

Evaluation and Actions for Material Topics

I. 2022 Material Topics

Topics	Positive/negative Impacts on ESG	Strategy/Risk Management/Actions
Business strategies and performance	<p><u>Positive Impact: Good operational strategies and performance</u></p> <ul style="list-style-type: none"> • Governance /Economy TSRC's good operating strategies and continuous profitability revitalize the local economy and create momentum in the area where the plant is located. • Social TSRC continues to make profits, creating higher economic value and benefits for shareholders and employees. 	<ul style="list-style-type: none"> • Strategy Please refer to 2023 investor conference • Risk management & Control Please refer to 2022 sustainability report 1.1.3 Key Business Achievement • Countermeasures <ul style="list-style-type: none"> ✓ Adopt a proactive pricing strategy. ✓ Utilize product portfolio advantage
Compliance	<p><u>Negative Impact: Violation of laws and regulations</u></p> <ul style="list-style-type: none"> • Governance/Economy If TSRC violates corporate governance-related laws and regulations, and ethical integrity and other governance-related failures occur, causing the company to be fined by the competent authorities, the overall economic development and efficiency will be reduced. • Environmental If TSRC violates environment-related laws and regulations, causing pollution or other negative impacts and disrupting the ecological balance, and is subject to penalties imposed by the competent authorities. • Social 	<ul style="list-style-type: none"> • Policy <ul style="list-style-type: none"> ✓ Corporate Governance Guidelines ✓ Code of Ethics ✓ Code of Business Conduct ✓ Management Procedure for Insider Trading ✓ Management Procedure for Antitrust Compliance • Risk management & Control Please refer to 2022 sustainability report 2.1.7 Compliance • Countermeasures <ul style="list-style-type: none"> ✓ Track law and regulations updates ✓ Host educational training and dissemination

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	<p>If TSRC violates labor, human rights, or product labeling-related laws and regulations, and is fined by the competent authorities, the rights of employees, customers, and suppliers will be harmed.</p>	
<p>Risk Management</p>	<p><u>Negative Impact: Mismanagement of risk</u></p> <ul style="list-style-type: none"> • Governance/Economy If TSRC does not manage its finances, strategies, operations, industrial risks, and climate risks properly, the company will suffer losses, which will in turn affect the tax revenue and overall economic development of the region where it operates. • Social If TSRC's mismanagement of risks results in major violations or operating losses, it will cause damage to the rights and interests of employees, shareholders, and customers. 	<ul style="list-style-type: none"> • Policy ✓ Risk Management Policy • Risk management & Control Please refer to 2022 sustainability report 2.1.4 Risk Management • Countermeasures ✓ Develop and implement risk management actions ✓ Manage risk responses quarterly.
<p>Climate strategy and GHG emissions</p>	<p><u>Negative Impact: Greenhouse gas emissions</u></p> <ul style="list-style-type: none"> • Governance / Economy TSRC's operations and suppliers emit greenhouse gases, contributing to climate change and related climate disasters, resulting in overall economic losses. • Environment TSRC's operations and suppliers' greenhouse gas emissions contribute to climate change and result in adverse impact on the environment, 	<ul style="list-style-type: none"> • Strategy & Policy ✓ ESG strategy and Targets ✓ Environmental Policy • Risk management & Control Please refer to 2022 sustainability report 3.1.3 GHG and energy management • Countermeasures ✓ Promote energy saving and low-carbon manufacturing process ✓ Plan the utilization of renewable energy.

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	<p>ecosystem, and biodiversity.</p> <ul style="list-style-type: none"> • Social <p>TSRC's operations and suppliers emit greenhouse gases, contributing to climate change and related climate disasters, resulting.</p> <p><u>Positive Impact: Reducing the carbon footprint of products</u></p> <ul style="list-style-type: none"> • Environmental <p>TSRC commits to reducing the carbon footprint of products to reduce greenhouse gas emissions and mitigate the negative impacts of climate change and the environment.</p> <ul style="list-style-type: none"> • Social <p>TSRC provides customers with low-carbon footprint</p>	
<p>Energy management</p>	<p><u>Negative Impact: Using fossil fuels</u></p> <ul style="list-style-type: none"> • Environment <p>TSRC and its suppliers use fossil-based fuels and materials in operations, resulting in the continuous extraction of fossil fuels. The extraction process may pose a threat on water and the ecosystem.</p> <p><u>Negative Impact: High energy consumption</u></p> <ul style="list-style-type: none"> • Environmental <p>If TSRC uses a substantial amount of energy, it may lead to crowdingout effects on the energy resource in the operation area, resulting in the competent authorities expanding the construction of power plants</p>	<ul style="list-style-type: none"> • Strategy & Policy ✓ ESG strategy and Targets ✓ Environmental Policy ✓ Energy Policy • Risk management & Control Please refer to 2022 sustainability report 3.1.3 GHG and energy management • Countermeasures ✓ Promote energy saving and low-carbon manufacturing process. ✓ Plan the utilization of renewable energy

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	<p>or related facilities to meet the energy consumption of industries and communities. It may have an adverse impact on the environment, ecosystem, and wildlife habitats.</p> <ul style="list-style-type: none"> • Social <p>If TSRC uses a substantial amount of energy, it may lead to crowding-out effects on energy resources, causing damage to the rights and interests of energy usage of local communities.</p> <p><u>Positive Impact: Using renewable energy</u></p> <ul style="list-style-type: none"> • Governance <p>If TSRC's demand for renewable energy increases, it will promote the development of renewable energy technologies and facilitate the development of the green chemical industry and the transformation of the low-carbon economy.</p> <ul style="list-style-type: none"> • Environmental <p>If TSRC uses renewable energy to reduce its dependence on fossil fuels, it will help mitigate climate change and negative environmental impacts.</p>	
<p>Water resource management</p>	<p><u>Negative Impact: High water consumption</u></p> <ul style="list-style-type: none"> • Environment <p>If TSRC has high water consumption, it may lead to crowding-out effects on the water resource in the operation area, resulting in the competent authorities expanding the construction of reservoirs or other water storage facilities to meet the water</p>	<ul style="list-style-type: none"> • Strategy & Policy <p>✓ ESG strategy and Targets</p> <ul style="list-style-type: none"> • Risk management & Control <p>Please refer to 2022 sustainability report 3.4 Optimize Water Resource Usage</p> <ul style="list-style-type: none"> • Countermeasures <p>✓ Promote wastewater reuse</p>

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	<p>consumption of industries and local communities. The construction may have an adverse impact on the environment, ecosystem, and wildlife habitats.</p> <ul style="list-style-type: none"> • Social <p>If TSRC has high water consumption, it may lead to crowding-out effects on the distribution of water resources, causing damage to the water rights and interests of local communities.</p> <p><u>Negative Impact: Improper treatment of wastewater</u></p> <ul style="list-style-type: none"> • Environment <p>If the wastewater generated by TSRC is discharged directly without proper treatment, it may lead to environmental and water pollution and affect the balance of the ecosystem.</p> <ul style="list-style-type: none"> • Social <p>If the wastewater generated by TSRC is discharged directly without proper treatment, it may affect the physical health of employees and local community residents.</p> <p><u>Positive Impact: Water recycling and reuse</u></p> <ul style="list-style-type: none"> • Governance <p>TSRC's expansion of reclaimed and recycled water promotes the development of reclaimed water technology and green economy transition.</p> <ul style="list-style-type: none"> • Environment <p>The increase of the wastewater recycling rate and</p>	<ul style="list-style-type: none"> ✓ Increase recycled water usage percentage ✓ Optimize wastewater treatment facilities

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	<p>reclaimed water use will reduce TSRC's tap water use and its reliance on water resources, and decrease the impact on the ecological environment.</p>	
<p>Waste and hazardous substance management</p>	<p><u>Negative Impact: Improper waste disposal</u></p> <ul style="list-style-type: none"> • Environmental <p>If the waste generated by TSRC is disposed of or discharged without proper treatment, it may cause ecological impacts.</p> <ul style="list-style-type: none"> • Social <p>If the waste generated by TSRC is discharged or discarded without proper treatment, it may affect the health of the local community</p> <p><u>Negative Impact: Toxic chemical spills</u></p> <ul style="list-style-type: none"> • Environmental <p>If TSRC generates harmful chemicals and discharges them into water or soil, it may cause the death of animals and plants, resulting in ecological disaster.</p> <ul style="list-style-type: none"> • Social <p>If TSRC discharges harmful chemicals into water or soil, the local community or end-users are directly exposed to the toxic substances, resulting in physiological disorders or chronic poisoning through biomagnification and long-term accumulation in the human body.</p> <p><u>Positive Impact : Waste reduction, reuse and recycling</u></p> <ul style="list-style-type: none"> • Environmental <p>TSRC promotes waste recycling and reuse to avoid the mining of raw materials and</p>	<ul style="list-style-type: none"> • Strategy & Policy ✓ ESG strategy and Targets ✓ Environmental Policies • Risk management & Control <p>Please refer to 2022 sustainability report 3.2.2 Waste Management</p> <ul style="list-style-type: none"> • Countermeasures ✓ Optimize production process to reduce waste ✓ Reuse waste materials

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	<p>reduce the impact on the environment. By reducing waste generation, TSRC avoids the use of energy resources and potential ecological impacts required during waste treatment.</p>	
<p>Occupational health and safety</p>	<p><u>Negative Impact: Occupational injuries</u></p> <ul style="list-style-type: none"> • Social <p>If TSRC's occupational health and safety measures are not properly managed, it may lead to occupational injuries and occupational diseases, affecting employees' work rights and health.</p> <p><u>Positive Impact: Promoting workplace health and safety</u></p> <ul style="list-style-type: none"> • Governance/Economy <p>TSRC advocates workplace health promotion measures to improve the health of employees and increase the overall productivity of the economies in which it operates.</p> <ul style="list-style-type: none"> • Social <p>TSRC continues to optimize workplace environment and health to provide employees with a positive and safe working environment.</p>	<ul style="list-style-type: none"> • Strategy & Policy ✓ ESG strategy and Targets ✓ Safety and health Policies • Risk management & Control <p>Please refer to 2022 sustainability report 4.2.3 Occupational health and Safety</p> <ul style="list-style-type: none"> • Countermeasures ✓ Establish an HSE incident management mechanism ✓ Establish global HSE awards