies	Remuneration policies	P32		
	2-20	Process to determine remuneration	Remuneration Committee Member Attendance Status	P32		
	2-21	Annual total compensation ratio	Annual total compensation ratio	P32		
Strategy, policies and practices	2-22	Statement on sustainable development strategy	Message from the Management	P3		
	2-23	Policy commitments	Policy commitments	P34		
	2-24	Embedding policy commitments	Policy commitments	P34		
	2-25	Processes to remediate negative impacts	1.2.7 Relevant Topics of Board of Directors	P28		
	2-26	Mechanisms for seeking advice and raising concerns	1.2.7 Relevant Topics of Board of Directors	P28		
	2-27	Compliance with laws and regulations	1.6 Legal Compliance / 1.6.1 Violation of Laws	P38		
	2-28	Membership associations	1.1.5 Participation in External Organization	P22		
Stakeholder Engagement	2-29	Approach to stakeholder engagement	Key Stakeholder Communication	P7		
	2-30	Collective bargaining agreements	1.2.8 Collective Bargaining Agreements	P34		
GRI Industry Standards		Presently, no international standards have been disclosed	1.10 Industry Standards (Steel Industry)	P42	Presently, the standard for this industry has not yet be disclosed	

Topic	Disclosure Item	Item Description	Chapter	Page No.	Reason for Omission/ Necessary Explanation	Disclosure Item Reference Number in GRI Standards
<b>GRI 3: Material Topics 2021</b>						
Material Topic	3-1	Process to determine material topics	Identify material topics	P11		
	3-2	List of material topics	Identify material topics	P11		
<b>Economic Aspect</b>						
<b>Economic performance</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	1.4 Business Performance	P35		
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	1.41 Direct Economic Value Generated and Distributed by the Organization	P36		
	201-2	Financial implications and other risks and opportunities due to climate change	Appendix 3: Climate Chapter	P82		
	201-3	Defined benefit plan obligations and other retirement plans	1.4.2 Benefits plan obligations and other retirement plans	P36		
	201-4	Financial assistance received from government	1.4.3 Financial assistance received from government	P36		
<b>Procurement practices</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	1.3 Procurement Practices	P34		
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	1.3.1 Proportion of spending on local suppliers	P35		
<b>Product quality</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	1.5 Product Quality	P37		
Material Topics (self-specified topics)		Quality Performance Status	1.5.1 Quality Performance Status	P37		
<b>Information Protection</b>						
Non-material Topic		Information Protection	1.7 Information Protection	P38		
<b>Environmental Aspect</b>						
<b>Water and effluents</b>						
GRI 303: Water and Effluents 2018 Management Directives	303-1	Interactions with water as a shared resource	2.4.1 Water Resource-related Information	P55		
	303-2	Management of water discharge-related impacts	2.4.1 Water Resource-related Information	P55		
GRI 303: Water and Effluents 2018	303-3	Water withdrawal volume	2.4.1 Water Resource-related Information	P55		
	303-4	Water discharge	2.4.1 Water Resource-related Information	P55		
	303-5	Water consumption	2.4.1 Water Resource-related Information	P55		
<b>Emissions</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	2.1 Emissions	P45		
GRI 305: Emission 2016	305-1	Direct (Scope 1) GHG emissions	2.1.1 Carbon Emissions-related Information	P46		
	305-2	Energy indirect (Scope 2) GHG emissions	2.1.1 Carbon Emissions-related Information	P46		
	305-3	Other indirect (Scope 3) GHG emissions	2.1.1 Carbon Emissions-related Information	P46		
	305-4	GHG emissions intensity	2.1.1 Carbon Emissions-related Information	P46		
	305-5	Reduction of GHG emissions	2.1.1 Carbon Emissions-related Information	P46		
	305-6	Emissions of ozone-depleting substances (ODS)	2.1.1 Carbon Emissions-related Information	P46		
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	2.1.1 Carbon Emissions-related Information	P46		

Topic	Disclosure Item	Item Description	Chapter	Page No.	Reason for Omission/ Necessary Explanation	Disclosure Item Reference Number in GRI Standards
<b>Waste</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	2.2 Waste Management	P49		
GRI 306: Waste 2020 Management Directives	306-1	Waste generation and significant waste-related impacts	2.2.1 Waste-related information	P49		
	306-2	Management of significant waste-related impacts	2.2.1 Waste-related information	P49		
GRI 306: Waste 2020	306-3	Waste generated	2.2.1 Waste-related information	P49		
	306-4	Waste diverted from disposal	2.2.1 Waste-related information	P49		
	306-5	Waste directed to disposal	2.2.1 Waste-related information	P49		
<b>Energy management</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	2.3 Energy Management	P51		
GRI 302: Energy 2016	302-1	Energy consumption within the organization	2.3.1 Energy-related Information	P51		
	302-2	Energy consumption outside of the organization	2.3.1 Energy-related Information	P51		
	302-3	Energy intensity	2.3.1 Energy-related Information	P51		
	302-4	Reduction of energy consumption	2.3.1 Energy-related Information	P51		
	302-5	Reductions in energy requirements of products and services	2.3.1 Energy-related Information	P51		
<b>Social Aspect</b>						
<b>Employment</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	3.3 Employment	P67		
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	3.3.1 Employee-related Information	P68		
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.3.2 Employee Benefits	P70		
	401-3	Parental leave	3.3.3 Parental leave	P70		
	Salary	The number of full-time employees in non-supervisor positions, and the average salary and median salary of full-time employees in non-supervisor positions, and the difference of the aforementioned three figures from the previous year shall be disclosed	3.3.2 Employee Benefits	P70		
<b>Occupational health and safety</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	3.2 Occupational Health and Safety	P61		
GRI 403: Occupational Health and Safety 2018 Management Directives	403-1	Occupational health and safety management system	3.2.1 Occupational Safety and Health Management System Related information	P62		
	403-2	Hazard identification, risk assessment, and incident investigation	3.2.1 Occupational Safety and Health Management System Related information	P62		
	403-3	Occupational health services	3.2.1 Occupational Safety and Health Management System Related information	P62		
	403-4	Worker participation, consultation, and communication on occupational health and safety	3.2.1 Occupational Safety and Health Management System Related information	P62		
	403-5	Worker training on occupational health and safety	3.2.1 Occupational Safety and Health Management System Related information	P62		
	403-6	Promotion of worker health	3.2.1 Occupational Safety and Health Management System Related information	P62		
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.2.1 Occupational Safety and Health Management System Related information	P62		
GRI 403: Occupational health and safety 2018	403-8	Workers covered by an occupational health and safety management system	3.2.1 Occupational Safety and Health Management System Related information	P62		
	403-9	Work-related injuries	3.2.2 Occupational Injury and Disease Related information	P63		
	403-10	Occupational disease	3.2.2 Occupational Injury and Disease Related information	P63		

Topic	Disclosure Item	Item Description	Chapter	Page No.	Reason for Omission/ Necessary Explanation	Disclosure Item Reference Number in GRI Standards
<b>Training and education</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	3.1 Training and Education	P59		
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	3.1.1 Education and Training-related Information	P60		
	404-2	Programs for upgrading employee skills and transition assistance programs	3.1.1 Education and Training-related Information	P60		
	404-3	Percentage of employees receiving regular performance and career development reviews	3.1.1 Education and Training-related Information	P60		
<b>Social Participation</b>						
Non-material Topic		Management of non-material topics	3.4 Social Participation	P71		

<b>Applicable GRI Sector Standards, and topics considered non-material topics by the Company</b>	
<b>GRI Sector Standard Headings (presently, the standard for this industry has not yet be disclosed)</b>	
Topic	Explanation
GRI 203: Indirect Economic Impacts	Not applicable (this topic has been included in the economic performance related content)
GRI 205: Anti-corruption	Not applicable (this topic is not included in the material topics after the material topic assessment questionnaire survey)
GRI 206: Anti-competitive Behavior	Not applicable (this topic is not included in the material topics after the material topic assessment questionnaire survey)
GRI 207: Tax	Not applicable (this topic is not included in the material topics after the material topic assessment questionnaire survey)
GRI 301: Materials	Not applicable (after review of the disclosure status of operators in the same industry and internal assessment of the Company)
GRI 304: Biodiversity	Not applicable (after review of the disclosure status of operators in the same industry and internal assessment of the Company)
GRI 308: Supplier Environmental Assessment	Not applicable (this topic is not included in the material topics after the material topic assessment questionnaire survey)
GRI 402: Labor/Management Relations	Not applicable (after review of the disclosure status of operators in the same industry and internal assessment of the Company)
GRI 405: Diversity and Equal Opportunity	Not applicable (after review of the disclosure status of operators in the same industry and internal assessment of the Company)
GRI 406: Non-discrimination	Not applicable (after review of the disclosure status of operators in the same industry and internal assessment of the Company)
GRI 407: Freedom of Association and Collective Bargaining	Not applicable (after review of the disclosure status of operators in the same industry and internal assessment of the Company)
GRI 408: Child Labor	Not applicable (after review of the disclosure status of operators in the same industry and internal assessment of the Company)
GRI 409: Forced or Compulsory Labor	Not applicable (after review of the disclosure status of operators in the same industry and internal assessment of the Company)
GRI 410: Security Practices	Not applicable (after review of the disclosure status of operators in the same industry and internal assessment of the Company)
GRI 411: Rights of indigenous peoples	Not applicable (after review of the disclosure status of operators in the same industry and internal assessment of the Company)
GRI 413: Local Communities	Not applicable (this topic has been included in the community participation content)
GRI 414: Supplier Social Assessment	Not applicable (this topic is not included in the material topics after the material topic assessment questionnaire survey)
GRI 415: Public Policy	Not applicable (after review of the disclosure status of operators in the same industry and internal assessment of the Company)
GRI 416: Customer Health and Safety	Not applicable (after review of the disclosure status of operators in the same industry and internal assessment of the Company)
GRI 417: Marketing and Labeling	Not applicable (this topic is not included in the material topics after the material topic assessment questionnaire survey)
GRI 418: Customer Privacy	Not applicable (after review of the disclosure status of operators in the same industry and internal assessment of the Company)

## Appendix 2: SDGs (Sustainable Development Goals)

### Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) were announced by the United Nations in 2015 and include 17 sustainable development goals and 169 sub-goals to be used as guidelines for all member states and global enterprises to implement sustainable development before 2030.

Tong Ming has incorporated the SDGs into the business strategy of the Company. The Company's business model has expanded to focus on more than just economic performance and now takes into account environmental protection and sustainability, employee welfare and talent retention, labor and human rights, GHG reduction, and further mutual benefits for all employees and stakeholders. Looking into the future, Tong Ming will continue to set and achieve SDG targets and fulfill its corporate responsibility.

SDGs	Sub-Goals	Tong Ming's Response
	<ul style="list-style-type: none"> <li>▶ 1.4 Before 2030, ensure all people, particularly those belonging to disadvantaged groups, have fair rights and equal rights in accessing economic resources.</li> </ul>	<ul style="list-style-type: none"> <li>● Provide salaries and comprehensive benefits that exceed statutory requirements, in order to allow employees to work with dignity and to improve personal and family economic living standards.</li> <li>● Adjust employee salaries according to Company performance, and increase employee cohesion with the Company.</li> </ul>
	<ul style="list-style-type: none"> <li>▶ 4.5 Before 2030, eliminate the education gap to ensure that disadvantaged groups are able to receive necessary and equal levels of education and occupational training.</li> </ul>	<ul style="list-style-type: none"> <li>● Arrange occupational training for employees of different business attributes, in order to ensure that all employees have the opportunity to receive occupational training.</li> </ul>
	<ul style="list-style-type: none"> <li>▶ 5.1 Eliminate all forms of discrimination against women.</li> <li>▶ 5.4 Recognize and value women's family care and efforts in family affairs through appropriate policies</li> </ul>	<ul style="list-style-type: none"> <li>● Prohibit the use of gender as the criteria for employment, performance review, and job promotion.</li> <li>● Provide both male and female employees. the right to apply for parental leave without pay.</li> </ul>
	<ul style="list-style-type: none"> <li>▶ 8.5 Before 2030, ensure meaningful work and equal pay for men and women including young people and disabled.</li> <li>▶ 8.8 Protect workers' rights and interests, promote a safe working environment, especially for women and workers performing hazardous work.</li> </ul>	<ul style="list-style-type: none"> <li>● Prohibit the use of gender as the criteria for employment, performance review, and job promotion.</li> <li>● Adjust employee salaries according to Company performance, and increase employee cohesion with the Company.</li> <li>● Adjust the job content of female employees appropriately according to the laws, in order to reduce the workload and to provide substantial protection to female employees.</li> </ul>
	<ul style="list-style-type: none"> <li>▶ 13.3 Improve education, increase awareness, and enhance the Company's response capabilities for the risk reduction, adaptation, reduction of impact, and early warning mechanism relating to climate change.</li> </ul>	<ul style="list-style-type: none"> <li>● Control GHG emissions, and further mitigate negative impacts of climate change.</li> <li>● Implement waste classification management, entrust professional disposal contractors to handle waste disposal and treatment.</li> </ul>

## Appendix 3: Climate Chapter

Item	Content	Response
1	Describe the supervision and governance of the Board of Directors and management on climate-related risks and opportunities.	<ol style="list-style-type: none"> <li>The ESG Committee was established in 2023, with the Vice President serving as general convener, and meetings held once periodically. The ESG Committee manages policies and actions relating to environmental sustainability, corporate social responsibility, corporate governance, ethical management, risk management, talent development, and information security, etc.</li> <li>The ESG Committee reports its annual plan and implementation results to the Board of Directors.</li> </ol>
2	Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	<ol style="list-style-type: none"> <li><b>Business/strategy:</b> <ol style="list-style-type: none"> <li>Short-term: Pursue the European market according to the market trend.</li> <li>Medium and long-term: Supply-demand structure changes the product and service mechanism, and also affects the procurement strategy.</li> </ol> </li> <li><b>Finance:</b> <ol style="list-style-type: none"> <li>Short-term: Possible increase in operating cost can result in policy changes.</li> <li>Medium and long-term: Obtain optimal sales advantages in the future based on market supply-demand changes caused by government laws and policies</li> </ol> </li> </ol>
3	Describe the impact of extreme climate events and transformation on finances.	<p>Extreme climate events: Possible impact on labor production capacity, operations, or impact on the supply chain (raw materials).</p> <p>Transformational actions: Change to support low carbon emissions in the future. Technology improvement, product innovation and green electricity supply (solar power/steam heating) have been adopted already.</p>
4	Describe how the processes for identifying, assessing, and managing climate risks are integrated into the overall risk management system.	<ol style="list-style-type: none"> <li>Understand potential material risks through periodic monitoring of relevant international/government regulations, in order to use such information as the reference for the Company's operation decisions.</li> <li>Convene periodic meetings for discussion, report the progress periodically.</li> </ol>
5	If the scenario analysis is used to assess resilience against climate change risks, it is necessary to describe the scenario, parameters, assumptions, analysis factors used and the key financial impact	<ol style="list-style-type: none"> <li>Minor scenario: Global warming is only partially controlled.</li> <li>Severe scenario: Global warming cannot be controlled, resulting in extreme weather and increase of disaster risks.</li> <li>Carbon-related expenses may affect the Company's profit.</li> </ol>
6	If transformation plans for managing climate-related risk are available, the plan content shall be explained, and the indicators and goals for identifying and managing physical risks and transformation risk shall be described.	<ol style="list-style-type: none"> <li>Response actions: Continue to monitor international regulations and climate-related information announced by the government.</li> <li>Physical risks: "According to the abnormal climate conditions, the responsible unit shall perform relevant operation preparations and implement response measures and inspections for verification".</li> </ol>
7	If the internal carbon pricing is used as a planning tool, it is necessary to explain the price establishment basis.	Presently, the Company has not yet established an internal carbon pricing mechanism, and the Company will continue to monitor international regulations and further requirements from the government agencies.
8	If climate-related goals have been set, it is necessary to describe the data scope, greenhouse gas emissions scope, plan schedule, annual achievement progress, etc. If carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, it is necessary to explain the carbon reduction source and quantity for the offset or the quantity of renewable energy certificates (RECs).	<p>Short-term goal: Reduce GHG emissions per unit of energy consumption by at least 1% (Scope 1 + 2).</p> <p>Mid-term goal: Reduce GHG emissions per unit of energy consumption by 5–10%.</p> <p>Long-term goal: Achieve carbon neutrality in the future.</p>
9	GHG inventory inspection and assurance status, and reduction goal, strategy and specific action plan.	Total GHG emissions in 2024: 17,608.040 metric tons (Scope 1 + 2)

## 1-1 GHG Inventory and Assurance Status

### Form Completion Instructions:

- The Company may conduct a GHG inventory in accordance with the following standards:
  - Greenhouse Gas Protocol (GHG Protocol),.
  - ISO 14064-1 announced by the International Organization for Standardization (ISO).
- The assurance institutions shall comply with the relevant requirements of Sustainability Report assurance established by The Taiwan Stock Exchange Corporation's (TWSE) and Taipei Exchange (TPEX).
- Subsidiaries may submit reports individually, on a consolidated basis (according to country or region), on a consolidated basis (Note 1).
- The intensity of GHG emissions may be calculated based on the unit of product/services or sales volume; however, the data calculated based on revenue (NT\$ thousand) must be disclosed (Note 2).
- The ratio of the business locations or subsidiaries not included in the inventory calculation over the total emissions shall not exceed 5%. The aforementioned total emissions refer to emissions calculated according to "Form Completion Instructions 1. Compulsory Inventory Scope".
- The assurance status shall describe the assurance report content of the assurance institution and the assurance opinion shall be uploaded (Note 3).

## 1-1 Greenhouse gas inventory inspection and assurance status of the Company in the most recent two years

### 1-1-1 Information on GHG Inventory Inspection

**Describe the GHG emissions in the last two years (tonnes of CO<sub>2</sub>e), intensity (tonnes of CO<sub>2</sub>e/NTD million), and data coverage.**

The scope of the Company's data covers the 5 operating entities of Tong Ming Enterprise, Winlink Fasteners, Tongwin, Zhejiang Tong Ming and Zhejiang Tong He. The information disclosure coverage has exceeded 90% of the operating revenue indicated in the consolidated financial statements.

Scope 1 and 2 emissions and intensity for a period of two years (based on production in tons):

For 2023, emissions were 14,617.118 metric tons CO<sub>2</sub>e, and density was 0.145489.

For 2024, emissions were 17,608.040 metric tons CO<sub>2</sub>e, and density was 0.133615.

### 1-1-2 Information on GHG Assurance

**Describe the assurance status in the last two years up to the date of publication of the annual report, including the scope of assurance, the assurance institution, the assurance standards and the assurance opinions.**

Scope of assurance: Business locations of Tong Ming Enterprise and Winlink Fasteners.

Assurance institution: Legendary & Steadfast Accountancy (LSA).

Assurance standards: No. 3410 "Assurance Engagements on Greenhouse Gas Statements".

Assurance opinion: Limited assurance.

## 1-2 Greenhouse gas reduction goals, strategies and specific action plans

**Describe the greenhouse gas reduction base year and the data, reduction goals, strategies, and actual action plans and reduction goal achievement status.**

GHG reduction base year: 2023; 14,617.118 metric tons CO<sub>2</sub>e (Scope 1 and 2)

Reduction goal/strategy and actual action plan/reduction goal achievement status are as follows:

Reduction goal: Short-term goal -> Reduce GHG emissions per unit of energy consumption by at least 1% (Scope 1 + 2).

Medium and long-term goal: Reduce GHG emissions per unit of energy consumption by 5–10%; with carbon neutrality as the goal.

Strategy and actual action plan/reduction goal achievement status:

- Installation of solar power generation equipment
  - Periodical inspection and repair of discharge equipment
  - Replacement of energy-saving transformers
  - Introduction of smart energy system to effectively manage electricity consumption
  - Adoption of battery-powered forklifts to reduce factory carbon emissions
  - Complete replacement of all electrical equipment with Grade 2 energy efficient equipment
- >All discharge indicators (VOC, odor concentration) achieve the target level

[Description of Amendments] I. This table is newly added.  
 II. To strengthen the relevant information disclosure of climate change-related topics, TWSE/TPEX listed companies are required to disclose climate change-related information.

## Appendix 4: Sustainability Indicators for Corporate Governance

### Table 1-6 Sustainability Disclosure Indicators - Steel Industry

No.	Indicator	Indicator Type	2024 Disclosure Status	Unit	Remarks
I	Total energy consumption, percentage of externally purchased electricity, renewable energy utilization ratio, and total self-generated energy for own use (Note 1)	Quantitative	(1) Total energy consumption: 255,412 (GJ) (2) Percentage of externally purchased electricity over total energy consumption: 54.1% (3) Renewable energy self-generated for own use: 33,197 (GJ) (4) Percentage of renewable energy over total energy consumption: 13.0%	Gigajoule (GJ), percentage (%)	
II	Total fuel consumption, percentage of coal, percentage of natural gas, and percentage of renewable fuel	Quantitative	(1) Total fuel consumption: 117,324(GJ) (2) Coal percentage: 0% (3) Natural gas percentage: 34.4%. (4) Renewable fuel percentage: 0%	Gigajoule (GJ), percentage (%)	
III	Total water withdrawal and total water consumption	Quantitative	(1) Water withdrawal of 244,096 cubic meters. (2) Water consumption of 80,474 cubic meters.	Thousand cubic meter (m <sup>3</sup> )	
IV	Weight of waste generated, percentage of hazardous waste, and percentage of waste recycled	Quantitative	(1) Weight of waste: 2,466 tons (2) Weight and percentage of hazardous waste: 2,028 tons; 82.2% (3) Weight and percentage of hazardous waste recycled: 2,028 tons; 100.0%	Tons (t), percentage (%)	
V	Description of the total number of occupational accidents and the occupational accident ratio	Quantitative	Number of occupational accidents: 9 people Ratio: 0.72%	Ratio (%), number of people	
VI	Main product production volume according to product category	Quantitative	Stainless steel fasteners: 94,813 tons. Stainless steel wires: 36,969 tons.	Tons	

## Appendix 5: ISO 14064-1 Statement / ESG Statement



### Independent Assurance Statement Based on 2024 Sustainability Report of TONG MING ENTERPRISE CO., LTD.

Statement No.: 2507002

TONG MING ENTERPRISE CO., LTD. (hereinafter referred to as TONG MING) and GREAT International Certification Co., Ltd. (hereinafter referred to as GREAT) are independent companies and organizations. Except for the evaluation and verification of the company's 2024 sustainability report, GREAT has no financial relationship with TONG MING.

The purpose of this independent assurance statement (hereinafter referred to as the Statement) is only to serve as the conclusion of guaranteeing the relevant matters within the scope defined in the following relevant TONG MING's Sustainability Report, and not for other purposes. Except for the Statement for fact verification, GREAT does not bear any relevant legal or other responsibilities for the use of other purposes, or anyone who reads this Statement.

This Statement is based on the conclusions made by the relevant information verification provided by TONG MING to GREAT. Therefore, the scope of the review is based on and limited to the content of the information provided. GREAT believes that the information content is complete, accurate and precise. Any questions about the content of this Statement or related matters will be answered by TONG MING.

#### The Scope of Assurance

The verification scope of TONG MING and GREAT agreement includes:

- The contents of the entire sustainability report and all operating performance of TONG MING from January 1, 2024 to December 31, 2024;
- According to the type 1 of AA1000 Assurance Standard v3, evaluate the nature and degree of TONG MING's compliance with the AA1000 Accountability Principles (2018), excluding the verification of the reliability of the information/data disclosed in the report.
- This Statement is made in Chinese and translated into English for reference.

#### Verification Opinion

We summarize the content of TONG MING's sustainability report, and provide a fair standpoint of TONG MING 's related operations and performance. We believe that the specific performance indicators of TONG MING in 2024, such as environment, society (people) and corporate governance, are presented correctly. The performance indicators disclosed in the report demonstrate TONG MING's expectations and efforts to identify and satisfy stakeholders.

Our verification work is carried out by a group of teams with verification capabilities according to the AA1000 Assurance Standard v3, as well as the planning and execution of this part of the work to obtain the necessary information data and instructions. We believe that the evidence provided by TONG MING is sufficient to show that its reporting method and self-declaration in accordance with the AA1000 Assurance Standard v3 and its 2018 appendix are in line with the GRI Sustainability Reporting Guidelines.

#### Verification method

To gather the evidence relevant to the conclusions, we performed the following:

- To conduct a senior management review of issues from external parties related to TONG MING 's corporate policies to confirm the appropriateness of the statement in this report;
- To discuss with the managers of TONG MING about the way of stakeholder participations, and have no direct contact with external stakeholders;
- To interview with employees related to the preparation of the sustainability report and information provision;
- To audit the performance data of TONG MING on a sampling basis;
- To evidence supporting the claims made in the review report;
- To Review the management process of the principles of inclusivity, materiality, responsiveness, and impact described in the company report and its related AA1000 Accountability Principles (2018).

#### Conclusion

The results of a detailed review of the AA1000 Accountability Principles (2018) including inclusivity, materiality, responsiveness, impact and GRI sustainability reporting standards are as follows:

- **Inclusivity**  
TONG MING has established a process of cooperation with major stakeholders, including employees, customers, legal shareholders/investors (include banks), suppliers/contractors, non-governmental organizations, media and neighborhood,



etc., and will launch a series of stakeholder activities in 2024, involving economy, environment and society (people), a series of major themes. In terms of our professional opinion, this report covers the inclusivity issues of TONG MING.

**- Materiality**

The report has stated that TONG MING focuses on economy, environment and society (people) topics, and identified 9 major topics including procurement practices, operating performance, product quality, emissions, waste, energy management, training and education, occupational safety and health and labor-employment relations, etc. In terms of our professional opinion, this report appropriately covers the materiality issues of TONG MING.

**- Responsiveness**

TONG MING responds to requests and opinions from stakeholders. Implementation methods include shareholders' meeting, official website investor area, public information observatory, supplier factory audit/meetings, customer visits/satisfaction survey, labor-management meetings, employee complaint channels, community condolences/environmental cleanup, media interviews, official correspondence with associations, peer review activities, seminars or exhibitions, phone calls and email, etc., those numerous internal and external stakeholder communication mechanisms, as an opportunity to provide further responses to stakeholders, and to promptly respond to stakeholder concerns. In terms of our professional opinion, this report covers the responsiveness issues of TONG MING.

**-Impact**

TONG MING has identified and fairly demonstrated its impact with balanced and effective measurement and disclosure. TONG MING has established a process for monitoring, measuring, evaluating and managing impacts, which helps to achieve more effective decision-making and results management within the organization. In terms of our professional opinion, this report covers the impact issues of TONG MING.

**-GRI Guidelines**

TONG MING provides the self-declaration of compliance with the GRI Sustainability Reporting Standards and relevant information. Based on the results of the review, we confirm that the report refers to the social responsibility and sustainability of the GRI Sustainability Reporting Standards. Relevant disclosure items for developments have been disclosed, partially disclosed, or omitted. In terms of our professional opinion, this self-declaration covers TONG MING's social responsibility and sustainability themes.

**Assurance level**

According to the AA1000 Assurance Standard v3 and its 2018 Appendix, we have verified that this Statement is a moderate level of assurance, as described in the scope and methods of this Statement.

**Responsibility**

The responsibility of the sustainability report, as stated in this Statement, is owned by the person in charge of TONG MING. The responsibility of GREAT is solely to provide professional opinions based on the scope and methods described, and to provide a Statement for the stakeholders.

**Ability and Independence**

GREAT is composed of experts in various management system fields. The verification team is composed of members with professional background, who have received training in a series of sustainable development, environmental and social management standards such as AA1000 AS v3, ISO 9001, ISO 14001 and ISO 45001, and are qualified as lead auditors.

*On behalf of the assurance team JULY 11, 2025*

**GREAT International Certification Co., Ltd.**

**Taiwan, Republic of China**

Signed by General Manager W. J. Chen



## Appendix 5: ISO 14064-1 Statement / ESG Statement



### 溫室氣體聲明之有限確信報告

開曼東明控股股份有限公司 公鑒：

本執業人員受託執行開曼東明控股股份有限公司（以下簡稱「開曼東明」）民國 113 年 1 月 1 日至 12 月 31 日溫室氣體盤查報告書（以下簡稱「溫室氣體聲明」）之類別 1 直接溫室氣體排放與類別 2 能源間接排放（以下簡稱「類別 1 與類別 2」）之有限確信案件，詳列於附件一。

#### 開曼東明對溫室氣體聲明之責任

開曼東明之責任係依照國際標準組織（International Organization for Standardization, ISO）發布之「ISO 14064-1: 2018 組織層級溫室氣體排放與移除之量化及報告附指引之規範」（以下簡稱「ISO 14064-1」）編製溫室氣體聲明，且設計、付諸實行及維持與溫室氣體聲明編製有關之內部控制，以確保溫室氣體聲明未存有導因於舞弊或錯誤之重大不實表達。

溫室氣體之量化受先天不確定性之影響，此主要係因用以決定排放係數之科學知識並不完整，以及報導之數值須彙總不同氣體之排放。

#### 執業人員之獨立性及品質管理

本執業人員已遵循會計師職業道德規範有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密與專業行為。

本事務所適用品質管理準則 1 號「會計師事務所之品質管理」，該品質管理準則規定會計師事務所設計、付諸實行及執行品質管理制度，包含與遵循職業道德規範、專業準則及所適用法令有關之政策或程序。

#### 執業人員之責任

##### 類別 1 與類別 2 之有限確信

本執業人員之責任係依照確信準則 3410 號「溫室氣體聲明之確信案件」規劃及執行類別 1 與類別 2 之有限確信案件，基於所執行之程序及所獲取之證據，對第一段所述開曼東明溫室氣體聲明是否未存有重大不實表達取得有限確信，並作成有限確信之結論。

依確信準則 3410 號之規定，本有限確信案件工作包括評估開曼東明採用 ISO 14064-1 編製溫室氣體聲明之妥適性、評估溫室氣體聲明導因於舞弊或錯誤之重大不實表達風險、依情況對所評估風險作出必要之因應，以及評估溫室氣體聲明之整體表達。有關風險評估程序（包括對內部控制之瞭解）及因應所評估風險之程序，

- 1 -

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傳承 / 堅定 / 當責

Legendry & Steadfast Accountancy

有限確信案件之範圍明顯小於合理確信案件。

本執業人員對第一段所述開曼東明溫室氣體聲明所執行之程序係基於專業判斷，該等程序包括查詢、對流程之觀察、文件之檢查、分析性程序、對量化方法與報導政策是否適當之評估，以及與相關紀錄之核對或調節。

基於本案件情況，本執業人員於執行上述程序時：

1. 已透過查詢，取得對開曼東明與排放量化及報導相關之控制環境及資訊系統之瞭解，但並未評估特定控制作業之設計，取得該等控制作業付諸實行之證據或測試其執行有效性。
2. 已評估開曼東明建立估計方法之適當性及一致性。然而，所執行程序並未包含測試估計所依據之資料或單獨建立執業人員之估計，以評估開曼東明所作之估計。
3. 已實地訪查 1 個據點，以評估排放源之完整性、資料蒐集方法、排放源資料及該等據點所適用之攸關假設。對於執行實地訪查據點之選擇，已考量該等據點之排放對總排放之貢獻、排放源性質，以及前期所選擇之據點。所執行程序不包含測試該等據點用以蒐集及彙整設施資料之資訊系統或控制。

相較於合理確信案件，有限確信案件所執行程序之性質及時間不同，其範圍亦較小，故於有限確信案件所取得之確信程度亦明顯低於合理確信案件中取得者。因此，本執業人員不對開曼東明溫室氣體聲明在所有重大方面，是否依照 ISO 14064-1 編製，表示合理確信之意見。

#### 有限確信之結論

##### 類別 1 與類別 2—有限確信

依據所執行之程序與所獲取之證據，本執業人員並未發現第一段所述開曼東明民國 113 年 1 月 1 日至 12 月 31 日溫室氣體聲明之類別 1 與類別 2 在所有重大方面有未依照 ISO 14064-1 編製之情事。

#### 其他事項

本確信報告出具後，任何確信標的資訊或適用基準之變更，本執業人員將不負就該等資訊重新執行確信工作之責任。

秉承聯合會計師事務所

會計師：吳秋鈴

吳秋鈴



事務所地址：台南市永華路二段 248 號 16 樓之 3

民國 114 年 5 月 21 日



**TFONG**

GROWING A POWERFUL FUTURE

開曼東明控股股份有限公司