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Special items to be included

Any circumstances referred to in Paragraph 3(2) of Article 36 of the Securities and Exchange Act which might materially affect shareholders' equity or the price of the Company's securities

Stock Code 2103



TSRC CORPORATION

2024 Annual Report

(Translation)



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FSC annual report website <https://mops.twse.com.tw>

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The name of any exchanges where the Company's securities are traded offshore, and the method by which to access information on said offshore securities: No
<http://www.tsrc.com.tw>

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The petrochemical industry continued to face tough challenges in 2024, due to oversupply, price competition and escalating operating & production cost, although the global economic recovery was supported by decreased inflation. Against the headwinds, TSRC demonstrated resilience through agile business operation & product mix optimization; Synthetic Rubber business expanded sales volume with increased production to capture strong demand of Asian automotive market; despite oversupply and margin compression, Advanced Materials business delivered year-over-year improvement.

In 2024, the sales volume was 555 thousand metric tons, an increase of 3% versus 2023. Consolidated revenue was NTD 37,209 million, an increase of 18% compared to NTD 31,427 million in 2023. Gross profit increased 24% to NTD 4,116 million and gross margin was 11%. Operating profit was NTD 1,377 million, an increase of 45% from 2023, and operating profit margin was 4%. As a result, TSRC delivered net income of NTD 862 million with an EPS (earnings per share) of NTD 1.04 in 2024.

TSRC upheld commitment to achieving its annual ESG targets, including carbon emissions reduction and wastewater recycling, and its results have been recognized by leading sustainability rating institutions such as EcoVadis. In addition, TSRC successfully completed the new plant construction under its subsidiary's relocation project, and initiated improvement actions to address underperforming business segments and assets. To drive future growth, TSRC continued to advance material technology for high-performance green tires & medical applications and was granted 15 patents in 2024 which support the pursuit of profitable business growth and lowering of environmental impact.

2025 global economic growth projection is expected to remain similar to that of 2024 amid market uncertainties, structural challenges in mainland China, and ongoing geopolitical disruptions. The supply-demand imbalance in the synthetic rubber and elastomer industry has yet to recover. In response to the industrial challenges, TSRC will accelerate the volume ramp-up of the new plant, leverage favorable factors such as stable Asian automotive demand and supportive natural rubber prices, continue optimizing plant utilization & cost structure, and advance its transformation toward a high-value-add business portfolio with sustainable values for customers and shareholders.

Chairman: Nita Ing

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I. Information on Board of Directors and major managers

<1> Information on Board of Directors

Job title	Nation-ality or Place of registra-tion	Name	Gender/ Age	Date of elected	Term of con-tract	Date of first elected	Shares held when elected		Shares currently held		Shares cur-rently held by their spouses and children of minor age	
							Share(s)	%	Share(s)	%	Share(s)	%
Chairman	ROC	Wei-Dar Devel-opment Co., Ltd. Representative: Nita Ing	Female 61 ~ 70	June 07, 2024	3	July 27, 1985	53,708,923 0	6.50 -	53,708,923 0	6.50 -	0	-
Director	ROC	Wei-Dar Devel-opment Co., Ltd. Representative: John Huang	Male 71 ~ 80	June 07, 2024	3	June 21, 2018	53,708,923 0	6.50 -	53,708,923 0	6.50 -	0	-
Director	ROC	Han-De Construction Co., Ltd. Representative: Charles Y. Huang	Male 61 ~ 70	June 07, 2024	3	June 07, 2024	63,093,108 0	7.64 -	63,093,108 0	7.64 -	0	-
Director	ROC	Han-De Construction Co., Ltd. Representative: Monling Lee	Female 51 ~ 60	June 07, 2024	3	June 07, 2024	63,093,108 0	7.64 -	63,093,108 0	7.64 -	0	-
Independent Director	ROC	Sean Chao	Male 61 ~ 70	June 07, 2024	3	June 21, 2018	0	-	0	-	0	-
Independent Director	ROC	Rex Yang	Male 61 ~ 70	June 07, 2024	3	June 21, 2018	0	-	0	-	0	-
Independent Director	ROC	Ellen Tsai	Female 51 ~ 60	June 07, 2024	3	June 07, 2024	0	-	0	-	0	-

Note : The relatives information of the chairman of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship.

Major shareholders of institutional shareholdersDecember 31, 2024

Institutional shareholders	Major institutional shareholders
Wei-Dar Development Co., Ltd.	MaoShi Corporation (99.59%), Han-De Construction Co., Ltd.(0.21%), Kayvan Corp. (0.20%)
Han-De Construction Co., Ltd.	MaoShi Corporation (99.37%), Wei-Dar Development Co., Ltd.(0.43%), Kayvan Corp. (0.20%)

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December 31, 2024

Shares held through nominees		Principal work experience and Academic qualification	Position(s) currently held in the Company and/or in any other Company	Other officers, directors or supervisors who are their spouses or relatives of 2 nd degree of relationship			Note
				Job title	Name	Relationship	
0	-	Bachelors' Degree in Economics, UCLA Chairman of Continent Engineering Company Chairman of Taiwan High Speed Rail Corporation President of Continental Engineering Corporation Director of Continent Development Company Director of American Bridge Holding Company Vice Chairman of TSRC Corporation	Chairman of Continental Holdings Corporation. Chairman of Hao Ran Foundation	No	No	No	No
0	-	Bachelors' Degree in Accounting, NCKU Director of Continent Engineering Company Director of Continent Development Company Chief Auditor of Taiwan High Speed Rail Corporation President of Suzhou Standard Food Corporation Chief Auditor of Philips Taiwan Affiliates Assistant Audit Manager of Deloitte Touche Tohmatsu Limited	Director of Continental Holdings Corporation Director of CDC Commercial Development Corporation	No	No	No	No
0	-	MBA, The Wharton School of University of Pennsylvania Bachelor' s degree in chemistry, University of Pennsylvania Chairman of Taiwan Sugar Corporation, Director of Continental Holdings Corporation, Supervisor/Chairman and CEO of TSRC Corporation, Independent director of San Fu Chemical Co., Ltd. Executive director of Federal Group. Director of ITRI	Chairman of Circular Taiwan Network Director of Agricultural Technology Research Institute Independent Director of Entie Commercial Bank. Chair Professor of Academy of Circular Economy, NCHU	No	No	No	No
0	-	MBA in Management &Technology Program, Rensselaer Polytechnic Institute, Troy, New York, USA Bachelor's degree in accounting, Soochow University. Vice president, Financial Department, Continental Engineering Corporation Vice president/senior vice president, Taishin International Bank	Director of Metropolis Property Management Corp. Director of Evergreen Steel Corp. Director of Hsin Yung Enterprise Corp. Director of La Mer Corp.	No	No	No	No
0	-	Masters' Degree in Business Administration, University of Chicago. Bachelors' Degree in Politics and International Relations, NTU Independent Director of HannStar Display corporation CEO of Morgan Stanley Taiwan President of UBS Group in Taiwan Chairman of UBS Fund in Taiwan Vice President of UBS AG Taipei	Independent Director of NAFCO	No	No	No	No
0	-	Bachelors' Degree in Business Administration, Soochow University CFO of Continental Holdings Corporation Chairman of TEAPO Electronic Corp CFO/CSO of Yageo Corporation CFO of Far Eastern New Century Corporation	Independent Director of Visco Vision Inc.	No	No	No	No
0	-	Master's degree and Doctor's degree in Law, University of Tokyo Bachelor's degree and Master's Degree in Law, NTU Assistant professor /Associate professor of College of Law, NTU Practicing lawyer of Formosa Transnational Attorneys at Law Independent Director of CHO Pharma, Inc.	Professor of College of LAW, NTU Independent director of E.SUN FHC Independent director of E.SUN Bank	No	No	No	No

Major shareholders of institutional shareholders

December 31, 2024

Institutional shareholders	Major institutional shareholders
MaoShi Corporation	Jade Fortune Enterprises Inc.(99.99%), La Mer Corporation(0.01%)

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Disclosure of Directors' Professional Qualification and the Independent Status of Independent Directors

Condi- tion Name	Professional Qualification and Experience	Independent Status	Number of Public Compa- nies in which the Di- rector is Concur- rently An Inde- pendent Director
Chairman Nita Ing	<ul style="list-style-type: none">· The Director possesses professional backgrounds related to business, finance, investment holding, and construction, and over 30 years of experiences in business management; currently, the Director is also the chairman of Continental Holdings Corporation and the chairman of Hao Ran Foundation; she was previously the chairman of Continental Engineering Company and Taiwan High Speed Rail Corporation.· There is no circumstance stated in Article 30 of the Company Act.	<ul style="list-style-type: none">· The Director, its spouse, or any relative of 2nd degree of relationship is not an employee of the Company of its affiliates.· The Director, its spouse, or minor child(or in other's name) is not a natural person shareholder who hold 1% of the total issued shares of the Company or above or has the top 10 shareholding.· The Director is not a director, supervisor, managerial officer, or shareholder with 5% of shareholding or above of particular companies or institutions possessing financial or business dealings with the Company.· The Director has not obtained compensation for the provision of business, legal, financial, or accounting services to the Company or its affiliate in the most recent two years.· The Director is not a spouse or a relative of the 2nd degree of relationship with any other directors.	No
Director John Huang	<ul style="list-style-type: none">· The Director possesses professional backgrounds related to business, finance, and accounting, and over 20 years of experiences in financial and corporate operation audit; along with more than 10 years of general management experience, currently, the Director is also the director of Continental Holdings Corporation; he was previously the Chief Auditor of Taiwan High Speed Rail Corporation, president of Suzhou Standard Food Corporation, and the Chief Auditor of Philips Taiwan Affiliates.· There is no circumstance stated in Article 30 of the Company Act.	<ul style="list-style-type: none">· The Director, its spouse, or any relative of 2nd degree of relationship is not an employee of the Company of its affiliates.· The Director, its spouse, or minor child(or in other's name) is not a natural person shareholder who hold 1% of the total issued shares of the Company or above or has the top 10 shareholding.· The Director is not a director, supervisor, managerial officer, or shareholder with 5% of shareholding or above of particular companies or institutions possessing financial or business dealings with the Company.· The Director has not obtained compensation for the provision of business, legal, financial, or accounting services to the Company or its affiliate in the most recent two years.· The Director is not a spouse or a relative of the 2nd degree of relationship with any other directors.	No
Director Charles Y. Huang	<ul style="list-style-type: none">· He possesses professional backgrounds in commerce and circular economy and over 30 years of experience in business management. He is the founder and chairman of the Circular Taiwan Network and is committed to promoting industry reformation with a circular economy as the target. At present, he is also the director of the Agricultural Technology Research Institute, the Chair Professor of the Academy of Circular Economy at National Chung Hsing University, and an independent Director of Entie Commercial Bank, Ltd.; he used to be the chairman of Taiwan Sugar Corporation, the director of Continental Holdings Corporation, the independent director of San Fu Chemical Co., Ltd..· There is no circumstance stated in Article 30 of the Company Act.	<ul style="list-style-type: none">· The Director, its spouse, or any relative of 2nd degree of relationship is not an employee of the Company of its affiliates.· The Director, its spouse, or minor child(or in other's name) is not a natural person shareholder who hold 1% of the total issued shares of the Company or above or has the top 10 shareholding.· The Director is not a director, supervisor, managerial officer, or shareholder with 5% of shareholding or above of particular companies or institutions possessing financial or business dealings with the Company.· The Director has not obtained compensation for the provision of business, legal, financial, or accounting services to the Company or its affiliate in the most recent two years.· The Director is not a spouse or a relative of the 2nd degree of relationship with any other directors.	1
Director Monling Lee	<ul style="list-style-type: none">· She possesses extensive professional backgrounds in commerce and finance with over 15 years of management experience. Currently, she is the director of Metropolis Property Management Cap. Ltd., the director of Evergreen Steel Corp. and the director of Hsin Yung Enterprise Corp; she used to be the vice president of Taishin Commercial Bank.· There is no circumstance stated in Article 30 of the Company Act.	<ul style="list-style-type: none">· The Director, its spouse, or any relative of 2nd degree of relationship is not an employee of the Company of its affiliates.· The Director, its spouse, or minor child(or in other's name) is not a natural person shareholder who hold 1% of the total issued shares of the Company or above or has the top 10 shareholding.· The Director is not a director, supervisor, managerial officer, or shareholder with 5% of shareholding or above of particular companies or institutions possessing financial or business dealings with the Company.· The Director has not obtained compensation for the provision of business, legal, financial, or accounting services to the Company or its affiliate in the most recent two years.· The Director is not a spouse or a relative of the 2nd degree of relationship with any other directors.	No
Inde- pendent Director Sean Chao	<ul style="list-style-type: none">· The Independent Director possesses professional backgrounds related to business and finance, and over 20 years of experiences; he is familiar with professional fields ranging from investment banking, asset management, and private banking; He is currently the independent director of National Aerospace Fasteners Corporation, and he used to be the independent director of Hannstar Display Corp. he was previously the CEO of Morgan Stanley Taiwan, president of UBS Group in Taiwan, and chairman of UBS Fund in Taiwan.· There is no circumstance stated in Article 30 of the Company Act.	<ul style="list-style-type: none">· The Independent Director complies with the independence stated in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.· No government, corporate, or its representative stated in Article 27 of the Company Act was elected.· The Independent Director, its spouse, or any relative of 2nd degree of relationship is not a director, supervisor, or employee of the Company of its affiliates.· The Independent Director, its spouse, or any relative of 2nd degree of relationship is not a director, supervisor, or employee of any affiliate or companies having particular relationships with the Company.· The Independent Director, its spouse, or any relative of 2nd degree of relationship does not hold any share of the Company.· The Independent Director has not obtained compensation for the provision of business, legal, financial, or accounting services to the Company or its affiliate in the most recent two years.· The Independent Director is not a spouse or a relative of 2nd degree of relationship of any other Directors.	1
Inde- pendent Director Rex Yang	<ul style="list-style-type: none">· The Independent Director possesses professional backgrounds related to business and finance, He is currently serving as an Independent Director at Visco Vision Inc., and over 20 years of experiences in finance and management; he was previously the CFO of Continental Holdings Corporation, CFO of Yageo Corporation, and chairman of TEAPO Electronic Corporation.· There is no circumstance stated in Article 30 of the Company Act.	<ul style="list-style-type: none">· The Independent Director complies with the independence stated in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.· No government, corporate, or its representative stated in Article 27 of the Company Act was elected.· The Independent Director, its spouse, or any relative of 2nd degree of relationship is not a director, supervisor, or employee of the Company of its affiliates.· The Independent Director, its spouse, or any relative of 2nd degree of relationship is not a director, supervisor, or employee of any affiliate or companies having particular relationships with the Company.· The Independent Director, its spouse, or any relative of 2nd degree of relationship does not hold any share of the Company.· The Independent Director has not obtained compensation for the provision of business, legal, financial, or accounting services to the Company or its affiliate in the most recent two years.· The Independent Director is not a spouse or a relative of 2nd degree of relationship of any other Directors.	1
Indepen- dent Ellen Tsai	<ul style="list-style-type: none">· She possesses a professional background in law and specializes in The Act Governing Electronic Payment Institutions, the Securities and Exchange Act, the Company Act, and relevant financial regulations to continue improving legal compliance. She used to be the Assistant Professor/Associate Professor at NTU College of LAW, the independent director of CHO Pharma, Inc., and a practicing lawyer at Formosa Transnational Attorneys at Law. At present, she is a Professor at the NTU College of LAW, the independent director of E.SUN Financial Holding Co., Ltd., and the independent director of E.SUN Bank..· There is no circumstance stated in Article 30 of the Company Act.	<ul style="list-style-type: none">· The Independent Director complies with the independence stated in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.· No government, corporate, or its representative stated in Article 27 of the Company Act was elected.· The Independent Director, its spouse, or any relative of 2nd degree of relationship is not a director, supervisor, or employee of the Company of its affiliates.· The Independent Director, its spouse, or any relative of 2nd degree of relationship is not a director, supervisor, or employee of any affiliate or companies having particular relationships with the Company.· The Independent Director, its spouse, or any relative of 2nd degree of relationship does not hold any share of the Company.· The Independent Director has not obtained compensation for the provision of business, legal, financial, or accounting services to the Company or its affiliate in the most recent two years.· The Independent Director is not a spouse or a relative of 2nd degree of relationship of any other Directors.	2

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Board Diversity and independence:

- 1. Diversity of Board of Directors

The Company introduces the idea of diversity in its “Corporate Governance Best Practice Principles.” Members of the Board shall possess knowledge, experiences, and abilities required for the execution of their duties; furthermore, the composition of the Board shall possess diversity and comply with laws and regulations, with reference to the characteristic, operations, market, and future development requirements of the Company. The Board shall, in general, possess the abilities of making business judgments, accounting and financial analysis, business management, emergency management, as well as industrial knowledge, and leadership, decision-making capacity, and international vision required for cross-nation operations.
- 2. Specific Objectives

In addition to evaluating the requisite professional qualifications, the Board of Directors also considers the future development needs of the Company in selecting appropriate candidates, setting forth objectives as follows:

 - At least 2 independent directors shall serve for a term not exceeding 3 terms.
 - Increase the number of female board members to one-third.
- 3. Implementation status
 - The company's 18th Board of Directors consists of 7 members, including 3 female directors (43%) and 3 independent directors (43%), with all independent directors serving less than three terms.
 - Board members are from different professional fields, comprising financial and accounting, commercial, legal, circular economy, and construction engineering professional backgrounds. They have assumed senior supervisor positions in international enterprises and possess knowledge and skills, leadership, and international viewpoints that are required for the execution of their duties. The capabilities possessed by the overall Board members comply with the diversification policy and the requirements for the Company's future business development.
 - The age distribution of board members is as follows: Ages 51–60: 29% (2 members), Ages 61–70: 57% (4 members), Ages 71–80: 14% (1 member)
- There is no Director who is concurrently a managerial officer of the Company.

Diversity Item Name	Gender	Term of Office as An Independent Director		Industrial Experiences and Background						Professional Abilities					
		1~3 Years	7~9 Years	Financial Accounting	Finance	Business	Law	Circular Economy	Engineering and Construction	Operational Judgment	Financial Analysis	Business Management	Emergency Management	Leadership and Decision-making	International Market Vision
Chairman Nita Ing	Female	-	-	-	-	√	-	-	√	√	√	√	√	√	√
Director John Huang	Male	-	-	√	-	√	-	-	-	√	√	√	√	√	√
Director Charles Y. Huang	Male	-	-	-	-	√	-	√	-	√	√	√	√	√	√
Director Monling Lee	Female	-	-	√	√	√	-	-	-	√	√	√	√	√	√
Independent Director Sean Chao	Male	-	√	-	√	√	-	-	-	√	√	√	√	√	√
Independent Director Rex Yang	Male	-	√	√	-	√	-	-	-	√	√	√	√	√	√
Independent Director Ellen Tsai	Female	√	-	-	-	-	√	-	-	√	√	-	-	√	√

Independence of the Board

The Board comprises seven Directors, including three Independent Directors (accounting for 43%); the Directors are not the employees of the Company or its affiliates, and no Director is a spouse or a relative of the 2nd degree relationship with another Director; there is no circumstance stated in paragraphs 3 and 4, Article 26-3 of the Securities Exchange Act; the Board, in general, is independent.

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<2> Information on presidents

Job title	Nation-ality	Name	Gender	Date of elected	Shares currently held		Shares currently held by their spouses and children of minor age		Shares held through nominees	
					Share(s)	%	Share(s)	%	Share(s)	%
CEO	SG	Joseph Chai	Male	November 01, 2015	0	-	0	-	65,000	-
Vice President Finance Division	ROC	Edward Wang	Male	June 01, 2016	0	-	0	-	0	-
Vice President Research & Development Division	USA	Qiwei Lu	Male	April 01, 2016	0	-	0	-	0	-
Vice President Synthetic Rubber Division	ROC	Kevin Liu	Male	June 01, 2016	0	-	0	-	0	-
Vice President Operations Division	ROC	Brian Hsu	Male	January 01, 2020	0	-	0	-	0	-
Vice President Advanced Materials Division	USA	Kent Emil Kvaal	Male	January 01, 2023	0	-	0	-	0	-
Sr. Assistant Vice President, Corporate Development Department	ROC	Thomas Lin	Male	March 01, 2018	0	-	0	-	0	-
Sr Assistant Vice President and Corporate Governance Officer	ROC	Iting Tsai (Note 2)	Male	March 01, 2019	0	-	4,000	-	0	-
Human Resources & Management Department	ROC	Maggie Huang	Female	August 01, 2024	0	-	0	-	0	-
Accountant officer	ROC	Grace Lin	Female	November 04, 2021	1,000	-	0	-	0	-

Note1: Whether the general manager or one in equivalent position is the same person as the chairman, the spouse of the chairman, or the first-degree relative of the chairman.

Note2: Iting Tsai was appointed as the Corporate Governance Officer on July 1, 2024.

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Principal work experience and Academic qualification	Position(s) currently held in the Company and/or in any other Company	Other officers, directors or supervisors who are their spouses or relatives of 2nd degree of relationship			Note (Note1)
		Position	Name	Relationship	
MBA, Case Western Reserve University USA Lubrizol Corporation Deputy Vice President of Asia Pacific	Directors of Polybus Corporation Pte Ltd., TSRC (Hong Kong) Limited., Trimurti Holding Corporation., Hardison International Corporation., Dymas Corporation., Triton International Holdings Corporation., TSRC (USA) Investment Corporation., TSRC Specialty Materials LLC ; President of TSRC (USA) Investment Corporation.	No	No	No	No
Master of Business, Administration, Tunghai University Chief Financial Officer, HTC	Chairman of TSRC (Vietnam) Co., Ltd. ; Directors of Polybus Corporation PteLtd., Trimurti Holding Corporation., Triton International Holdings Corporation., TSRC (Hong Kong) Limited., TSRC (USA) Investment Corporation ` TSRC Specialty Materials LLC., TSRC (Lux.) Corporation S.A R.L., Indian Synthetic Rubber Private Limited., Asia Pacific Energy Development Company Limited., Hardison International Corporation., Dymas Corporation ; Supervisors of Shen Hua Chemical Industrial Ltd., TSRC(Nantong) Industrial Ltd. , TSRC (Shanghai) Industrial Ltd. , ARLANXEO- TSRC(Nantong) Chemical Industrial Co. , Ltd.	No	No	No	No
Doctor in Material Science and Engineering, University of Minnesota Global Strategic Technology Officer, Lubrizol	None	No	No	No	No
MSA, Cambridge College, USA Manager, Sales and Marketing, Department, Asst. Vice President Rubber Business Unit, TSRC. Spokesperson and Assistant Vice President, Sales Department, China Synthetic Rubber Corp.,	Chairman of TSRC-UBE (Nantong) Chemical Industrial Co. Ltd., Indian Synthetic Rubber Private Ltd. ; Director of Thai Synthetic Rubbers Company Limited.,Trimurti Holding Corporation.,Polybus Corporation Pte Ltd.,TSRC (Hong Kong) Limited.,Shen Hua Chemical Industrial Ltd. ,ARLANXEO- TSRC(Nantong) Chemical Industrial Co., Ltd. ,Nantong Qix Storage Co., Ltd.	No	No	No	No
Department of Chemical Engineering, National Taiwan University of Science and Technology Asia Operations Director, Elementis Group Plant Manager, Deuchem Co., Ltd.	Chairman of TSRC (Nantong) Industries Ltd., TSRC (Shanghai) Industries Ltd; Directors of Shen Hua Chemical Industrial Ltd. ,TSRC(Nantong) Industrial Ltd. ,TSRC (USA) Investment Corporation ,TSRC (Lux.) Corporation S.à r.l., TSRC (Vietnam) Co., Ltd	No	No	No	No
MBA, University of Minnesota, USA Vice President of Performance Products, Americas Region Huntsman Corporation	Director of TSRC (Lux.) Corporation S.à r.l. ,TSRC Specialty Materials LLC.	No	No	No	No
Master's in Ceramics Materials, University of Pennsylvania, Global product manager, DuPont de Nemours, Inc.	Director of TSRC (Shanghai) Industries Ltd., Shen Hua Chemical Industrial Co., Ltd., TSRC-UBE (Nantong) Chemical Industrial Company Limited., TSRC (Vietnam) Co., Ltd.	No	No	No	No
LL.B., University of California, Berkeley Senior manager, Legal Affairs Department, TSRC Corporation, Manager, ADATA Technology Co., Ltd., Lawyer, Lexcel Law Offices	Supervisor of TSRC (Vietnam) Co., Ltd.	No	No	No	No
Master's in Human Resources Management, National Sun Yat-sen University Senior manager, Human Resources and Management Department, TSRC Corporation, Assistant vice president, Far EasTone Telecommunications Co., Ltd.	None	No	No	No	No
EMBA, National Sun Yat-sen University Assistant Vice President, Accounting Department, TSRC Corporation, Vice president of finance, Life Travel & Tourist Service Co. Ltd.	None	No	No	No	No

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II. The remuneration of Directors and major managers

<1> Directors' remuneration

Job title	Name	Directors remuneration(Note)							
		Base compensation (A)		Severance pay and pensions (B)		Remuneration to directors (C)		Business execution expenses(D)	
		The Company	Compa-nies in Financial Report	The Company	Compa-nies in Financial Report	The Company	Compa-nies in Financial Report	The Company	Compa-nies in Financial Report
Wei-Dar Development Co.,Ltd.		2,106	2,106	0	0	0	0	0	0
Chairman	Representative:Nita Ing	15,000	15,000	0	0	0	0	0	0
Director	Representative:John Huang	0	0	0	0	0	0	0	0
Han-De Construction Co., Ltd.		4,212	4,212	0	0	0	0	0	0
Director	Representative: Charles Y. Huang	0	0	0	0	0	0	0	0
Director	Representative: Monling Lee	0	0	0	0	0	0	0	0
Director	Representative: Arthur Chiang (Note1)	0	0	0	0	0	0	0	0
Director	Representative:John T. Yu (Note1)	0	0	0	0	0	0	0	0
Indepen-dent Director	Sean Chao	3,209	3,209	0	0	0	0	551	551
Indepen-dent Director	Rex Yang	3,209	3,209	0	0	0	0	436	436
Indepen-dent Director	Ellen Tsai	1,813	1,813	0	0	0	0	198	198
Indepen-dent Director	Robert Hung (Note2)	1,396	1,396	0	0	0	0	218	218

Note: The remuneration policy, procedures, standards, and packages for independent directors. as well as the linkage to factors such as individual responsibilities, risks, and time spent:
According to the Company's Articles of Incorporation, the Board is authorized to determine the remuneration of the Directors by considering their participation in the Company's business and their contribution value, and with reference to industry standards. If there is profit for the year, the Company should contribute less than 1% as remunerations of Directors. the Compensation Committee shall regularly review the remuneration policies, procedures, standards, and packages for the Director's remuneration. The Company has approved, at the 13th meeting of the 17th Board of Directors, that director remuneration is fixed payment. Independent Directors of the Company are members of the Audit Committee and Compensation Committee; apart from the duties assumed by Independent Directors, the level of participation, the number of meetings each year, and extra time invested are also considered for the payment of remunerations; therefore, their remuneration may be higher than general Directors.

Note1: A full re-election was conducted at the 2024 annual shareholders' meeting, and the representative of the corporate Director's term ends on June 7, 2024.

Note2: A full re-election was conducted at the 2024 annual shareholders' meeting, and the Independent Director's term ends on June 7, 2024.

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Unit: thousand NTD

Percentage of the total of A, B, C and D accounting for income after tax		Relevant remuneration received by directors who are also employees								Percentage of total of A, B, C, D, E, F and G accounting for income after tax		Compensation paid to directors from non-consolidated affiliates
		Salary, bonus and special allowance(E)		Severance pay and pensions (F)		Employees' earnings (G)						
The Company	Companies in Financial Report	The Company	Companies in Financial Report	The Company	Companies in Financial Report	The Company		Companies in Financial Report		The Company	Companies in Financial Report	
						Cash	Stock	Cash	Stock			
2,106 /0.24	2,106 /0.24	0	0	0	0	0	0	0	0	2,106 /0.24	2,106 /0.24	0
15,000 /1.74	15,000 /1.74	0	0	0	0	0	0	0	0	15,000 /1.74	15,000 /1.74	0
0	0	0	0	0	0	0	0	0	0	0	0	0
4,212 /0.49	4,212 /0.49	0	0	0	0	0	0	0	0	4,212 /0.49	4,212 /0.49	0
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
3,760 /0.44	3,760 /0.44	0	0	0	0	0	0	0	0	3,760 /0.44	3,760 /0.44	0
3,645 /0.42	3,645 /0.42	0	0	0	0	0	0	0	0	3,645 /0.42	3,645 /0.42	0
2,011 /0.23	2,011 /0.23	0	0	0	0	0	0	0	0	2,011 /0.23	2,011 /0.23	0
1,614 /0.19	1,614 /0.19	0	0	0	0	0	0	0	0	1,614 /0.19	1,614 /0.19	0

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<2> Presidents' and vice presidents' remuneration

Unit: thousand NTD

Job title	Name	Salary(A)		Severance pay and pensions (B)		Bonus and special allowance(C)		Employees' compensation amount (D)				Percentage of the total of A, B, C and D accounting for income after tax (%)		Compensation paid to directors from non-consolidated affiliates
		The Company	Companies in Financial Report	The Company	Companies in Financial Report	The Company	Companies in Financial Report	The Company		Companies in Financial Report		The Company	Companies in Financial Report	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
CEO	Joseph Chai (Note)													
Vice President	Edward Wang													
Vice President	Qiwei Lu													
Vice President	Kevin Liu													
Vice President	Brian Hsu	34,055	54,258	0	0	27,251	32,508	3,276	0	3,276	0	64,582 /7.49	90,042 /10.44	0
Vice President	Kent Emil Kvaal													
Vice President	Peggy Wang (Resigned on April 18, 2024)													
Corporate Governance Officer	Iting Tsai (Resigned on July 01, 2024)													

Note: One leased vehicle and one driver assigned to the CEO. The yearly rent for the leased vehicle is NTD 630 thousand and the remuneration paid to the driver is NTD 649 thousand and rental housing costs NTD 2,820 thousand.

Remuneration paid to the president and vice presidents	Name of president and vice presidents	
	The Company	Companies in Financial Report
1,000,000 below	Calvin Tsai	Calvin Tsai
1,000,000 (inclusive of 1,000,000)-2,000,000(does not contain 2,000,000)	Peggy Wang	Peggy Wang
2,000,000 (inclusive of 2,000,000)-3,500,000(does not contain 3,500,000)	-	-
3,500,000 (inclusive of 3,500,000)-10,000,000(does not contain 5,000,000)	-	-
5,000,000 (inclusive of 5,000,000)-10,000,000(does not contain 10,000,000)	Edward Wang, Kevin Liu, Brian Hsu	Edward Wang, Kevin Liu, Brian Hsu
10,000,000 (inclusive of 10,000,000)-15,000,000(does not contain 15,000,000)	-	Kent Emil Kvaal, Qiwei Lu
15,000,000 (inclusive of 15,000,000)-30,000,000(does not contain 30,000,000)	-	-
30,000,000 (inclusive of 30,000,000)-50,000,000(does not contain 50,000,000)	Joseph Chai	Joseph Chai
50,000,000 (inclusive of 50,000,000)-100,000,000(does not contain 100,000,000)	-	-
100,000,000 above	-	-

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<3> Bonus paid to management team and allocation

	Job title	Name	Stock	Cash (NTD in thou-sands)	Total (NTD in thou-sands)	Percentage of the total income after tax (%)
Managers	CEO	Joseph Chai	0	5,646	5,646	0.65
	Vice President	Edward Wang				
	Vice President	Qiwei Lu				
	Vice President	Kevin Liu				
	Vice President	Brian Hsu				
	Vice President	Kent Emil Kvaal				
	Sr. Assistant Vice President	Thomas Lin				
	Sr. Assistant Vice President and Corporate Governance Officer	Iting Tsai				
	Assistant Vice President	Maggie Huang				
	Accountant officer	Grace Lin				

<4> The total remuneration as a percentage of net income paid by the Company, and by each Companies included in the consolidated financial statements, during the past two fiscal years to its directors, supervisors, president and vice presidents and describe the remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

1. Remuneration paid-in the most recent two years

Unit: thousand NTD

Job title	The Company		Companies in Financial Report	
	2024	2023	2024	2023
Director remuneration	32,348	32,300	32,348	32,300
Director remuneration percentage of net income after taxes(%)	3.75	4.75	3.75	4.75
CEO and vice president	64,582	72,645	90,042	95,610
CEO and vice president remuneration percentage of net income after taxes(%)	7.49	10.68	10.44	14.06

2. Remuneration policies, standards, and packages for its Directors, CEO, and Vice Presidents, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure are as follows:

Remuneration of Directors:

According to the Company's Articles of Incorporation, the Board is authorized to determine the remuneration of the Directors by considering their participation in the Company's business and their contribution value, and with reference to industry standards. If there is profit for the year, the Company should contribute less than 1% as remunerations of Directors. According to Company's Compensation Committee Charter, the Committee shall regularly review the remuneration policies, procedures, standards, and packages for the Director's remuneration and regularly evaluate the performance of the Company's directors. Directors' remuneration is fixed payment, a distinction shall also be made between Independent Directors and general Directors. Independent Directors of the Company are members of the Audit Committee and Compensation Committee; apart from the duties assumed by Independent Directors, the level of participation, the number of meetings each year, and extra time invested are also considered for the payment of remunerations.

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Remuneration of CEO and Vice President:

(1) Remuneration policy of managers

The Company carries out evaluations based on individual experiences, capacity, the scope of duties, and level of contribution to the business objectives of managers, taking into account the salary standard in the market, internal fairness, and other factors to provide reasonable remuneration solutions. The design of the remuneration payment of managers shall give equal consideration to the requirements of sustainable operation and operating performance. The Company adopts an operating performance-oriented remuneration policy.

(2) Remuneration standard and package of managers

The remuneration of managers includes fixed salaries and variable bonuses. Fixed salaries refer to salaries distributed on a monthly basis; variable bonuses are distributed based on the evaluation results of the organization's performance and individual performance. The indicators of the organization's performance and individual performance include the annual operating performance of the Group, the performance of operating functions, and the achievement of individual financial and non-financial performance targets.

(3) Approval procedures for the remuneration of managers

The fixed salaries and variable bonuses to managers are proposed by the HR department based on evaluations in accordance with the principles of the remuneration policy and the achievement of performance standards. After the proposal is signed-off based on the approval authority, it is submitted to the Compensation Committee for discussion and submitted to the Board for approval.

(4) Connectivity to operating performance and future risks

The remuneration policy of managers and remuneration distributions give equal consideration to the requirements of sustainable corporate operations and the objectives of operating performance. The setting of the performance objectives covers financial, non-financial, long-term, short-term, profitability, risk, and various balance operating indicators.

III. Status of corporate governance implementation

<1> Operation of the board of directors

Board of Directors held 9(A) meetings in 2024. The attendance of directors in the meetings is specified as follows:

The 17th Term of the Board of Directors: August 04, 2021~June 07, 2024; The 18th Term of the Board of Directors: June 07, 2024~June 06, 2027

Job title	Name	Frequency of actual attendance (B)	Frequency of proxy attendance	Actual attendance rate (%) (B/A)	Remark
Chairman	Wei-Dar Development Co., Ltd. Representative: Nita Ing	9	0	100%	Re-election
Director	Wei-Dar Development Co., Ltd. Representative: John Huang	9	0	100%	Re-election
Director	Han-De Construction Co., Ltd. Representative: Charles Y. Huang	3	1	75%	Newly elected Number of required attendances: 4 times
	Han-De Construction Co., Ltd. Representative: Monling Lee	4	0	100%	Newly elected Number of required attendances: 4 times
Director	Han-De Construction Co., Ltd. Representative: Arthur Chiang	4	1	80%	Predecessor Number of required attendances: 5 times
	Han-De Construction Co., Ltd. Representative: John T. Yu	5	0	100%	Predecessor Number of required attendances: 5 times
Independent Director	Sean Chao	8	1	88%	Re-election
Independent Director	Rex Yang	9	0	100%	Re-election
Independent Director	Ellen Tsai	4	0	100%	Newly elected Number of required attendances: 4 times
Independent Director	Robert Hung	5	0	100%	Predecessor Number of required attendances: 5 times

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Other matters to be recorded:

- 1. Provisions of Article 14-3 of Securities and Exchange Act

Meeting Date	Meeting Name	Major Resolutions	Implementation Status
February 01, 2024	19 th meeting of the 17 th Term	1. Appointment of certified public accountants and change of CPA firm for the audit of the 2024 financial statements.	All directors were present and the resolution was approved.
March 07, 2024	20 th meeting of the 17 th Term	1. 2023 remuneration for the Company's directors	All directors were present and the resolution was approved.
April 10, 2024	21 th meeting of the 17 th Term	1. Release non-competition restrictions on the members of the 18th Board of Directors.	All directors were present and the resolution was approved.
August 08, 2024	2 th meeting of the 18 th Term	1. Proposal for the new capital expenditure of the Company 2. To discuss the capital injection in cash of Shen Hua Chemical Industries Co., Ltd.	All directors were present and the resolution was approved.
November 05, 2024	3 th meeting of the 18 th Term	1. To discuss the capital injection in cash of TSRC (Vietnam) Co., Ltd. 2. Amendment of the Internal Control System	All directors were present and the resolution was approved.
December 05, 2024	4 th meeting of the 18 th Term	1. Provision of guarantee for the banking financing with banks for TSRC (USA) Investment.	All directors were present and the resolution was approved.

The Company's response to the opinions of Independent Directors: Independent Directors of the Company unanimously approved all proposals, and the Board approved all proposals as proposed according to the recommendations of the Board.

- 2. In addition to the previous events, other resolutions made by the Board of Directors that the Independent Directors opposed or reserved with a record or written statement:
There were no resolutions that the Independent Directors opposed or reserved in 2024.
- 3. Implementation of Director's recusal of interest resolutions:
In 2024,none of the Directors has any interest in the resolutions that required their recusal.

<2> Implementation status of the Board of Directors' Self Evaluation:

- 1. Implementation status of the Board of Directors' Self Evaluation: The Company completed the Board performance evaluation in 2024, Please refer to “(IV) Implementation Status of Corporate Governance, Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof” on page 21 of the annual report.

Cycle	Period	Scope	Method	Content
Once a year	January 1, 2024 ~ December 31, 2024	Board of Directors	Self-evaluation the Board	1. Level of participation in the Company's operations 2. Improvement of the Board's decision-making quality 3. Awareness of the Board's composition and duties 4. Election of Board members and continual education 5. Internal control
Once a year	January 1, 2024 ~ December 31, 2024	Functional Committees	Self-evaluation of Board members	1. Level of participation in the Company's operations 2. Improvement of the functional committee's decision-making quality 3. Awareness of the functional committee's composition and duties 4. Election of functional committee members and continual education 5. Internal control
Once a year	January 1, 2024 ~ December 31, 2024	Individual Board member	Self-evaluation of Board members	1. Control over the Company's objectives and tasks. 2. Understanding the responsibilities of the Board of Directors. 3. Participation in the Company's operations. 4. Management and communication of the internal relationship. 5. Directors' professional and continuous training 6. Internal control.

- 2. The current and most recent year's objectives and implementation status for enhancing the Board of Directors' func-

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tions:

- (1) The Board of the Company convenes meetings and performs discussions and resolution-making according to the Company Act and the Securities Exchange Act, as well as standards announced by the competent authority. To reinforce the functions of the Company's Board and improve the supervising function, the Company established its Audit Committee and Compensation Committee according to laws and regulations; functional committees assist the Board in reinforcing corporate governance and supervisory duties based on their function.
- (2) Article 21 of the "Corporate Governance Best Practice Principles" of the Company has stated the concept of Board diversification, knowledge, experience, and ability required of Board members for the execution of their duties; also, the Board composition shall be diverse, and in compliance with the requirements of laws and regulations with considerations given to the business features, requirements of operations and future development of the Company; the abilities possessed by the overall Board member shall comply with the diversification policy and the requirements of the Company's future development.
- (3) At the re-election of the 18th session of the Directors on June 7, 2024, the number of female Directors increased to one-third of all Directors.
- (4) The Chairman of the Company is not concurrently the President, and the powers are accurately delineated to improve the counterbalance mechanism.
- (5) Apart from encouraging the self-continuing education of Directors or Corporate Governance Officer, the Company arranged for professional lecturers to visit the Company to give lectures on the "Development of the Global Prevention of BEPS and the Impacts on the Company from the Perspectives of Directors and Supervisors" and "Legal Risks of Corporate Investments and Responses – From the Viewpoints of Corporate Directors."

<3> Operation of the Audit Committee

- 1. There are 3 members in the audit committee of this Company.
- 2. The Audit Committee convened a total of 7(A) meetings in 2024. The presence and attendance of the Independent Directors is as follows:

The 17th Term: August 04, 2021~June 07, 2024; The 18th Term: June 07, 2024~June 06, 2027

Job title	Name	Frequency of actual attendance(B)	Frequency of proxy attendance	Actual attendance rate (%) (B/A)	Remark
Independent Director (Convener)	Sean Chao	6	1	85.7	Re-election
Independent Director	Rex Yang	7	0	100	Re-election
Independent Director	Ellen Tsai	3	0	100	Newly elected Number of required attendances: 3 times
Independent Director	Robert Hung	4	0	100	Predecessor Number of required attendances: 4 times

- 3. The highlight of the Audit Committee in 2024 is summarized as follows:
 - (1) To review the 2023 business report, financial report and earnings distribution.
 - (2) To review the financial reports for the 1st to 3rd quarters of 2024.
 - (3) To review the provision of guarantees of the Company.
 - (4) The review of the appointment of the CPAs for the Company's financial report review and certification.
 - (5) To review the budget for 2025.
 - (6) To review the 2025 audit plan.

Other matters that require reporting:

- 1. The matters listed in Article 14-5 of the Securities and Exchange Act:

Date of Meeting	Name of Meeting	Significant review item	Resolutions under Article 14-5 of the Securities Exchange Act	Opinion of Independent Directors
January 25, 2024	18 th meeting of the 17 th Term	1. Appointment of certified public accountants and change of CPA firm for the audit of the 2024 financial statements.	√	All members of the Audit Committee attended the meeting completed the review and submitted the proposal to the Board for discussion

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Date of Meeting	Name of Meeting	Significant review item	Resolutions under Article 14-5 of the Securities Exchange Act	Opinion of Independent Directors
February 29, 2024	19 th meeting of the 17 th Term	1. The 2023 financial report and business report of the Company	√	All members of the Audit Committee attended the meeting completed the review and submitted the proposal to the Board for discussion
		2. Proposal for the earning distribution of the Company for 2023		
		3. Proposal for the cash distribution from the capital surplus of the Company		
		4. Proposal for short-term consolidated credit limits and foreign exchange and derivative transaction limits of the Company with a bank		
		5. The 2023 Statement of the Internal Control System	√	
		6. Amendments to the Company's "Audit Committee Charter"		
April 10, 2024	20 th meeting of the 17 th Term	1. Release non-competition restrictions on the members of the 18 th Board of Directors.	√	All members of the Audit Committee attended the meeting completed the review and submitted the proposal to the Board for discussion
May 02, 2024	21 th meeting of the 17 th Term	1. To propose the Q1 consolidated financial statements of the Company in 2024	√	All members of the Audit Committee attended the meeting completed the review and submitted the proposal to the Board for discussion
		2. Proposal for mid & long-term credit facilities with the banks		
August 01, 2024	1 th meeting of the 18 th Term	1. To propose the Q2 consolidated financial statements of the Company in 2024	√	All members of the Audit Committee attended the meeting completed the review and submitted the proposal to the Board for discussion
		2. Proposal for the new capital expenditure of the Company	√	
		3. To discuss the capital injection in cash of Shen Hua Chemical Industries Co., Ltd.	√	
		4. Proposal for short-term banking facilities with the banks		
		5. Amendment of the "2024 annual audit plan"		
October 31, 2024	2 th meeting of the 18 th Term	1. To propose the Q3 consolidated financial statements of the Company in 2024	√	All members of the Audit Committee attended the meeting completed the review and submitted the proposal to the Board for discussion
		2. Proposal for short-term consolidated credit limits and foreign exchange and derivative transaction limits of the Company with a bank		
		3. To discuss the capital injection in cash of TSRC (Vietnam) Co., Ltd.	√	
		4. Amendments to the Company's "internal control Procedures"	√	
November 29, 2024	3 th meeting of the 18 th Term	1. Proposal for the 2025 budget		All members of the Audit Committee attended the meeting completed the review and submitted the proposal to the Board for discussion
		2. Provision of guarantee for the banking financing with banks for TSRC (USA) Investment.	√	
		3. Proposal for the 2025 audit plan		

2. Except for the above-mentioned matters, other matters not approved by the Audit Committee but received consent from more than two-thirds of the Directors: No such circumstances in 2024.

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- 3. For the recusal of Independent Directors regarding resolutions of interests : There was no Independent Director required to recuse themselves for the conflict of interest with the resolution in 2024.
- 4. The communication among the Independent Directors, the internal audit director and the accountant: Please refer to the corporate website.

<4> Status of implementation of corporate governance, any departure of such implementation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons for any departure

Assessment Items	Status			Any departure of such implementation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Abstract Description	
I. Has the Company abided by the" Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" to formulate and disclose the corporate governance best practice principles?	√		The Company has established its "Corporate Governance Guidelines" with reference to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies," and the Principles were approved at the 2 nd meeting of the 17 th Board to reinforce the functions of the Board and implement the corporate governance system, and were disclosed on the Company's website and MOPS.	No difference
II. Equity structure and shareholders right				
(1) Has the Company formulated internal SOP for handling shareholders' suggestions, doubts, disputes, litigations and implemented them according to the SOP?	√		(1) The Company has a spokesperson and acting spokesperson in place, and provides the contact section on the Company's website to handle shareholders' recommendations and questions; the Company also has relevant departments that address disputes and litigations with shareholders.	No difference
(2) Does the Company hold a list of the Company's key shareholders and their ultimate controllers?	√		(2) The Company makes monthly reports on the changes in the equity held by insiders and shareholders who hold shares more than 5% of the total shares, The Company owns the list of the final controllers of substantial shareholders who control the Company according to laws and regulations.The Company owns the list of the final controllers of substantial shareholders who control the Company according to laws and regulations.	No difference
(3) Has the Company established and implemented risk control and firewall mechanism with its affiliated companies?	√		(3) There are regulations in place to control Related-party transactions, endorsement/guarantee, and loans to others between the Company and its affiliates; the Company also established its internal control system and "Regulations for Investee Management and Monitoring" ; the audit department shall execute measures related to internal audit and internal control, and the rights and responsibilities of which shall be explicitly separated from the management rights and responsibilities of affiliates to ensure the risk control system.	No difference
(4) Has the Company stipulated internal regulations prohibiting inside personnel trading securities using information that has not yet been disclosed on the market?	√		(4) The Company established its "Code of Ethics," "Code of Business Conduct," "Management Procedure for Insider Trading," and "Management Procedure for Whistleblowing" to prohibit internal parties from using information not disclosed in the market to trade securities; we also regularly organize internal communications each year and make disclosures on our corporate website.	No difference
III. The organization of the Board of Directors and their duties				
(1) Does the Board establish the diversity policy, substantial management targets, and make implementations appropriately?	√		(1) Article 21 of the Company's "Corporate Governance Guidelines" states the idea of Board diversity, where members of the Board shall possess knowledge, experiences, and abilities required for the execution of their duties with reference to the business characteristics, operations, and future development requirements of the Company. The Board shall, in general, possess the abilities to make business judgments, accounting and financial analysis, business management, emergency management, as well as industry knowledge, leadership, decision-making capacity, and international vision required for cross-nation operations.	No difference

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Assessment Items	Status			Any departure of such implementation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Abstract Description	
(2) Besides creating the Compensation Committee and the Audit Committees according to the law, has the Company voluntarily established other functional committees?		√	Please refer to page 9 of this annual report for details on the Company's Board of Directors' diversity policy, specific management objectives, and implementation status under the Diversity and Independence of Directors section. (2) The Company established its Audit Committee and Compensation Committee according to the law with reference to its operating requirements.	Considering the management of business operations, the Company will not set up other functional committee for now.
(3) Does the Company formulate the Regulations for the Performance Evaluation of the Board of Directors and its evaluation method? Does the Company conduct performance evaluations regularly every year, and submit and report the results of the performance evaluations to the Board of Directors, and take the results as a reference for the compensation and nomination renewal of individual directors?	√		(3) The Company approved the establishment of the "Regulations for Board Performance Evaluation" at the 19th meeting of the 16th session of the Board in 2020, which states that the Board performance evaluation shall be carried out at least once each year, an evaluation by engaging external parties at least every three years, and the result of the performance evaluation shall be completed by the end of Q1 in the following year. The Company has performed the 2024 evaluation according to the requirements. A self-evaluation by using questionnaires was adopted, and the meeting department of procedures was responsible for the execution. The evaluation was from 1 January 2024 to 31 December 2024, and the scope of evaluation includes the "Board," "functional committees," and "individual Board member"; the evaluation results were reported at the 6th meeting of the 18th session of the Board, and the declaration was completed; The results of the 2024 Board performance evaluation are summarized as follows: 1. The overall performance evaluation result of the Board was "in line with expectations" The overall performance evaluation questionnaires of the Board have a total of 30 indicators. All Directors are highly recognized with the current operations of the Board, understand the business philosophy and core values of the Company, fully discuss and exchange opinions for the resolutions of proposals, provide improvement directions and risk issues to be aware of for the Executive Leadership Team, and duly fulfill the responsibility of guiding and supervising the Company's strategy. 2. The overall performance evaluation result of functional committees was "in line with expectations" The overall performance evaluation questionnaires of functional committees have a total of 30 indicators, including the Audit Committee and the Remuneration Committee. All members are highly recognized for the transparent operation of functional committees, have sufficient awareness of their duties, have abundant discussions, and can provide professional and objective evaluations, recommendations, and notices, which have considerable help to the decision-making of the Board.	No difference

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Assessment Items	Status			Any departure of such implementation from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Abstract Description	
			<p>3. The overall performance evaluation result of individual Board members was "in line with expectations"</p> <p>The overall performance evaluation questionnaires of individual Board members have a total of 30 indicators. All Board members are highly recognized with the duties to be exercised and the specifications to be aware of as Directors, affirm the comprehensive system and transparent information of the Company, provide sufficient information to Directors to grasp the operating status of the Company, attach attention to the supervision and implementation of the internal control system, and exert their expertise in their respective fields to provide different opinions during the discussions and decision-making of the Board.</p>	
(4) Does the Company evaluate accountant independence on a regular basis?	√		<p>The Company evaluates the competence and independence of CPAs annually. In 2024, it invited the four major domestic CPA firms for the selection of CPAs and carried out the evaluation for the appointment of CPAs with reference to AQIs and the five major aspects by taking into account the information of the "level of the firm" and the "level of the auditing case."</p> <p>According to the evaluation result, the training hours of Deloitte Taiwan are more favorable than those of its peers, the turnover is lower than that of its peers, and its independence and innovative initiatives may be able to improve the Company's audit quality effectively. On February 1, 2024, the Board resolved to approve that CPA Jerry Gung and CPA Tina Kuo from Deloitte Taiwan are the new CPAs for 2024, and they have issued the statement of independence, description of AQIs, and independence indicators (Note).</p>	No difference
IV. Does the Company have an adequate number of corporate governance personnel with appropriate qualifications as well as a corporate governance officer in charge of relevant corporate governance matters (including but not limited to providing data required for director and supervisor operations, assisting directors and supervisors with regulatory compliance, handling matters relating to board meetings and shareholders meetings according to laws, as well as producing minutes for such meetings)?	√		<p>Mr. Iting Tsai was appointed as the Corporate Governance Officer of the Company through the resolution passed at the 23st meeting of the 17th Board. Mr. Iting Tsai is a qualified lawyer and has held senior positions in departments related to legal affairs in public companies for three years and above.</p> <p>The scope of duties of the Corporate Governance Officer includes "handling matters related to Board meetings and shareholders' meetings according to the law," "preparing meeting minutes for Board meetings and shareholders' meetings," "assisting Directors in on-boarding and continual education," "providing information required for the execution of business to Directors," "assisting Directors in legal compliance," and "other matters stated in the Articles of Incorporation or contracts." Meanwhile, it shall make coordination between relevant departments and promote the planning and execution of corporate governance operations, allowing the Company to achieve sustainable development under a healthy governance structure.</p> <p>For the continuing education status of the Corporate Governance Officer in 2024, please refer to the continual education status on page 51 of the annual report.</p>	No difference
V. Does the Company maintain channels of communication with stakeholders (including but not limited to shareholders, employees, customers and suppliers) and designate a stakeholders section on its website as well as properly respond to critical corporate social responsibility issues that stakeholders are concerned with?	√		<p>The Company has "Contact Information for Stakeholders" and "Whistle-blowing Mailbox" on the Company's website and has established contact windows with various stakeholders to communicate with stakeholders through various channels; also, the Company regularly reports to the Board regarding the communication status with stakeholders. The communication status with stakeholders in 2024 was reported at the 22th meeting of the 17th Board.</p> <p>Regarding material corporate social responsibility issues concerned by stakeholders and the response of the Company, please refer to the Sustainability Report of the Company.</p>	No difference

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Assessment Items	Status			Any departure of such implementation from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Abstract Description	
VI. Has the Company commissioned professional securities institutions to handle shareholders' meetings?	√		We commissioned SinoPac Securities to handle the shareholders' meeting.	No difference
VII. Disclosures (1) Does the Company set up a website to disclose financial business and corporate governance?	√		(1) The Company's website has the "Investor Relation" section that covers financial information, financial reports, and corporate governance information; it also regularly updates the content of the website, and the spokesperson of the Company announces material information to external parties according to the law.	No difference
(2) Does the Company also adopts other means for disclosure. (i.e. English web site, personnel dedicated to collect and disclose Company information, establishment of a spokesperson policy, disclosure of the process of investor conference on Company web site, etc.)	√		(2) The Company has established its websites in Traditional Chinese, English, and Simplified Chinese, and there is dedicated personnel being responsible for the information disclosure and updates. The spokesperson releases information regarding material matters to external parties at once. The Company provides briefing and real-time scenarios of its investor conference on the website.	No difference
(3) Does the Company announce and declare the annual financial report within two months after the end of the fiscal year, and announce and declare the first, second and third quarter financial reports and operating conditions of each month before the limitation date provided?	√		(3) The Company announces and files its Q1, Q2, Q3, and annual financial reports and the operating status of each month within the deadline as specified in laws and regulations.	No difference
VIII. Is there any other important information that will facilitate the understanding of the Company's corporate governance operations (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders' rights, further education of directors and supervisors, implementation of risk management policy and risk evaluation standards, client policy implementation, Company's liability insurance for its directors and supervisors and so on)?	√		(1) Employees' rights and care for employees: The Company complies with regulations where its operations locate and protect employees' rights; it values employees' physical and mental health, provides health inspections and group insurance, and has established its Employee Benefits Committee to plan for various benefit measures and recreational events. For the environment, we are committed to providing safe and healthy work environments for our employees, minimizing the risk of occupational disasters, and reinforcing employees' awareness of their rights protection through educational training. Please refer to "V. Labor Relations" on page 73 of the annual report. (2) Investor relations: The Company discloses material information on the MOPS and declares information related to corporate governance and finance according to the law, allowing investors to keep abreast of information at all times; we also set up a spokesperson system in place to maintain investor relations; we have a contact section on our website to provide smooth communication channels. (3) Supplier relations: The Company has established its "Supplier Evaluation and Management Regulation" to ensure our partners may implement the "Code of Conduct for Partners of TSRC Corporation," protecting the legal interests of both parties.	No difference

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Assessment Items	Status			Any departure of such implementation from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Abstract Description	
			<div>(4) Stakeholders' interests: Please refer to the stakeholder section on the corporate website.</div> <div>(5) Continual education of Directors: The Company actively encourages Directors to participate in relevant courses organized by the competent authority. All Directors regularly participate in continual education programs each year for over six hours and above. Please refer to "Continual Education of Directors" on page 50 of the annual report.</div> <div>(6) Implementation of the risk management policy and risk measurement standards: The Company approved the establishment of the "risk management policy" at the 4th meeting of the 17th session of the Board in 2021 to build risk management systems, procedures, and scope, confirm the authority and responsibility of the organization, and regulate relevant implementation and supervisory systems, which were reported at the 3th meeting of the 18th session of the Board. Regarding the implementation status of risk management in 2024, please refer to the corporate governance section on the Company's website. °</div> <div>(7) Execution of the customer policy: The Company ensures the health and safety of customers when using products of the Company through annual satisfaction surveys, interactive seminars, interviews, and other communication channels, and carries out examinations regarding the issues to propose improvement recommendations, so as to improve the quality of products and services.</div> <div>(8) Purchase of liability insurance for Directors by the Company: The Company purchases liability insurance for Directors and managerial officers for the scope of business execution and reports to the Board each year.</div>	
<div>IX. Please indicate the improvement in respect to the corporate governance evaluation results released by the Corporate Governance Center of the Taiwan Stock Exchange Corporation, and propose priority enhancements and measures for those which have not improved.</div> <div>1. According to the result of the 2023 Corporate Governance Evaluation, the Company was included in the list of listed companies ranging from 6% to 20%. The Company continues to improve its information transparency.</div> <div>2. The Company conducted a self-assessment of corporate governance and found no significant deficiencies requiring improvement.</div>				

Note : 2024 Certified Public Accountant Independence and Suitability Assessment Form
1. Accountant Suitability: Assessed based on Audit Quality Indicators (AQI)

Dimensions	Items Assessed	Description of Assessments	Complying with Qualifications Requirements
Professionalism	Audit Experience	Whether senior audit personnel possess sufficient audit experience to carry out the audit	Yes
	Training Hours	Whether accountants and audit personnel at the manager level and above receive adequate annual training to continuously acquire professional knowledge and skills	Yes
	Attrition Rate	Whether the firm maintains adequate senior personnel	Yes
	Professional Support	Whether the firm possesses sufficient professional staff to support the audit team	Yes
Quality control	CPA Workload	Whether CPA workload is adequate	Yes
	Involvement	Whether the audit team members are appropriately allocated at each audit stage	Yes
	Case Quality Control Review / Engagement Quality Control Review (EQCR)	Whether the EQCR CPAs dedicates an adequate number of hours to review the audit cases	Yes
	Quality Supporting Capacity	Whether the firm possesses sufficient quality control staff to support the audit team	Yes

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Independence	Proportion of Non-Audit Services	Impact of the Proportion of Non-Audit Service Fees on Independence	Yes
	Client Familiarity	The impact of the cumulative years of service provided by the firm on independence	Yes
Monitoring	Lack of external inspection and sanctions / number of letters received from regulatory authorities	Compliance of the firm's quality control and audit cases with relevant laws and standards	Yes
Innovation and Initiatives	Innovation Programs or Initiatives	The firm's initiatives to implement and enhance audit quality-related plans	Yes

2. Evaluation of the Independence of CPAs

Evaluation Item	Results	
	Yes/ Compliance	No/Non-compliance
(1) CPA does not have any financial interest or business relations with the Company and therefore remains independent.	√	
(2) The CPAs or the audit team is not a spouse or linear blood relative of Directors, managers of the Company, or persons having a material influence on the duties in the most recent two years.	√	
(3) CPA does not regularly work at the Company or receive a fixed income from the Company.	√	
(4) No loans between CPA and the Company and/or affiliates.	√	
(5) CPA has not offered auditing services to the Company for seven consecutive years.	√	
(6) CPA and audit team has issued a Statement of Independence.	√	

<5> Information on Compensation Committee:

1. Information on Compensation Committee

December 31, 2024

The identity		Professional Qualification and Experience	Independence Status	Number of Public Companies in which the Director is Concurrently A Member of the Remuneration Committee
Identity				
Independent Director (Convener)	Rex Yang	Please refer to Table "Disclosure of the Professional Qualification of Directors and the Independence of Independent Directors" on page 8 of the annual report.	1. Members are independent directors of the Company who have been verified against the checklist for qualifications of independent directors at the time of appointment, confirming their compliance with independence criteria.	1
Independent Director	Sean Chao		2. There are no circumstances as defined under Article 6, Paragraph 1, of the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange.	1
Independent Director	Ellen Tsai		3. Neither the individual, their spouse, nor any relative within the second degree of kinship holds any company shares, either directly or through a nominee. 4. No remuneration has been received in the past two years for providing commercial, legal, financial, or accounting services to the Company or any of its affiliated enterprises.	2

2. There are 3 members in the Compensation Committee of the Company, all of whom are independent directors, The primary scope of duties of the Compensation Committee is as follows:
- (a) Regularly examine the Charter of Compensation Committee and propose amendment recommendations
 - (b) Stipulate and regularly examine the annual and long-term performance targets of Directors and managerial officers and the policies, system, standards, and structures of remuneration
 - (c) Regularly evaluate the achievement of the performance targets of Directors and managerial officers and establish their respective content and amount of remuneration
3. Operational information of the Compensation Committee
- Compensation Committee held 4(A) meetings in 2024. The attendance of members in the Compensation committee meetings is specified as follows:
- The 17th Term: August 04, 2021~June 07, 2024; The 18th Term: June 07, 2024~June 06, 2027

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Job title	Name	Frequency of actual attendance(B)	Frequency of proxy attendance	Actual attendance rate (%) (B/A)	Remark
Convener	Rex Yang	4	0	100%	Re-election
Member	Sean Chao	4	0	100%	Re-election
Member	Ellen Tsai	1	0	100%	Newly elected Number of required attendances: 1 times
Convener	Robert Hung	3	0	100%	Predecessor Number of required attendances: 3 times

Other matters to be stated:

1. Operating status of the Compensation Committee in 2024:

Meeting Date	Meeting Name	Major Resolutions	Implementation Status
January 25, 2024	The 8 th meeting of the 17 th Term	1. 2023 employee performance bonus plan. 2. 2024 employee remuneration adjustment plan. 3. Determination of the performance plan of managerial officers for 2024	Approved by all members attended and submitted to the Board for discussion.
February 29, 2024	The 9 th meeting of the 17 th Term	1. Performance evaluation and bonus for managerial officers 2. Manager's remuneration plan 3. 2023 remuneration for the Company's Directors.	Approved by all members attended and submitted to the Board for discussion.
May 30, 2024	The 10 th meeting of the 17 th Term	Proposal for the change in the Corporate Governance Officer of the Company	Approved by all members attended and submitted to the Board for discussion.
August 01, 2024	The 1 th meeting of the 18 th Term	Proposal for the appointment of the HR & Administration Department Head.	Approved by all members attended and submitted to the Board for discussion.

The above-mentioned matters were approved by the Compensation Committee; there is no dissenting or qualified opinion expressed by Independent Directors attended.

2. Where the Board of Directors does not adopt or revise the recommendation from the Compensation Committee: No such circumstances in 2024.
3. If, with respect to any resolution of the Compensation committee, any member has a dissenting or qualified opinion that is on record or stated in a written statement: No such circumstances in 2024.

<6> Sustainable Development Implementation and Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons

Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
I. Has the Company established a governance structure for the promotion of sustainable development and established a dedicated (part-time) unit for the promotion of sustainable development? Has the Board	√		1. The Board is the highest governance body for the ESG structure of the Company, and it plays the role of supervision, determines the Company's strategies and material targets, and regularly understands the management and preventive measures of sustainability risks (including climate risks). The Board provides advanced sustainable development recommendations and instructs the Executive Leadership Team, consisting of the CEO and the senior supervisors of different functional departments (also known as the ESG Steering Committee), formulate the ESG strategy and mid-to-long-term targets in 2021, and regularly understand the implementation status of material ESG targets.	No difference

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Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
authorized the senior management to handle such matters under its supervision?			<div>2. The Executive Leadership Team regularly tracks the implementation of ESG targets on a quarterly basis, reports to the Board on ESG performances, including ESG implementation, material sustainability risks and countermeasures, material ESG action plans and implementation status, and results of stakeholder engagement at least twice each year.</div> <div>3. To effectively promote the implementation of the ESG strategy and targets, the Company established an ESG Section under the Corporate Development Department to be dedicated to the promotion of the ESG and ESG event management, in 2022 sustainability information integration, planning ESG actions and relevant procedure management, evaluating and communicating the achievement of ESG targets, and proposing ESG reinforcement plans. In addition, a cross-functional department ESG Work Team was also established with members appointed by different functional departments (including the Business Division, Operations Division, Human Resources and Management Department, Finance Division, and R&D Division) to promote ESG projects through cross-function cooperation and regularly report to the Executive Leadership Team regarding the annual ESG targets and implementation achievements on a quarterly basis. Meanwhile, the Company regularly discloses material sustainability issues, ESG targets, and implementation achievements on its website and in its annual report or sustainability report.</div> <div>4. The ESG status under the management of the Board of Directors and the Executive Leadership Team in 2024 is as follows: : The Board of Directors: (1) Acknowledged the annual sustainability report and relevant ESG and sustainability issues reported by the Executive Leadership Team, including the identification of material topics, stakeholder engagement, GHG inventory results of the Group, the ESG strategy and the implementation status of material targets, and ESG action plans and agreed on the issuance of the sustainability report and the 2024 material ESG action plans in May 2024. (2) Acknowledged the climate-related risks and cyber security risks of the Company reported by the Executive Leadership Team, understood the risk identification results, risk impact routes, effects of impacts, targets for the mitigation of impacts, and improvement and response measures for climate-related risks, and provided recommendations to enhance climate resilience in November 2024. (3) Acknowledged the annual report on corporate governance (including ethical corporate management) in November 2024. (4) Acknowledged the business report (including business performance, development of new products, impacts of climate disasters on production locations and operations, and countermeasures) of the Company by the Executive Leadership Team in February, May, August, and November 2024. (5) Discussed and approved the 2025 budgets (including ESG-related capital expenditures and expenses) and the 2025 audit plan (including sustainability information) in December 2024. Executive Leadership Team: (1) Acknowledged the implementation status of ESG targets, the international ESG trends and development, updates of sustainability regulations and responses, and material ESG issues and actions of the Company through the report of the ESG Work Team in February, April, August, and November 2024, respectively. (2) Acknowledged the description of climate risk and opportunity assessment results and effects of potential impacts by the ESG Work Team in October 2024. (3) Understood the implementation status of material HSE items of the Group at the monthly Executive Leadership Team meetings in 2024.</div>	

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Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
II. Does the Company carry out risk assessment regarding the environment, social, and corporate governance issues related to its corporate operations based on the materiality principles and established relevant risk management policies or strategies?	√		<p>1. The Company carried out the material topic analysis and identification for the Company and its subsidiaries (consistent with those of the subsidiaries substantially operated by the Company as disclosed in the financial statements) according to the GRI Standards, examined substantial and potential effects that may be generated from risk issues on the economy, environment, society/community through five major steps of “identification, assessment, analysis, verification, and approval” so as to continuously optimize the ESG strategy of TSRC, establish measures or countermeasures for the mitigation of risks, track the implementation status, and disclose the Group's material data and information related to ESG with reference to the Chemicals Sustainability Accounting Standard of the SASB.</p> <p>(1) Identification stage: TSRC identified risks with reference to the UNEP Chemicals Outlook, SASB, SDGs of the UN, regulations in the industry, issues of concern by upstream, downstream, and benchmark enterprises within the industry, expectations of stakeholders, and recommendations of external consultants.</p> <p>(2) Assessment stage: The ESG Work Team of TSRC assesses the level of significant of the impacts based on the level of impacts (positive and negative effects) and possibilities of risks.</p> <p>(3) Analysis stage: Analyze the results of impact assessment and arrange the sequence of impacts.</p> <p>(4) Verification stage: The Company distributed sustainability issue questionnaires to six major types of stakeholders (including employees and other workers, customers, neighboring communities, shareholders/investors, suppliers, and government/competent authority) to understand the level of concern of stakeholders regarding the sustainability issues of the Company and integrated them with the risk analysis results to identify material, annual sustainability topics. For ESG issues of concern by stakeholders, communication channels, and engagement achievements, please refer to the 2024 sustainability report of the Company or the section on sustainability development on its website.</p> <p>(5) Approval stage: Material topics were approved by the Executive Leadership Team at the ESG meeting in January 2025.</p> <p>2. The Company has established relevant policies, management policies, or targets for material ESG topics (i.e., climate strategy, GHG emissions, energy management, water resource management, environmental safety and health, risk management, and legal compliance), such as the reduction of GHG emissions, improvement in the wastewater circulation rate, increase in the consumption ratio of reclaimed water and renewable energy, and TRIR). Meanwhile, climate risk factors are integrated into the company's risk management, potential impacts of climate risks are integrated into the risk management system, risk response and emergency measures are formulated and specific actions to mitigate negative impacts and influences are planned, and new business opportunities are discovered therein.</p> <p>3. For relevant descriptions of the ESG topics of the Company, please refer to the 2024 Sustainability Report of the Company and the Sustainability Development section on the Company's website.</p>	No difference
III. Environmental Issues: (1) Has the Company established an environmental management system based on the characteristics of their industries?	√		<p>1. The Company is in the chemical industry, and its production and operation are in compliance with local laws and regulations of the production sites (including Taiwan, Mainland China, the U.S., and Vietnam). In response to climate change and sustainable development, the Company has formulated its “environmental policy” to establish a comprehensive environmental management system for various environmental management, set improvement targets for GHGs, energy, water resources, and waste, and regularly examined the implementation status.</p>	No difference

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Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			<p>(1) Environmental management: Kaohsiung Plant, Gangshan Plant, Shenhua Chemical, TSRC (Nantong) Industrial, TSRC-UBE, TSRC Shanghai, and TSRC Specialty Materials LLC have obtained the ISO 14001 environmental management system certification.</p> <p>Note: Note: The validity of the certification for Kaohsiung Plant and Gangshan Plant is from February 6, 2024 to February 5, 2027; the validity of the certification for Shenhua Chemical is from June 5, 2023 to June 4, 2026; the validity of the certification for TSRC (Nantong) Industrial is from August 15, 2024 to August 14, 2027; the validity of the certification for TSRC-UBE is from August 3, 2024 to August 2, 2027; the validity of the certification for TSRC Shanghai is up to December 9, 2026; the validity of the certification for TSRC Specialty Materials LLC is from April 12, 2024 to April 11, 2027.</p> <p>(2) Occupational safety and health management: Kaohsiung Plant, Gangshan Plant, Shenhua Chemical, TSRC (Nantong) Industrial, TSRC-UBE, and TSRC Shanghai have obtained the ISO 45001 occupational safety and health management system certification, and all plants implement environmental safety and health management in their daily operations to ensure the provision of safe working environments.</p> <p>Note: The validity of the certification for the Kaohsiung Plant is from January 16, 2024 to January 15, 2027.</p> <p>(3) GHG management: A GHG inventory system was established to regularly perform the inventory of GHG emissions. All companies of the Group (including the Company and subsidiaries under substantial operations) have passed the ISO-14064-1:2018 GHG inventory verification to fully grasp GHG emissions and reduction achievements.</p> <p>(4) Energy management: Kaohsiung Plant, Shenhua Chemical, and TSRC (Nantong) Industrial introduced the ISO 50001 energy management system to ensure the energy efficiency of plants so as to achieve the target of energy control and efficiency improvement. The validity of the certification for the Kaohsiung Plant is from January 10, 2023 to December 8, 2025. Global operating sites have continued to improve energy efficiency and reduce energy consumption through various measures and promote low-carbon procedure innovation and replacement of procedure equipment in combination with the carbon reduction targets; material plants (including plants of subsidiaries) have established their annual energy conservation targets.</p> <p>(5) Hazardous substance management: In 2011, Kaohsiung Plant established the QC 080000 hazardous substance procedure management system and passed the verification each year to ensure that the products comply with the requirements of customers and international regulations. In 2024, the targets of chemical management and environmental safety and health of the Group were combined to ensure the use safety of chemicals through comprehensive management procedures.</p> <p>2. For detailed information regarding the Company's environmental strategy, objectives, annual performance, and management system, please refer to the Company's 2024 Sustainability Report and the Sustainability Development section on the Company's website.</p>	
(2) Is the Company committed to improving energy use efficiency and the use of renewable materials with low environmental impact?	√		<p>1. The Company actively responds to the government's net zero carbon emissions commitment by 2050 and has established the short-, mid-, and long-term carbon emissions reduction targets with reference to the SBTi targets by controlling the temperature increase within 2° C. The Group sets 2021 as the base year for GHGs (Scope 1 + 2), and the Scope 1 + 2 by 2030 shall reduce by 22.5% as compared to the base year. The carbon reduction action plans during the period include the use of low-carbon fuels, CHP(combined heat and power), the optimization of procedures to reduce the steam consumption per unit product, the replacement of energy consumption equipment, and the increase in renewable energy consumption so as to improve energy efficiency and achieve the carbon reduction targets.</p>	No difference

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Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(3) Has the Company evaluated the current and future risks and opportunities of climate change for the Company and adopted relevant countermeasures?	√		<div>2. To improve the consumption of renewable energy, the target of renewable energy accounting for 30% of the total power consumption by 2030 was set. Meanwhile, Kaohsiung Plant and TSRC Shanghai began to use solar power generation devices; the plants have been actively implementing energy conservation and improving energy consumption through the additional installation of energy conservation equipment, improvement in energy consumption efficiency of procedures, and reduction in the steam consumption per unit product.</div> <div>3. After implementing energy conservation and carbon reduction action plans, the carbon reduction and renewable energy consumption rate of the Group in 2024 were more favorable than the annual targets initially set, and most of the plants have achieved the annual energy targets.</div> <div>4. To reduce product footprint and increase the sustainable products of the Company, the Company set the mid-to-long-term targets for the procurement ratio of recyclable raw materials. It began to enter into letters of intention for procurement with international suppliers of renewable raw materials in 2023 and commenced the procurement in 2024. Meanwhile, to sell sustainable products with recyclable raw materials, Kaohsiung Plant continued to obtain the ISCC Plus certification in 2024, and subsidiaries introduced the ISCC Plus system one after another in 2025. In the future, we will provide sustainable products based on customers' requirements.</div> <div>5. The Company is committed to promoting the circular economy and the reduction of carbon emissions, actively developing products with sustainability features. In 2024, it developed rTPE products made with PCR, and relevant series products obtained the GRS certification in 2024.</div> <div>6. The Company cooperated with the Taiwan Textile Research Institute to develop the "Bionic Mono-Material Leather," which is the bionic molding technology that adopted the SEBS materials of TSRC without adding organic solvents, to successfully satisfy the demand for multiple layers of textures of a single material. Apart from providing high breathability and excellent elasticity, the optimized procedures, recyclability, and the reduction of environmental carbon emissions also created environmental protection benefits.</div> <div>7. Regarding the improvement in energy efficiency, the use of renewable raw materials, other objectives of the Company, and detailed descriptions, please refer to the 2024 Sustainability Report of the Company and our website.</div>	No difference
			<div>1. In response to climate change, the Company advocates for GHG reduction initiatives and focuses on the impacts of climate change on the Company. It carries out climate-related risk and opportunity assessment and analysis every three years with reference to the "Recommendations of the Task Force on Climate related Financial Disclosures (TCFD)" in 2021 to impose management based on the four major aspects of "governance, strategy, risk management, and metrics and targets."</div> <div>2. 2024 was a year for the re-assessment of climate risks. With the previous results as the basis, the Company collected changes in external environmental trends and climate, carried out a comprehensive examination based on the operation and long-term strategic development of the Company, proposed the list of climate risks, determined the "level of impact of risks" and the "possible occurrence time (likelihood of occurrence)" related to climate through examining the short-, mid-, and long-term impacts of risks to the value chain (suppliers, self-operations, and customers), and identified ten climate risks and six derivative opportunities.</div>	

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Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			<p>3. The Company carried out risk scenario analysis based on science scenarios to quantify the impacts brought by risks, disclosed the level of impacts of climate change on the Company and the response measure of the Company, set relevant targets, and continued to mitigate the effects of climate impacts.</p> <p>4. Transition risks and physical risks and opportunities are summarized as follows (including risk assessment results and countermeasures), For detailed information, please refer to the Company's 2024 Sustainability Report and the TCFD Sustainability Development section on the Company's website.</p> <p>Transition risk: After the identification, the Company has six types of transition risks that have a different level of short-, mid-, and long-term risk impacts, with carbon fees/carbon taxes having significant effects, which are summarized below; for details, please refer to "climate risks" in the annual report.</p> <p>Carbon taxes/carbon fees: (1) Risk impact: Increase the operating expenses of the Company on a yearly basis. (2) Opportunities derived from climate: Improve energy efficiency, energy transition, and the application of the circular economic model of the Company. (3) Risk countermeasures: Establish carbon reduction and renewable energy consumption targets, reduce energy consumption through the replacement of energy consumption equipment and the continuous purchases of energy-saving equipment, improve energy efficiency, install solar power generation equipment, optimize procedures, and reduce the steam consumption per unit product.</p> <p>Physical risk: The Company identified four types of possible climate disaster risks based on the locations of production sites, with floods and droughts having significant effects, which are summarized below; for details, please refer to "climate risks" in the annual report.</p> <p>Droughts: (1) Risk impact: Droughts cause water shortage. Under the water rationing policy of the government, the annual water consumption maintenance fees increased due to the addition of backup water source pipelines. To increase wastewater recycling, additional capital expenditures and equipment replacement are required to improve the wastewater recycling rate. (2) Climate opportunity: Improving the water resource efficiency enhances the application of the circular economic model of the Company. (3) Countermeasures: Set the wastewater recycling rate and reclaimed water consumption targets, set up water source pipelines, and continue to improve the wastewater recycling system equipment.</p>	
(4) Does the Company collect data for greenhouse gas emissions, water usage and waste quantity in the past two years, and set energy conservation, greenhouse gas emissions reduction, water usage reduction and other waste management policies?	√		<p>1. For environmental management, the Company has established its "environmental policy," and its environmental management and performance have been verified by third parties, including obtaining the valid ISO14001 environmental management system, ISO14064-1:2018 GHG inventory, ISO50001 energy management system, and QC080000 hazardous substance procedure management system. It has also established ESG targets of carbon emissions reduction, improving wastewater recycling rate, increasing reclaimed water, improving the waste recycling rate, continuing to carry out carbon reduction of operations, improving water resource efficiency, and improving the reuse of waste.</p> <p>(1) greenhouse gas management: The Company has set the year 2021 as the base year. By 2024, greenhouse gas emissions (Scope 1 plus Scope 2) reduction target is 7.5%. By 2025, the reduction target is 10%, and by 2030, it is 22.5%. The Group's greenhouse gas emission performance over the past two years is as follows:</p>	No difference

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Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			Unit : tons CO ₂ e	
			Emission of Greenhouse Gas	
			2023	
			2024	
			scope 1	
			139,250	
			151,362	
			Unit Product Carbon intensity (tons CO ₂ e /Metric Tons of Production)	
			0.26	
			0.27	
			scope 2	
			374,919	
			356,420	
			Unit Product Carbon intensity (tons CO ₂ e /Metric Tons of Production)	
			0.71	
			0.65	
			scope 3	
			1,332,772	
			1,331,675	
			Unit Product Carbon intensity (tons CO ₂ e /Metric Tons of Production)	
			2.51	
			2.41	
			Note 1: The aforementioned greenhouse gas emissions represent the total emissions of the Group, including the parent Company and all subsidiaries with substantial operational activities.	
			Note 2: Greenhouse gases include seven types: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride.	
			Note 3: The GWP values are cited from the IPCC Sixth Assessment Report.	
			Note 4: For the 2023 certificate, please refer to the appendix of the annual report. The data for the year 2024, as of the printing deadline, is still under external audit. For the actual data following the audit, please consult the 2024 Sustainability Report or the Sustainability Development section of the Company's website.	
			Note 5: For individual data of each subsidiary, please refer to Appendix 1-1, which details the greenhouse gas inventory and assurance status for the Company over the most recent two years.	
			(2) Water resource management: Set the wastewater recycling rate of 40% by 2030 and set the increase in the reclaimed water consumption rate of 40% by 2030. In 2024, the wastewater recycling rate reached 27%, and the reclaimed water consumption rate reached 23%, achieving the annual target of 26% of the wastewater recycling rate and 23% of the reclaimed water consumption rate by 2024., The water consumption of the Group in the most recent two years is described as follows:	
			Unit: 1,000 tons	
			Consumption	
			2023	
			2024	
			Water Consumption of TSRC Group	
			5,128	
			5,442	
			Unit Product Water Consumption (1,000 tons/1,000 Tons of Production)	
			9.66	
			9.85	
			Note 1: The water consumption of the Group includes the parent company and subsidiaries substantially in operation.	
			Note 2: As of the printing date, the data in 2024 was under external certification; please refer to the 2024 Sustainability Report and the sustainability section on the Company's website for the actual data.	
			Note 3: For the water consumption, emission, recycling volume, and other information of subsidiaries, please refer to the 2024 Sustainability Report and the sustainability section on the Company's website.	

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	Yes	No	Abstract Illustration																
			<p>(3) Waste management: The reuse rate of waste shall reach 56% by 2030, and the plants have set individual waste targets individually. The implementation results over the past two years are as follows: Unit: ton</p> <table><tr><th>Weight of different wastes</th><th>2023</th><th>2024</th></tr><tr><td>General industrial Waste</td><td>3,603</td><td>3,855</td></tr><tr><td>Hazardous industrial Waste</td><td>2,219</td><td>2,086</td></tr><tr><td>Total weight of waste</td><td>5,822</td><td>5,941</td></tr><tr><td>Unit Product Business Waste (ton/1,000 Tons of Production)</td><td>10.96</td><td>10.76</td></tr></table> <p>Note 1: The total weight of waste of the Group includes the parent company and subsidiaries substantially in operation.</p> <p>Note 2: As of the printing date, the data in 2024 was under external certification; please refer to the 2024 Sustainability Report and the sustainability section on the Company's website for the actual data.</p> <p>Note 3: For relevant data on subsidiaries, please refer to the 2024 Sustainability Report and the sustainability section on the Company's website.</p>	Weight of different wastes	2023	2024	General industrial Waste	3,603	3,855	Hazardous industrial Waste	2,219	2,086	Total weight of waste	5,822	5,941	Unit Product Business Waste (ton/1,000 Tons of Production)	10.96	10.76	
Weight of different wastes	2023	2024																	
General industrial Waste	3,603	3,855																	
Hazardous industrial Waste	2,219	2,086																	
Total weight of waste	5,822	5,941																	
Unit Product Business Waste (ton/1,000 Tons of Production)	10.96	10.76																	
IV. Social Issues (1) Does the Company establish relevant management policies and procedures in accordance with relevant regulations and international human rights conventions?	√		<p>1. To implement human rights protection, the Company has established the "personnel rights and interests protection policy," complies with local regulations of operating sites worldwide, protects the rights and interest of employees, contractors, practitioners, and supports and refers to the International Labor Office Tripartite Declaration of Principles, the OECD Guidelines for Multinational Enterprises, the UN Universal Declaration of Human Rights, The UN Global Compact, and other internationally recognized human rights standards as it targets to respect rights and interests of personnel at workplaces, forbid any form of discrimination, ban forced labor and child labor, prevent hindering employees' rights to assembly, strive to provide working environments with safety and health to employees, comply with relevant regulations to continue to improve the safety and health of working environments, prevent the occurrence of accidents, minimize the risk of occupational disasters, protect employees' safety and improve their physical and mental health, and reinforce employees' awareness of protection of personnel rights and interests through education and training. For details, please refer to the Company's website.</p> <p>2. To actualize personnel rights protection within TSRC Group, the CEO and Executive Leadership Team, predominantly undertakes the roles of governance and oversight. Departments periodically compile and communicate the implementation status from each plant to the Executive Leadership Team, which is then reported by the CEO to the Board of Directors. The Human Resources department schedules regular internal audits to facilitate inter-departmental inspections, ensuring adherence to the Company's stipulated personnel rights and interests protection policy. This process is designed to safeguard employee safety and foster both their physical and mental well-being and rights. The human rights management in 2024 is summarized as follows: (1) Due diligence of human rights: Human rights risk assessments are performed every two years. During the year, the Company inquired supervisors of different functional departments (who are employee representatives) through questionnaires to assess the human rights risks of the Company's employees, and the assessment results will serve as a material reference for subsequent reinforcement of human rights management.</p>	No difference															

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Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(2) Does the Company establish appropriately managed employee welfare measures (include remuneration, leave and others), and link operational performance or achievements with employee salary and compensation?	√		<p>(2) Assessment results: According to the assessment results of the survey conducted during the year, the employee human rights issue of the Group has low risks. Considering the importance of human rights, the Company planned for the enhancement of management measures and remedial measures upon the occurrence of potential risks, regularly assessed the achievement of and adjusted management measures for the benefit of controlling and mitigating risks, optimizing the protection of personnel rights and interests. For details, please refer to the 2024 sustainability report of the Company.</p> <p>3. Provide human rights-related training: The scope includes the protection of human rights and interests, sexual harassment, prevention of illegal infringement at workplaces, occupational safety and health, physical and mental health, work balance, and promotion of ethics. The total training hours of the Group were 54,643.90 hours, and the total number of participants in the training reached 18,349 persons.</p> <p>4. Provide safe working environments to employees: Due to the operating patterns, the Company continues to provide safe and healthy working environments to employees. It has established a dedicated occupational safety and health department and committee organization and complied with relevant regulations to continue to improve safety and health in working environments while minimizing occupational disaster risks to prevent the occurrence of accidents. At the same time, the Company realized the reporting of anomalies and shared real-time information and experience and lessons learned from risk events across plants. Professional physicians and nursing practitioners are also employed to adopt necessary preventive measures to prevent the occurrence of occupational disasters and, in turn, reduce the risk of hazards in working environments.</p> <p>5. Emphasize on workplace inclusiveness and gender equality: The employment of the Company employees is not subject to the effects of age, gender, region, religion, marital status, gender orientation, and other factors. The Company is committed to creating an inclusive culture and utilizing employees' differences and uniqueness to provide incentives to each other and support innovations. It established the "Sexual Harassment Control Measures and Complaint and Punishment Regulations" and set up and provided sexual harassment control complaint systems and channels; in 2024, there was no complaint related to sexual harassment. Please refer to the 2024 Sustainability Report.</p> <p>1. The welfare measures of TSRC's employees are summarized as follows: (1) Compensations of employees : The Company provides well remuneration, we annually review the overall compensation and benefits of employees and adjust them appropriately based on market benchmarks. Taking into account factors such as individual experience and capabilities, job responsibilities, contribution to operational objectives, market salary levels, and internal equity, the Human Resources department submits the Company's performance and salary adjustment plans for the year to the Compensation Committee for review annually. The final decision is then approved by the Board of Directors.To improve the overall performance of employees and the organization, The Company formulates a remuneration policy that effectively reflects the results of business performance in the remuneration of employees and promotes performance management, including target setting, empowerment and authorization, communication and consultation, connectivity between performance and bonuses, and career development to effectively measures the performance of all employees and provide returns to employees, so as to assist in the career growth and development of employees.Remuneration</p>	No difference

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	Yes	No	Abstract Illustration	
			<p>of employees is subject to Article 28-1 of the Articles of Incorporation of the Company. If the Company has profits for the year, over 1% of such profits shall be appropriated as remuneration of employees. For details, please refer to the "remuneration of employees and Directors" in the annual report.</p> <p>(2) Employee welfare: In comply with local regulation, the provision of employee welfare and insurance, meal subsidies, year-end dinner, health inspection subsidy, travel subsidies, and the provision of marriage gift money, maternity benefit, and injury/sickness condolence payment. In 2024, the Group's expenditure on employee salaries and benefits amounted to NT\$2,519,134,000.</p> <p>(3) Retirement system: The Group adheres to relevant regulations in various jurisdictions and provides employee insurance and retirement benefits as required by law. The Taiwan plant follows the regulations outlined in the Labor Standards Act, the Labor Pension Act and its implementing regulations, as well as accounting standards for retirement benefits, to safeguard employee retirement benefits. To stabilize the retired lives of employees, the Company established the "Supervisory Committee of Business Entities' Labor Retirement Reserve" to regularly convene meetings on a quarterly basis to supervise the utilization of the pension fund and protect the rights and interests of employees. For the retirement system in Taiwan (including the appropriation rate, retirement application and conditions, and implementation status of retirement), please refer to the retirement system and the implementation status of the "labor-management relations" chapter in the annual report. The subsidiaries in China operate in compliance with the relevant provisions of the Social Insurance Law of the People's Republic of China. Accordingly, the Company and employees jointly contribute to basic old-age insurance, basic medical insurance, work injury insurance, unemployment insurance, maternity insurance, and housing provident fund according to the prescribed proportions. Upon retirement, employees receive retirement benefits distributed by the national labor and social security department in accordance with regulations. In the United States, subsidiaries operate under local safety welfare schemes such as the 401(k) plan. Similarly, subsidiaries in Vietnam, Singapore, and Europe comply with local regulations to ensure employee welfare.</p> <p>(4) Workplace diversity and equality:The Company is committed to creating a diverse and equal working environment that values others human rights and gender equality. TSRC is committed to the principle of equal opportunity and aligns its practices with the Guidelines for Multinational Enterprises provided by the Organization for Economic Cooperation and Development (OECD). The cornerstone of its employment policy is professional ability and work experience, ensuring no discrimination based on age, gender, region, religion, race, marital status, or sexual orientation. TSRC prioritizes the employment and training of local staff and employs a transparent process for the selection of professional talent. Reflective of the industry's characteristics, the gender composition within the TSRC Group comprises 269 females (16.22%) and 1389 males (83.78%). Within the Group, the employee age distribution is as follows: individuals under 30 years of age accounts for 11.52%, those between 30 and 50 years accounts for 65.50%, and employees over 50 years account for 22.98%. The proportion of male managers is 73.58%, while the proportion of female managers is 26.42%.</p> <p>(5) For detailed descriptions of employee welfare measures, please refer to the 2024 Sustainability Report and the sustainability section on the Company's website. °</p>	

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	Yes	No	Abstract Illustration	
(3) Does the Company provide the employees with safe and healthy working environment and carry out regular training for regarding safety and health the employees?	√		<p>1. The company prioritizes employee safety and a healthy work environment. To enhance employees' awareness and emphasis on workplace health and safety, TSRC has been promoting the "TSRC Safety Culture" since 2021 through five "Safety Core Values" (TSRC HSE Core Values): "People-oriented," "Zero Accidents," "Commitment," "Discipline," and "Compliance." This initiative has further shaped TSRC's health and safety policy, operating under the principles of team safety, health and safety culture, responsibility, and communication, aiming to achieve the goals of zero disasters and zero injuries.</p> <p>2. TSRC has established occupational safety and health management systems in all of its factories. These systems operate based on the plan, do, check, and act cycle of the occupational safety and health management system, ensuring continuous improvement. The Company regularly implements the internal audit and management review of the management system each year. Kaohsiung Plant, Gangshan Plant, Shenhua Chemical, TSRC (Nantong) Industrial, TSRC-UBE, and TSRC Shanghai, with the established ISO 45001 management system, have set up their "Regulations for Occupational Safety and Health Hazard Identification and Risk Assessment" to formulate comprehensive occupational safety and health hazard identification and risk assessment procedures for operating personnel who are qualified the training to regularly assess periodical and non-periodical occupational safety and health risks and opportunities, and for supervisors to review and examine the effectiveness of existing control measures. Furthermore, the external verification for the ISO45001 management system is performed regularly to maintain the effective operation of the management system.</p> <p>3. In line with the principles of occupational safety and health management, we have formulated management regulations and the Safety and Health Work Guidelines to regulate the health and safety of all employees. These regulations clearly define the rights and obligations of employees and contractors regarding safety standards, education and training, health guidance, first aid and rescue, incident reporting, and other related matters.</p> <p>(1) Health management: Locations of TSRC identify occupational hazard factors and carry out management for five occupational hazard factors, including noise, carbon disulfide, benzene, dust and butadiene and reduce the occurrence probability of hazards through management, changes in procedures, improvements in methods, adjustments to working hours, isolation, and personal protection. Arranges annual health checks for personnel who are potentially exposed to long-term health risks, If abnormalities are detected during health checks, medical personnel provide health guidance to the affected individuals. If a physician assesses that the individual cannot continue their current job duties, change the workplace, change the work or shorten the working hours according to the physician's recommendation, and take health management measures. Improve employees' physical and mental health, organize health improvement lectures and relevant education and training, improve employees' health awareness, build favorable health concepts, and implement them in daily life.</p> <p>(2) Occupational safety and health training: In accordance with local regulations, the Company defines various necessary types of education and training for occupational safety and health workers at different levels, such as hazard awareness, confined space entry, hot work, and working at heights. Each year, an annual education and training plan is developed, and relevant occupational safety and health training is conducted according to this plan. This ensures that all employees have the necessary awareness of workplace hazards and the safety and health knowledge and skills required to prevent accidents before commencing work. In response to the</p>	No difference

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Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(4) Has the Company established effective career development training programs?	√		<p>emergency events like leakage of materials/fire/explosion/earthquake, and others, the Company stipulates the emergency management procedures. Organize various exercises and occupational safety education and training, including response to leakages of raw materials, response to leakages of industrial pipelines, fir management, and procedure safety management, and cultivate employees' abilities in emergency response and self-safety management. 2024 Number of Emergency Response Drills: 349.</p> <p>4. The Group (the parent company and subsidiaries) recorded a total of two occupational disaster cases with two employees in 2024; Accounting for 0.12% of the total number of employees, there was no significant damage. The recordable occupational injury ratio of employees (recordable number of occupational injuries/total working hours x 200,000) of the Group was 0.11. After analyzing the cause of accidents, the Company will continue to reinforce the consultation and drills to ensure the safety of employees at work.</p> <p>5. The company did not experience any fire incidents causing injuries or fatalities in the year 2024.</p> <p>6. For details regarding environmental health and safety please refer the Company's 2024 Sustainability Report or the Sustainability Development section on the Company's website.</p> <p>1. The Company established different career ability development training plans for employees of the Group based on their functions, job levels, duties, and targets, described as follows:</p> <p>(1) New employee training: To allow employees of the Group to understand the core value, corporate culture, production of products, and function allocation of the Company, new employees are required to receive new employee training to ensure that they can familiarize themselves with the operations of the Company.</p> <p>(2) Management leadership model: To cultivate the joint management capabilities of the leading team to be fully prepared for facing current and future challenges, TSRC formulated the capability model for the leadership function of different levels and planned for differentiated courses based on different job levels to carry out its internal training:</p> <ul style="list-style-type: none">Senior supervisor: 100% of senior supervisors worldwide completed the capability development activity of "assumption of necessary risks."Medium supervisor: 84% of medium supervisors worldwide completed the capability course of "providing incentives for the innovative capacity of the team."Supervisor: 87% of supervisors worldwide completed the capability course of "self-insights and adaptability." <p>(3) New supervisor training: Arrange online courses for new supervisors, together with the online review and question discussion system, to improve learning comprehension. There was a total of 87 participants.</p> <p>(4) Exchange session: Overseas subsidiaries invite material cross-function partners of the Company to share professional skills and career development and improve cross-department knowledge exchange and innovations to support the sustainable development of TSRC. There was a total of 161 participants.</p> <p>(5) Language Learning Courses: Encourages all colleagues to participate in English courses, continuously improving English language and communication skills.</p> <p>(6) Online Learning Courses: A variety of themed online courses are offered, allowing colleagues to flexibly schedule their learning time and enhance learning opportunities.</p>	No difference

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	Yes	No	Abstract Illustration	
(5) Does the Company have its product and service comply with regulations and international rules related to customers' health and safety, privacy, sales, and labelling, and set policies to protect consumers' rights and consumer appeal procedures?	√		(7) Newsletter: Provides colleagues with important information on enhancing professional learning or career development through a newsletter. 2. The learning management system was established in 2024 to manage all training-related applications, learning resources, and records through a single platform and effectively utilize and manage the training business, improving the learning performance of employees. 3. In 2024, the total training hours of all training of the Company reached 107,697 hours, and the average hours per person was 65 hours; the total training fees reached NT\$10,903 thousand in total. 4. For details regarding employee development and training, please refer the Company's 2024 Sustainability Report or the Sustainability Development section on the Company's website.	No difference
			1. Given the impact of products on the environment, human health and safety in different stages within the life cycles, upon the development of all products, the Company adopts laws and regulations related to environment and chemical substance safety management worldwide as its standards and confirms compliance with regulations before products are mass-produced and shipped. 2. The Company has passed the IATF 16949 · ISO 9001 certification and formulated its quality policy to provide favorable product quality while introducing the QC080000 hazardous substance management system to formulate the hazardous substances free (HSF) policy to ensure that all raw materials and products comply with RoHS, REACH, and SVHC. ; Adheres to the principles of green chemistry, specifically the third principle (for example, replacing harmful materials with non-harmful alternatives during the product development phase) and the fifth principle (for example, substituting harmful additives), while striving to minimize waste generation. ° The Company has established the Food Contact Materials Safety Policy and the Management Procedures for Toxic and Concerned Chemical Substances, complying with regulations on food contact materials to meet product safety requirements and ensure customer satisfaction and peace of mind. 3. When performing market exploration and promotion, the Company evaluates the competitive niche of products in terms of health and safety and actively exhibits the competitive strength of products at exhibitions or when communicating with customers. Meanwhile, the improvement in environmental protection and energy-saving awareness worldwide has driven the green development of synthetic rubber; therefore, the Company began the R&D of rubber materials with sustainability features and actively promoted and communicated with customers, and emphasized the business philosophy of sustainable products of the Company with customers via social media, its website, customer visits, or public occasions (i.e., seminars and product presentations). 4. Kaohsiung Plant continued to obtain the ISCC Plus certification for sustainable products in 2024 and obtained the GRS certification in 2024 in the hope of moving toward a low-carbon era with the value chain. The Company sets guideline, nature, and usage instructions for rubber products it provided in the COA and safety data sheet to allow customers to understand the safe usage; we also state our consultation line to assist customers in obtaining the information required with our best efforts. We enclose SDS for the first shipment made to each customer; the SDS specifies the information of the substances, waste processing method, and using conditions. The SDS is available on our website and is also provided upon request by our customers at all times.	

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	Yes	No	Abstract Illustration	
(6) Does the Company establish a supplier management policy, requiring suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and their performing status?	√		<div>5. Customers with any questions regarding products or product liability can raise their inquiries and complaints through the Company's website email or business contact points. The Company will address these issues timely and respond promptly to stakeholders based on the nature of the problem. The Company has established its "Code of Business Conduct" to prevent our products or services from harming stakeholders. The "information security policy and management" were formulated to protect customer privacy. We value the security of customer information and its internal use by the Company. We also work with different functional departments to improve customer satisfaction and provide convenient services for customers.</div> <div>6. In 2024, there is no infringement events arising from violating health and safety regulations related to products or violating marketing regulations, or arising from product responsibilities. For details regarding product regulations and safety, please refer the Company's 2024 Sustainability Report or the Sustainability Development section on the Company's website.</div> <div>1. In response to the trend of sustainability, the Company focuses on the strategical objectives and performance of suppliers in terms of sustainability. Adopting the "Code of Conduct - Responsible Business Alliance" as the road map, with reference to relevant international standards, the Company has established the "TSRC Group Supplier Code of Conduct" and "TSRC ESG Procurement Policy" to regulate and the ethical corporate management, human rights and labor policies, occupational safety and health, environmental protection, other issues related to sustainability of suppliers, and require the compliance and implementation of suppliers, and to serve as the material basis for our procurement decisions. Our supplier evaluation has included ISO 9001, RoHS (HSF), QC 080000, ISO 14001, ISO45001, CNS45001, and other material indicators of corporate social responsibility. We also require suppliers to provide self-declarations for their due implementation and substantial performance in terms of sustainability specifications and provide material evidence (i.e., management system certifications) to allow the Company to clearly understand their implementation status in terms of sustainability specifications. And ask the supplier to reply to the company to show commitment, Demonstrating commitment and looking forward to integrating the industry value chain to jointly promote sustainable operations. For details regarding the "TSRC Group Supplier Code of Conduct", please refer the Sustainability Development section on the Company's website.</div> <div>2. The Company requires its suppliers to respond to the Company in terms of their ESG implementation status based on the "TSRC Group Supplier Sustainable Management Evaluation Table." As of the end of 2024, the Company has obtained the response of 97% of suppliers to the "TSRC Group Declaration of Compliance with Sustainable Corporate Management of Suppliers" and the Sustainable Management Evaluation Table.</div> <div>3. TSRC periodically carries out evaluations on suppliers of different joints each year to ensure that the actual implementation of suppliers is in compliance with the stringent standards and TSRC's requirements. If any environmental, safety, or health risk incidents are identified, or if violations of international human rights-related regulations occur, improvement will be required. According to the result of the evaluation survey in 2024, none of the suppliers violated the abovementioned matters. For details regarding supply chain management, please refer the Company's 2024 Sustainability Report or the Sustainability Development section on the Company's website.</div>	No difference

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	Yes	No	Abstract Illustration	
			<div>4. Apart from valuing the occupational safety and health and labor human rights of suppliers, TSRC also focuses on contractor management. Apart from complying with local laws and regulations, the Company also formulated the "Regulations for Contractors" of different plants. The management aspects include the review and evaluation before any cooperation with contractors to ensure that contractors comply with the requirements and relevant laws and regulations. The Company carries out investigations or evaluations of safety and health management items and labor conditions of contractors (including but not limited to the age, qualification, and insurance items to be purchased under the law for personnel of contractors), notifies contractors of the level of potential danger of their operations, and provides occupational safety seminars before entering for work to prevent accidents and injuries and protect the health, rights, and interests of contractors' personnel.</div> <div>5. In 2024, nine safety promotional sessions were organized before the annual inspection in 2024 to realize the safety management of construction and achieve the performance of zero injuries during the annual inspection. In addition, due to the requirements for moving to the new plant area of subsidiary Shenhua Chemical Industry Co., Ltd., a third-party contractor was engaged for construction. Shenhua made arrangements according to local regulations and procedures related to contractor management, including evaluating the compliance of the contractor in advance and the compliance of the contractor's labor conditions with the contract between both parties during the performance period to ensure compliance with the management system of the Company for contractors.</div>	
V. Does the Company refer to internationally accepted reporting standards or guidelines for compiling sustainability non-financial information, reports, such as on corporate social responsibility? Does the previous released report obtain the assurance of the third-party verification unit?	√		<div>1. The 2024 Sustainability Report of the Company adopted the framework of GRI Standards and TCFD, SASB guidelines for reporting . In the report, we identified material topics based on the three major ESG aspects and made disclosures according to the requirements of the specifications.</div> <div>2. The report obtained the verification of SGS, a third-party institution, based on GRI, SASB, and TCFD guideline. For the four specific SASB indicators (energy management, water resource management, waste management, and occupational injury of employees), the Company engaged KPMG Taiwan to carry out the information assurance work based on the ISAE 3000 "Assurance Engagement for Audit or Review of Non-Historical Financial Information. After the verification, the Executive Leadership Team made examinations and confirmation and then submitted it to the Board for approval before publication. The report is published in Mandarin Chinese, English, and Simplified Chinese and disclosed on the Company's website. In addition, the Mandarin Chinese and English versions are filed and disclosed on the MOPS.</div> <div>3. For the preparation principles of the report and the information of the third-party certifying institution, please refer to the 2024 Sustainability Report.</div>	No difference
VI. Has the Company established its Sustainable Development Best Practice Principles according to the Sustainable Development Best Practice Principles for TWSE/TPEX-Listed Companies, describe the implementation status and the deviation from the Principles: The sustainable development operation and management of the Company are performed with reference to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies," "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," to formulate "Corporate Governance Best Practice Principles," and "Regulations for Sustainability Information Management" while referring to the UNEP Global Chemicals, sustainability rating index (CDP, Ecovadis, and MSCI), SASB, and SDGs. In addition, in line with industry regulations, concerns of upstream and downstream benchmark companies, expectations of stakeholders, etc., as well as the actual operation of the Company, the Company is in compliance with the objectives and principles set forth in the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and there is no material difference between the Code and the Company's Code.				

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Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
VII. Other important information that is helpful to understand the implementation status of promoting sustainable development: To lay a solid foundation for sustainable management, TSRC constantly promotes material ESG actions, strengthens the climate resilience of production sites, values employees’ rights and interests and corporate governance, and improves the Company’ s competitiveness. The material activities are as follows: (1) Improve the carbon reduction measures on a yearly basis and reduce the direct and indirect carbon emissions (Scope 1+ 2) of the Group through the use of low-carbon fuels, initiating solar power generational devices and CHP, procedure optimization, and the increase in renewable energy. In 2024, the carbon reduction achievements exceeded the target of a reduction in GHG emissions by 7.5% for the year from the base year as set initially. For the capital expenditures of environmental items in 2024, please refer to the 2024 sustainability report. (2) To improve the cohesion of employees, the Company added interactive platforms and CEO communication meetings and utilized group gatherings, education and training, environmental protection of communities, and other opportunities to allow employees to better understand the core value of the Company and encourage employees to participate in corporate activities; it also confirms the recognition of employees and the directions for continuous enhancement through the engagement survey of employees. (3) The Company implemented the engagement survey of employees that is performed once every two years in 2024; the scope of the survey is all employees of the Group, with a total of 1,479 persons participating in the survey; the participation rate reached 80.8%, representing an increase of 7% as compared to 2022. The Company will continue to promote improvement plans for items with poor performance and formulate employee investment plans to closely track the progress and achievements so as to enhance the cohesion of the organization and its team. (4) The Company is committed to developing products with sustainability characteristics, including Kaohsiung Plant proving products made with recycled raw materials, expanding the production of high-performance green tire products, accelerating the sales of new products in the medical field, developing the use of post-consumer recycled (PCR) as raw materials, and producing rTPE products. (5) To improve operational cyber security, the Company established its “Cyber Security Management Regulations” to protect the information on the Company’ s technologies, employees, suppliers, and customers and prevent unauthorized access, theft, and damages. In 2024, the introduction of the ISO 27001 information security management system was completed to minimize information security risks based on the standards and measures of ISO 27001. In 2024, eight information security indicators were established, and 100% of them were achieved. (6) The Company values communication between production sites and local communities. In 2024, Kaohsiung Plant had in-depth interviews with chiefs of neighboring villages of the plant area through the sustainability risk survey to understand material issues concerned communities and maintained healthy interactions with neighboring villages by participating in the English seminar activity of Ke Liao Elementary School and Seafood Festival organized by the Fishermen's Association. The Company carried out the environmental protection and cleaning activities surrounding the plants with the combination of its resources and the voluntary actions of employees and donated supplies and donations to social care actions. For relevant investments in public welfare, please refer to the 2024 sustainability report.				

Implementation Status of Climate-Related Actions

Item	Implementation status
1. Describe the supervision and governance of the Board and the management on risks and opportunities related to climate.	1. The management structure of climate-related risks and opportunities is as follows: (1) The Board: The Board is the highest governance body for climate risk management; it regularly supervises the results of climate-related risks and opportunities, countermeasures, targets, preventive measures, and substantial achievements, listens to the implementation status of climate-related risks and opportunities reported by the Executive Leadership Team at least once a year, and provides recommendations to the Executive Leadership Team. (2) Executive Leadership Team: The Executive Leadership Team: comprises the senior supervisor of different functions, confirms climate risks and opportunities, climate strategies, targets, and action plans to mitigate climate impacts, regularly reports to the Board regarding the implementation status, appoints the ESG Work Team to assess climate-related risks and opportunities, and listens to the report of the ESG Work Team quarterly to confirm the achievement of material climate targets and the implementation status and continue to improve the potential impact of transition and physical risks for the Company.
2. Describe the effects of the identified climate risks and opportunities on the business, strategies, and finance of the enterprise (short-term, mid-term, and long-term).	1. The Company made evaluations of risks and opportunities related to climate change in 2021, and the Company adopted the structure based on the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to carry out climate risk identification, relevant financial analysis, and financial quantification, Actively formulating climate strategies, setting goals, and implementing response measures to mitigate climate impacts. 2. TSRC carries out the identification of climate-related risks and opportunities every three years. With the previous results as the basis, the Company collected external environmental trends and changes, carried out a comprehensive examination based on the operation and strategic development of the Company, proposed the list of risks, determined the "level of impact of risks," and the "possible occurrence time (likelihood of occurrence)" through the assessment of risk impacts, and identified ten climate risks and six derivative opportunities. The effects of and responses to the material climate risks and opportunities are summarized as follows:

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Item	Implementation status					
	Climate risk		Potential impact	Climate opportunity	Potential impact	Substantial action in 2024
	Transition risk	Carbon taxes/carbo fees	<ul style="list-style-type: none">• Possible occurrence time: In the short-term• Potential impact: Increasing operating costs on a yearly basis	<ul style="list-style-type: none">• Improve energy efficiency• Energy transition• Increase the application of the circular economic model	<ul style="list-style-type: none">• Implement carbon reduction plans• Use renewable energy• Carry out waste heat recycling• Reduce energy and resource consumption• Reduce carbon fees and electricity costs in Taiwan	<ul style="list-style-type: none">• Set up carbon reduction and renewable energy consumption targets• Replaced energy consumption equipment and continued to purchase energy-saving equipment to reduce energy consumption and improve energy efficiency• Installed solar power generation facilities for self-consumption.• Optimized TPE procedures and reduced the steam consumption per unit product
	Transition risk	increase of sustainability regulations – use of renewable energy	<ul style="list-style-type: none">• Possible occurrence time: In the short-term• Potential impact: Increase in energy procurement costs and increase in maintenance fees for renewable energy generation equipment	<ul style="list-style-type: none">• Energy transition• Improve products' competitiveness	<ul style="list-style-type: none">• Reduce products' carbon footprints• Comply with the low-carbon product requirements of customers	<ul style="list-style-type: none">• Kaohsiung Plant and TSRC Shanghai have begun operating solar power generation equipment.• TSRC (Nantong) Industrial procured renewable electricity
	Transition risk	Changes in customer behaviors or preference	<ul style="list-style-type: none">• Possible occurrence time: In the mid-term• Potential impact: Provide low-carbon products to customers and the use of recycled raw materials results in an increase in raw material procurement costs	<ul style="list-style-type: none">• Development of new products• Improve products' competitiveness	<ul style="list-style-type: none">• Improve the operating income and market competitiveness of the Group through the sales of new products or low-carbon products	<ul style="list-style-type: none">• Kaohsiung Plant continued to obtain the ISCC Plus certification and started to sell products that made use of recycled raw materials• Optimized procedures, reduce the steam consumption per unit product, and reduce the product carbon footprints• Won the silver award from the Ecovadis rating and improved customers' trust
	Transition risk	Increase in raw material costs	<ul style="list-style-type: none">• Possible occurrence time: In the short-term• Potential impact: Increase in procurement costs due to the transfer of carbon fees by suppliers or the procurement of recycled raw materials	<ul style="list-style-type: none">• Development of new products• Improve products' competitiveness	<ul style="list-style-type: none">• Improve the operating income and market competitiveness of the Group through the sales of new products or low-carbon products	<ul style="list-style-type: none">• Focused on the development of the sustainable product market• Planned for the product pricing strategies and improved product competitiveness

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Item	Implementation status					
	Climate risk		Potential impact	Climate opportunity	Potential impact	Substantial action in 2024
	Transition risk	Technological development for low-carbon transition	<ul style="list-style-type: none">· Possible occurrence time: In the mid-term· Potential impact: Increase in low-carbon transition costs, including the development of carbon reduction procedure technologies or energy-saving equipment and the improvements in talent development and recruitment	<ul style="list-style-type: none">· Increase the application of the circular model· Development of new products· Improve products' competitiveness	Improve the circular economic benefits and improve product value	<ul style="list-style-type: none">· Optimized procedures, reduce the steam consumption per unit product, and reduce the product carbon footprints
	Physical risk	Droughts	<ul style="list-style-type: none">· Possible occurrence time: In the short-term· Potential impact: Financial losses due to the increase in the maintenance fees for backup water source pipelines and production affected by water rationing	Increase the application of the circular model	Improve water resource efficiency through wastewater reclamation	<ul style="list-style-type: none">· Completed the installation of the backup pipelines of the Kaohsiung Plant
	Physical risk	Floods	<ul style="list-style-type: none">· Possible occurrence time: In the short-term· Potential impact: Financial losses due to operation interruption resulting from damage to equipment and inventories· Increase in insurance premiums or the increase in the strictness of claim conditions· Increase in maintenance fees for flood prevention and water drainage	Mitigate risk impacts and improve operations	Strengthen operating resilience	<ul style="list-style-type: none">· In response to Typhoon Gaemi and Typhoon Krathon, Kaohsiung Plant carried out disaster control and disaster responses to mitigate the impacts of climate disasters.
3. Describe the effects of extreme weather and transition actions on finance.	<div>1. TSRC has performed impact assessments for material climate risks and opportunities identified to serve as an important reference for formulating risk mitigation and opportunity expansion actions.</div> <div>(1) The potential financial impacts of transition risks are mainly costs generated from the low-carbon transition (including the reduction of GHG emissions) of the Group, including the imposition of carbon fees in Taiwan, capital expenditures for energy-saving and carbon reduction equipment and equipment with improved technologies, purchased green electricity, low-carbon raw materials purchased, and other operating costs. Regarding the capital expenditures and expenses for energy conservation and carbon reduction in 2024, please refer to the "expenditures related to environmental items" in the 2024 sustainability report.</div> <div>(2) The potential financial impacts of physical risks are mainly equipment maintenance costs or capital expenditures invested to improve the Company's climate resilience (i.e., drought resistance and flood resistance). Drought resistance includes the installation of wastewater recycling systems, purchases of backup water sources, and other fees; for flood resistance, the maintenance of equipment and water drainage systems of plants are the main operating expenses. Regarding the capital expenditures and expenses for improving water efficiency in 2024, please refer to the "expenditures related to environmental items" in the 2024 sustainability report.</div> <div>(3) The estimation for the financial benefits of climate opportunities includes the electricity fees reduced due to the improvement in the energy efficiency of plants, the wastewater treatment costs reduced due to the improvement in water resource efficiency, and the increase in the ratio of sustainable products. For product sales income with environmental benefits, please refer to the "Revenue from Products with Environmental Contribution" in the 2024 sustainability report.</div>					

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Item	Implementation status
4. Describe the method to integrate the identification, evaluation, and management procedures with the overall risk management system.	<div>1. The cross-function ESG Work Team (covering the finance, human resources, R&D, operations division, business division, procurement, and other functional departments) and relevant personnel implement climate risk identification and assessment and set out seven prioritized climate risks based on the standards of the “prioritized risks” in the “Procedures for Risk Management.” For climate actions, apart from performing an inventory for substantial countermeasures and adaptation measures, corresponding climate actions or measures based on the scope of the effects of risk and opportunities and the time length are planned. Feasible plans and preventive measures are formulated for climate-related risks and opportunities, and they are implemented after being agreed upon by the Executive Leadership Team.</div> <div>2. The ESG Work Team regularly reports to the Executive Leadership Team regarding the implementation status and achievement of climate-related targets to effectively control and improve possible effects and impacts on the operation. The climate assessment results and the risk management procedures of the Company are appropriately integrated to include potential impacts that may be generated from the response to climate risks in the risk management system so as to formulate management measures for risk response and emergency management.</div>
5. If scenario planning is adopted to evaluate the tolerance to risks of climate change, please describe the scenarios, parameters, assumptions, analytical factors used, and the major financial effects.	<div>1. The Company carried out climate risk analysis based on different scenarios and performed more quantitative and qualitative assessments of climate risks to ensure the effectiveness of climate risk management.</div> <div>(1) Physical risk scenario analysis: Adopt the AR6 SSP2-4.5 and SSP5-8.5 climate scenarios of the IPCC</div> <div>(2) Transition risk scenario analysis: Adopt the Net Zero Emissions by 2050 Scenario (NZE) and Stated Policies Scenario (STEPS) of the IEA</div> <div>(3) The Company carried out further financial evaluations for “transition risk – carbon fees/carbon taxes” in 2024. In light of the different levels of corporate impacts of the carbon pricing system, TSRC kept abreast of the policy development in different countries and selected NZE and STEPS based on the prevailing regulations of relatively more accurate carbon pricing systems of its operating sites. Based on the principles of reasonable assumptions, TSRC’s financial impacts focus on the effects of carbon fees in Taiwan. Assume that the applicable discount rates are not considered in the scenarios, the routes are “TSRC carbon reduction action” and “carbon reduction targets of the Group,” and that the rates are subject to the rates published by the Ministry of Environment and the publicly estimated rates in 2030 and refer to the estimated carbon price of developed economies and countries under the IEA WEO 2023 to serve as the calculation basis for the internal carbon pricing assumption of the Company from 2025 to 2030.</div> <div>(4) The rate of NT\$300 published by the Ministry of Environment in Taiwan at the end of 2024 is adopted as the basis for the internal pricing under STEPS in Taiwan. According to the Implementation Rules of the Collection of Carbon Fees, the collection of carbon fees starts in 2025, and the same rate will be implemented for two years; it is estimated that the carbon fees will reach NT\$1,800 by 2030. NZE refers to the IEA WEO 2023 and adopts the estimated carbon fees of NT\$4,410 (Approximately US \$140) for developed economies and countries by 2030 for estimation to evaluate financial impacts that may be caused by carbon prices under different climate scenarios.</div> <div>(5) The analysis results show that the financial impact on TSRC in the NZE will be higher than STEPS. In the case of NZE, if TSRC implements GHG reduction behaviors for carbon emissions, including low-carbon fuel manufacturing, consumption of renewable energy, and improvement in energy efficiency, the financial impact caused by carbon fees may be reduced as compared to the “discontinuation of the implementation of carbon reduction management measures, and the financial impact in 2030 will be reduced from 1.2% of the operating income to less than 1%.</div> <div>(6) As the products of TSRC are not within the scope of the stage 1 import products of CBAM of the EU at present, there is no significant effect on the products of TSRC in the short run, and the potential financial effects will be updated after the EU had published the control timetable of products.</div>

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6. If there if any transition plan in response to the management of risks related to climate, please describe the content of the plan and the indicators used in identifying and managing physical risks and transition risks and objectives.	<div>1. TSRC focuses on the low-carbon transition to develop its climate change countermeasures and establish objectives related to climate. The descriptions are as follows: In terms of environmental initiatives (1) Reduce total carbon emissions: TSRC has set Group-wide carbon reduction goals (Scope 1 + Scope 2), with the year 2011 as the baseline. The company plans to reduce emissions by 7.5% in 2024, 10% in 2025, and 22.5% in 2030. TSRC aims to achieve these carbon reduction targets gradually through continuous process optimization, reducing steam consumption, improving energy efficiency, using low-carbon fuels, and increasing the use of renewable energy. The carbon reduction target for 2024 has been achieved. (2) Increase the ratio of renewable energy: The Company plans to increase the consumption to achieve renewable energy consumption of 7.5% by 2024, 10% by 2025, and 30% by 2030. The renewable energy target for 2024 has been achieved. (3) Optimize water resource utilization: : The Company is committed to improving wastewater recycling and reclaimed water consumption rate, and it is planned to achieve 40% by 2030. The target for 2024 has been achieved. For products (1) Develop products that reduce environmental impacts: TSRC actively develops the use of recycled raw materials and plans to achieve 5% of the consumption ratio of recycled raw materials by 2025 and 15% by 2030. It continues to develop products with sustainability characteristics to reduce product carbon footprint and plans to achieve a ratio of products with sustainability characteristics to the total sales of 20% by 2025 and 40% by 2030. At present, the targets for 2024 are achieved. (2) For the details of the implementation status and description, please refer to the 2024 sustainability report or the sustainable development section on the corporate website. The Company will continue to evaluate environmental impacts, minimize climate risks, and realize its mid- and long-term targets for climate step by step.</div>
7. If internal carbon pricing is used as the planning tool, please describe the foundation for the pricing.	<div>In response to the carbon pricing era, the Company continues to focus on price and development in the international carbon market. Considering the effects of carbon pricing on the operations of the Company and suppliers, the Company adopts reasonable and supportive assumptions and applicable conditions for its internal carbon pricing. After the internal evaluation, as the current financial impacts of carbon pricing on TSRC are primarily the effects of carbon fees in Taiwan, the Company selected the rates and changes in the estimated rates published by the Ministry of Environment as the internal carbon pricing basis under STEPS in Taiwan. Meanwhile, as NZE referred to the IEA WEO 2023 developed economies and countries by 2030 are adopted as the basis for the future estimation of carbon fees for the internal carbon pricing of TSRC. For other production sites (i.e., Mainland China and the U.S.), as the carbon pricing policy implementation details that apply to TSRC are uncertain, the Company will continue to keep abreast of the development and updates. Regarding the price of internal carbon pricing, please refer to the description of the effects of financial impacts above.</div>
8. If there are objectives related to climate established, please describe the activities covered, the scope of GHG emissions, the schedule, progress each year, and other information. If carbon offset or RECs are used to achieve relevant objectives, please describe the source of carbon dioxide limit offset or the quantity of RECs.	<div>1. In response to climate risks, the Company set up climate-related targets, including carbon reduction targets and renewable energy consumption targets (please refer to the description in paragraph 6), and the reduction of the (Scope 1 + Scope 2) GHG emissions of the Group is the primary target. To achieve carbon reduction goals in 2024, the company adopted several measures, including utilizing low-carbon fuels, activating solar power generation devices and combined heat and power systems, optimizing production processes, increasing the use of renewable energy, replacing energy-intensive machinery and equipment, and reducing energy consumption (including electricity and steam), successfully meeting the annual targets 2. In 2024, the subsidiary TSRC (Nantong) Industrial purchased 17,664.96 megawatt-hours of green electricity, offsetting the indirect carbon emissions for Scope 2 of TSRC (Nantong) Industrial.</div>
9. GHG inventory and assurance (please otherwise fill in 1-1, 1-2).	

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1-1 Which details the greenhouse gas inventory and assurance status for the Company over the most recent two years. (Note1)

years	Range	Scope 1(Category 1)			Scope 2(Category 2)			Scope 3(Category 3-6)			Assur- ance institu- tion	Descrip- tion of as- surance
		Total emis- sion (ton-CO ₂ e)	Inten- sity (ton- CO ₂ e per unit prod- uct)	Inten- sity (ton- CO ₂ e/ Million NTD)	Total emis- sion (ton-CO ₂ e)	Inten- sity (ton- CO ₂ e per unit prod- uct)	Inten- sity (ton- CO ₂ e/ Million NTD)	Total emis- sion (ton-CO ₂ e)	Inten- sity (ton- CO ₂ e per unit prod- uct)	Inten- sity (ton- CO ₂ e/ Million NTD)		
2024	Sub- sid- iaries	Parent company (Note 2)	107,440.1270	0.60	34,438.1227	0.19		358,629.2267	2.01		DNV GL Business Assur- ance Co., Ltd. (DNV)	Currently in confir- mation and assur- ance. The complete confir- mation informa- tion will be disclo- sed in the 2024 Sus- tainability Report or on the Com- pany's website.
		Shen Hua Chemical Industrial Co., Ltd	5,781.8703	0.03	91,750.1521	0.51		483,359.3566	2.67			
		TSRC (Nantong) Industries Ltd	7,763.5252	0.11	121,349.8721	1.77		202,930.3171	2.97			
		TSRC-UBE (Nan- tong) Chemical Industrial Company Limited	4,252.6594	0.06	82,971.6371	1.22		160,176.6043	2.35			
		TSRC (Shanghai) Industries Ltd	29.2628	0.004	1,472.9643	0.23	9.58	20,137.1351	3.08	35.79		
		TSRC (Vietnam) Company Limited	6.7107	0.005	1,011.3817	0.78		3,946.6669	3.06			
		TSRC Specialty Materials LLC	26,088.1095	0.55	23,425.0884	0.49		102,494.7375	2.15			
		POLYBUS Corpora- tion Pte Ltd	0.0000	Note3	1.0473	Note3		0.3546	Note3			
		TSRC (Lux.) Corpo- ration S.à r.l.	0.0000	Note3	0.1753	Note3		0.9765	Note3			
2023	Sub- sid- iaries	Parent company (Note 2)	101,462.3693	0.57	44,228.4145	0.25		360,106.2484	2.02		DNV GL Business Assur- ance Co., Ltd. (DNV)	According to various verifica- tion crite- ria, DNV believes that there are no significant discrepan- cies that do not comply with the verifi- cation standards.
		Shen Hua Chemical Industrial Co., Ltd	6,474.1826	0.04	93,787.7812	0.55		481,677.5808	2.81			
		TSRC (Nantong) Industries Ltd	8,658.2794	0.13	130,157.5196	1.95		216,372.2830	3.24			
		TSRC-UBE (Nan- tong) Chemical Industrial Company Limited	3,237.4408	0.05	85,609.7804	1.27		164,666.3876	2.44			
		TSRC (Shanghai) Industries Ltd	32.6250	0.01	1,024.6206	0.17	11.93	18,666.9357	3.06	42.39		
		TSRC (Vietnam) Company Limited	5.7415	0.01	995.6315	0.90		3,774.4772	3.43			
		TSRC Specialty Materials LLC	19,379.1410	0.49	19,113.6471	0.48		87,536.7382	2.20			
		POLYBUS Corpora- tion Pte Ltd	0.0000	Note3	1.1522	Note3		0.3932	Note3			
		TSRC (Lux.) Corpo- ration S.à r.l.	0.0000	Note3	0.1660	Note3		1.0090	Note3			

Note1: Direct emission (Scope 1, also referred to as category 1; refers to emission sources that the company owns or has control over), energy indirect emission (Scope 2, also referred to as category 2; refers to GHG emissions that are generated from use of electricity, heat, or steam), and other indirect emission (Scope 3, or category 3-6; refers to emissions generated from the company's activities that do not fall within the scope of energy indirect emission, but from emission sources owned or controlled by other companies). The calculation items of Scope 3 include Category 3 (indirect emissions from transportation) – emissions generated from upstream transportation and delivery (main raw materials) and Category 4 (indirect GHG emissions of products used by the organization) – emissions of products procured (main raw materials), emissions of activities in which the energy and resources are used (other than Category 1 and Category 2), and emissions generated from the clearance and processing of waste during the course of operation, and other material Scope 3 emis-sions.

Note2: The parent company includes the GHG emission of the Kaohsiung Plant, Gangshan Plant, and Global Business Headquarters(Taipei Office) in Taiwan.

Note3: Polybus Corporation Pte Ltd and TSRC (Lux.) Corporation S.à r.l., the two subsidiaries, mainly engage in holding and trading activities. Their operations take place in offices, not pro-duction sites, and they have no production output.

Note4: ISO 14064-1:2018 released by International Organization for Standardization, ISO

Note5: The subsidiary TSRC (Nantong) Industrial acquired a total of 17,664.96 MWh of wind power through the purchase of Green Power Consumption Certificates (Electricity Certificates Combined), along with an additional 939 MWh of solar power obtained through Green Power Certificate Trading Certificates (Non-Electricity Certificates Combined).

Note6: According to the two electricity factors published by the competent authority in Mainland China, including the average national electricity CO2 emission factor (excluding non-fossil energy and electricity trading in the market) and the average national electricity CO2 emission factor, TSRC (Nantong) Industrial quoted the average national electricity CO2 emission factor (excluding non-fossil energy and electricity trading in the market) at 0.5856 kg CO2 /kWh; Shenhua Chemical, TSRC-UBE, and TSRC Shanghai quoted the average national electricity CO2 emission factor at 0.5366 kg CO2/kWh.

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Assessment Items	Status			Any departure of such imple-mentation from the Corporate Governance Best-Practice Principles for TWSE/TPEX List-ed Companies
	Yes	No	Abstract Description	
(3) Has the Company stipulated policies to prevent the conflict of interest, provided an adequate complaint channel and ensured by its proper implementation?	√		3. The Company has established its " Conflict of Interest Management Procedure " that requires Directors, managerial officers, and employees to complete the questionnaires for the disclosure of conflict of interests each year; the Company also organizes promotional training of "Conflict of Interests and Disclosure." For any conflict of interests, such parties involved shall make declarations actively and recuse themselves according to the requirements.	
(4) Does the Company establish an effective accounting system and internal control system for the implementation of ethical corporate management, and the internal auditing system. Based on the results of the assessment of the risk of dishonesty behaviors, the audit unit should draw up relevant audit plans, and based on it, check if the plan of preventing dishonest behavior is followed, or commission an accountant to perform the check?	√		4. The accounting system and the internal control system of the Company are established according to the requirements of the competent authority, and the Company prepares its financial reports according to the International Accounting Standards. The internal audit department regularly evaluates risks and prepares audit plans according to the "internal control system," regularly performs audits regarding the compliance status of the system above, prepares audit reports and submits them to the Audit Committee and the Board.	
(5) Has the Company regularly organized internal and external education and training concerning ethical management?	√		5. In order to promote the Company's policy of integrity in operations and enhance employees' understanding of relevant laws. In 2024, the company conducted educational training courses on topics such as 'Trends and Case Studies in Anti-Money Laundering,' 'Antitrust Law,' 'Anti-Corruption,' and 'Conflict of Interest.' Additionally, written case studies on antitrust law and insider trading were also promoted.	
III. Status of the Company's reporting mechanism. (1) Has the Company stipulated a specific reporting and reward system, established a convenient reporting channel and assigned appropriate personnel to the accused?	√		1. Company has established its "Management Procedures for Whistle-blowing" , set up a public whistle-blowing mailbox on its corporate website, appointed dedicated personnel for handing the whistle-blowing cases, and carried out investigations by keeping the identity of whistle-blowers confidential; in addition, the Company explicitly prohibits retaliation against whistle-blowers.	No difference
(2) Does the Company establish standard operating procedures of investigations to receive reports, follow-up measures after the investigation is completed, and related confidentiality mechanisms?	√		2. For any illegal or unethical behaviors, the Companyt will investigate and discipline the violator in an objective, just and rigorous manners. The Company will upgrade relevant regulations and management procedures based on the learnings of any violations so that we can keep that happening again. The Company will take legal actions to protect its rights, interests and good reputation, if necessary.	
(3) Has the Company taken measures to protect the reporter from being wrongfully treated?	√			
IV. Enhance the disclosure of information Has the Company disclosed the performance of its ethical management on the Company website and the MOPS?	√		The Company discloses its "Code of Business Ethics" , "Code of Ethics" relevant management procedures, and the implementation status on the corporate website.	No difference
V. If the Company has defined its ethical corporate management practice in accordance with the Ethical Corporate Manage-ment Best Practice Principles for TWSE/GTSM-Listed Companies, please state the operation thereof and difference between the Principles and the practice defined by the Company: The company operates in accordance with the 'Code of Ethics' and the 'Integrity Management Guidelines, there is no difference. °				
VI. Any other important information helpful to comprehend the Company's operation in good faith: None.				

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<8> Other crucial information to better understand the implementation of corporate governance.

1. In-service Training

Job title	Name	Date of Training	Organizer	Program(s)	Hours
Chairman	Nita Ing	November 07, 2024	Securities & Futures Institute	Development of the Global Prevention of BEPS and its Impacts on the Company from the Perspectives of Directors and Supervisors	3
				Legal Risks of Corporate Investments and Responses – From the Viewpoints of Corporate Directors	3
Director	John Huang	November 07, 2024	Securities & Futures Institute	Development of the Global Prevention of BEPS and its Impacts on the Company from the Perspectives of Directors and Supervisors	3
				Legal Risks of Corporate Investments and Responses – From the Viewpoints of Corporate Directors	3
Director	Charles Y. Huang	March 08, 2024	Taiwan Corporate Governance Association	Sustainable Finance Trends and Climate Risk Management	3
		March 22, 2024	Ministry of Agriculture	Circular Taiwan: Meet Net Zero, Resilience, and Progress!	2
		April 30, 2024	Ministry of Labor	Meet “Net Zero, Resilience, and Progress” as A Country-wide Movement! Leave No One Out!	2
		May 07, 2024	Ministry of Foreign Affairs	Envisioning an Externality-Free, Resilient and Progressive Future!	1
		May 08, 2024	National Science and Technology Council	National Net Zero Technology Budget Review	1
		June 03, 2024	Executive Yuan	Meet “Net Zero, Resilience, and Progress” to Accelerate Circular Cooperation and Jointly Solve Group Crisis	1
		June 17, 2024	Ministry of Foreign Affairs	Envisioning a Regenerative , Restorative and Inclusive Future!	1
		June 18, 2024	GIZ	Current state of the CE discussions in the T20 task forces	1.5
		June 19, 2024	Taiwan Institute of Directors	How Does the Board of Directors Create Information Security Governance Strategies	1
		August 22, 2024	Entie Commercial Bank	Seminar for Directors and Audits	1
		August 31, 2024	Entie Commercial Bank	2024 Combating Money Laundering and Financing of Terrorism and Treat Customer Fairly Principles Education and Training	1
Director	Monling Lee	July 19,2024	Taiwan Corporate Governance Association	New Trends of Labor-management Relations from the Viewpoint of ESG – Response Measures for Enterprises in Taiwan	3
		October 15, 2024	Taiwan Corporate Governance Association	Global Economic Situations and Industry Prospects	1.5
		October 15, 2024	Taiwan Corporate Governance Association	Global Future Risks and Sustainability Transition Opportunities	1.5
		November 07, 2024	Securities & Futures Institute	Development of the Global Prevention of BEPS and its Impacts on the Company from the Perspectives of Directors and Supervisors	3
				Legal Risks of Corporate Investments and Responses – From the Viewpoints of Corporate Directors	3

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Job title	Name	Date of Training	Organizer	Program(s)	Hours
Independent Director	Sean Chao	November 07, 2024	Securities & Futures Institute	Development of the Global Prevention of BEPS and its Impacts on the Company from the Perspectives of Directors and Supervisors	3
				Legal Risks of Corporate Investments and Responses – From the Viewpoints of Corporate Directors	3
Independent Director	Rex Yang	November 12, 2024	Taiwan Corporate Governance Association	AI Era for Innovative Thinking of Enterprises	3
		November 07, 2024	Securities & Futures Institute	Development of the Global Prevention of BEPS and its Impacts on the Company from the Perspectives of Directors and Supervisors	3
Independent Director	Ellen Tsai	July 19,2024	Taiwan Academy of Banking and Finance	Corporate Governance Forum – Effects of IRB Approach in Basel II on Capital Management	2
		August 21, 2024	Taiwan Academy of Banking and Finance	Corporate Governance Forum – Domestic and Foreign Money Laundering Prevention and Monitoring Trends and Development	3
		August 26, 2024	Taiwan Academy of Banking and Finance	Corporate Governance Forum – AI and Treat Customers Friendly	3
		October 16, 2024	Securities & Futures Institute	Green Industrial Revolution from 2030 to 2050	3
		November 07, 2024	Securities & Futures Institute	Legal Risks of Corporate Investments and Responses – From the Viewpoints of Corporate	3
Corporate Governance Officer	Iting Tsai	September 06, 2024	Securities & Futures Institute	2024 Insider Trading Prevention Promotion Session	3
		November 06, 2024	Securities & Futures Institute	Series Courses for Directors, Supervisors, and Corporate Governance Officers – Ethical Corporate Management Best Practice Principles	3
		November 07, 2024	Securities & Futures Institute	Development of the Global Prevention of BEPS and its Impacts on the Company from the Perspectives of Directors and Supervisors	3
		November 07, 2024	Securities & Futures Institute	Legal Risks of Corporate Investments and Responses – From the Viewpoints of Corporate Directors	3
		November 19, 2024	Securities & Futures Institute	Sustainability Committee and CSO Seminar	3

2. The Company continues to improve its corporate governance operation. Apart from announcing relevant information according to the requirements of the competent authority, it also regularly makes updates in the “investor relations” and “corporate governance” sectors on its website.

3. Procedures for handling material inside information

The Company has implemented “Procedures for handling materials inside information” to establish a sound mechanism for the handling and disclosure of material inside information. The Procedures have been announced and made accessible internally, and apply to all directors, supervisors, managerial officers, and employees of the Company, and any other person who acquires knowledge of the Company's material inside information due to their position, profession, or relationship of control. The Company has also conducted educational campaigns or training programs to promote the awareness of these procedures and relevant laws and regulations.

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<9> Implementation of the Company's internal control system

1. A statement of Internal Control

TSRC Corporation
A statement of Internal Control

Date: March 6, 2025

In accordance with the result of self-evaluation of the internal control system in 2024, the Company hereby declares as follows:

1. The Company acknowledges and understands that the establishment, implementation and maintenance of the internal control system are the responsibility of the Board of Directors and managerial officers, and that the Company has already established such a system. The purpose is to provide reasonable assurance regarding the achievement of objectives such as the effectiveness and efficiency of business operations (including profitability, performance, and security of assets), reliability, timeliness, transparency, and regulatory compliance of reporting, and compliance with applicable laws, regulations, and by laws.
2. There is limitation inherent to internal control system, no matter how perfect the design is. As such, effective internal control system may only reasonably ensure the achievement of the aforementioned goals Further, the operation environment and situation may vary, and hence the effectiveness of the internal controls system. The internal control system of the Company features the self-monitoring mechanism. Once identified, any shortcomings will be corrected immediately.
3. The Company judges the effectiveness of the internal control system in design and enforcement in accordance with the “Criteria for the Establishment of Internal Control System of Public Offering Companies” (hereinafter referred to as “the Criteria”) promulgated by the Securities and Futures Commission of the Ministry of Finance. The Criteria is instituted for judging the effectiveness of the design and enforcement of internal control system. There are five components of effective internal control as specified in the Criteria with which the procedure for effective internal control is composed by five elements, namely, 1. Control Environment 2. Risk Evaluation 3. Control Operation 4. Information and Communication and 5. Monitoring. Each of the elements in turn contains certain audit items, and shall be referred to the Criteria for detail.
4. The Company has adopted the above criteria for the internal control system to assess the effectiveness of the design and operation of its internal control system.
5. In accordance with the aforesaid evaluation result, the Company believes that the internal control system as of December 31, 2024 (supervision and management over subsidiaries), including understanding the effect of operation, the attainment rate and report of the efficiency goal are reliable, timely, and transparent, and the design and implementation of the internal control system are in compliance with the regulations and effective and reasonably ensure the attainment of the aforesaid goals.
6. This statement of declaration shall form an integral part of the annual report and prospectus on the Company and will be announced. If there is any fraud, concealment and illegal practice discovered in the content of the aforementioned information, the Company shall be liable to legal consequences under Article 20, Article 32, Article 171 and Article 174 of the Securities and Exchanges Act.
7. This statement of declaration has been approved by the Board on March 6, 2025 with presence of 7 directors at unanimous consent.

TSRC Corporation

Chairman: Nita Ing

CEO: Joseph Chai

2. Hiring CPA to carry on a special audit of the internal control system: No

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<10> The important resolutions made by shareholders' regular meetings and board of directors' meeting in 2024 and until the annual report being published.

1. The important resolutions made by shareholders' regular meetings in 2024	The status of implementation
(1) To approve the 2023 Business Report and Financial Statements	Resolutions approved.
(2) To approve the 2023 earnings distribution	July 10, 2024 was set as the ex-dividend date for the distribution of cash dividends and capital reserve of NT\$0.56 per share, and the cash dividends were distributed on July 25, 2024.
(3) Election of the 18 th session of the Company's Directors	Became effective after the resolution was made at the shareholders'meeting
(4) Release the non-competition restriction on the 18 th session of the Company's Directors	Became effective after the resolution was made at the shareholders'meeting

2. Important resolutions made by board of directors' meeting	
Date	Important resolutions
May 07, 2024	· Resolved to approve the financial report for the 1st quarter of FY2024.
August 08, 2024	· Resolved to approve the financial report for the 2nd quarter of FY2024. · Resolved to approve the new capital expenditure budget. · Resolved to the capital injection in cash of subsidiary Shen Hua Chemical Industries Co., Ltd.
November 05, 2024	· Resolved to approve the financial report for the 3rd quarter of FY2024. · Resolved to the capital injection in cash of subsidiary TSRC (Vietnam) Co., Ltd.
December 05, 2024	· Resolved to approve the suspension of operation of TSRC (Vietnam) Co., Ltd., a subsidiary in Vietnam.
March 06, 2025	· Resolved to approve the consolidated financial statements for FY 2024. · Resolved to approve the 2025 annual meeting of shareholders. · Resolved to approve the earnings distribution for FY 2024.

<11> Whether any director or supervisor has shown dissent against any important resolution made by the Board of Directors, which is also included in a written statement or recorded resolution in 2024 and until the annual report being published : None

IV. Information regarding TSRC's audit fees

<1> Information about audit fee and non-audit fee paid to CPA and the accounting firm, and its affiliates:

Unit: thousand NTD

Name of the ac-counting firm	Name of the CPA	CPA's audit period	Audit fee	Non-audit fee	Total	Remarks
Deloitte & Touche	Tza-Li Gung	January 1, 2024 to December 31, 2024	8,350	2,178	10,528	Non-audit fee primarily consist of ESG assurance, advisory fees, and tax certification fees.
	Li-Yuan Kuo					

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<2> The audit fees paid for the fiscal year with accounting firm changed has decreased compared to the previous year :

In response to the requirements for business management and the enhancement in corporate governance, the Company changed its CPA' s firm in Q1 2024. The audit fees for KPMG Taiwan, the former CPA' s firm, for 2023 were NT\$8,755 thousand, and the audit fees for Deloitte Taiwan, the new CPA' s firm, for 2024 were NT\$8,350 thousand.

<3> If the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more : Not applicable

V. Information on replacement of CPA

(1) Regarding the former CPAs

Replacement Date	Approved by the Board of Directors on February 1st, 2024		
Replacement Reasons and Explanations	In response to operational management needs and to strengthen corporate governance, the accounting firm and signing accountant were replaced starting from the first quarter of 2024.		
Statement on whether the authorizing party or the accountant terminates or rejects the authorization	Parties Involved		
	Status	CPA(s)	Authorizing party
	Termination of appointment	-	-
	No longer accepted (continued) appointment	-	√
Opinion and reasons for issuing audit reports other than unqualified opinions within the last two years	N/A		
Is there any disagreement with the issuer?	Yes		Accounting principles or practices
			Disclosure of financial statements
			Audit scope or procedures
			Others
	N/A		√
	Description: N/A		
Other items for disclosure (items in Item 1-4 to Item 1-7, Subparagraph 6, Article 10 of the Regulations shall be disclosed)	N/A		

(2) About the Succeeding CPA

Name of CPA firm	Deloitte & Touche, Taipei, Taiwan, Republic of China
Name of CPA	CPAs Gung Tza-Li and Kuo Li-Yuan
Date of Appointment	Approved by the Board of Directors on February 1st, 2024, replaced from 2024 Q1
Consultation given on accounting treatment or accounting principle adopted for any specific transactions and on possible opinion issued on financial report prior to appointment and results	N/A
Written opinions from successor CPAs with regards to matters with which former CPAs disagreed	N/A

(3) The former CPAs' response to Article 10, Subparagraph 6, Item 1 and Item 2-3 of the accounting standards: The former CPAs' replied according to regulations to the incoming accountant and the Company, without any dissent or matters requiring disclosure.

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VI. Chairman, CEO, or managers in charge of the Company's finance or accounting matters in the most recent year held a position at the accounting firm or any of its affiliated Company-None

VII. Changes in equity of Directors, managers, and major shareholders

Job title	Name	2024		As of April 5, 2025	
		Increase (decrease) in shares held	Increase (decrease) in pledged shares	Increase (decrease) in shares held	Increase (decrease) in pledged shares
Chairman	Nita Ing	-	-	-	-
Director Representative:	Wei-Dar Development Co., Ltd.	-	600,000	-	-
	Nita Ing	-	-	-	-
	John Huang	-	-	-	-
Director Representative:	Han-De Construction Co., Ltd.	-	(4,850,000)	-	2,700,000
	Charles Y. Huang	-	-	-	-
	Monling Lee	-	-	-	-
	Arthur Chiang (Term ends on June 7, 2024.)	-	-	N/A	N/A
	John T. Yu (Term ends on June 7, 2024.)	-	-	N/A	N/A
Independent Director	Sean Chao	-	-	-	-
Independent Director	Rex Yang	-	-	-	-
Independent Director	Ellen Tsai	-	-	-	-
Independent Director	Robert Hung (Term ends on June 7, 2024.)	-	-	N/A	N/A
CEO	Joseph Chai (Note1)	-	-	-	-
Vice President	Edward Wang	-	-	-	-
Vice President	Qiwei Lu	-	-	-	-
Vice President	Kevin Liu	-	-	-	-
Vice President	Brian Hsu	-	-	-	-
Vice President	Kent Emil Kvaal	-	-	-	-
Vice President	Peggy Wang (Resigned on April 18, 2024.)	-	-	N/A	N/A
Corporate Governance Officer	Calvin Tsai (Resigned on July 1, 2024.)	-	-	N/A	N/A
Sr. Asst.Vice President	Thomas Lin	-	-	-	-
Sr. Asst.Vice President	Iting Tsai	-	-	-	-
Vice President	Maggie Huang	-	-	-	-
Accountant Officer	Grace Lin	-	-	-	-

Note :Shares held through nominees

Information on Equity Transfer and Equity Pledge:

The aforementioned transactions of equity transfer and equity pledge involving directors, executives, and major shareholders are not related parties; therefore, there is no disclosure of this information.

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VIII. Disclosure of Interrelationship among top 10 largest shareholders

April 5, 2025

Name	Share(s) held personally		Shares currently held by their spouses and children of minor age		Shares held in another person's name		Names and relationship of any of the top ten shareholders and their spouses or relatives of 2nd degree of relationship who are related defined in the Statement		Re- marks
	Share (s)	(%)	Share (s)	(%)	Share (s)	(%)	Name/name	Relationship	
Bunker Industry Inc. Representative: Liu Gui Ying	69,524,417	8.42	0	-	0	-	Han-De Construction Co., Ltd. Wei-Dar Development Co., Ltd. Tamerton Group Limited Miriton Investment Limited	Related-party	
Han-De Construction Co., Ltd. Chairman: MaoShi Corporation	63,093,108	7.64	0	-	0	-	Bunker Industry Inc. Wei-Dar Development Co., Ltd. Tamerton Group Limited Miriton Investment Limited	Related-party	
							Wei-Dar Development Co., Ltd.	Chairman of the same person	
Wei-Dar Development Co., Ltd. Chairman: MaoShi Corporation	53,708,923	6.50	0	-	0	-	Bunker Industry Inc. Han-De Construction Co., Ltd. Tamerton Group Limited Miriton Investment Limited	Related-party	
							Han-De Construction Co., Ltd.	Chairman of the same person	
Formosa Petrochemical Corporation Chairman: Cao Ming	41,201,000	4.99	0	-	0	-	None	None	
Tamerton Group Limited Representative: Wang, Hui-Ling	34,578,143	4.19	0	-	0	-	Bunker Industry Inc. Han-De Construction Co., Ltd. Wei-Dar Development Co., Ltd. Miriton Investment Limited	Related-party	
Hao Ran Foundation Chairman: Nita Ing	28,171,319	3.41	0	-	0	-	None	None	
Cathay Life Insurance Co. Ltd. Chairman: Xiong Ming He	19,942,000	2.42	0	-	0	-	None	None	
Miriton Investment Limited Representative: Wang, Hui-Ling	14,151,148	1.71	0	-	0	-	Bunker Industry Inc. Han-De Construction Co., Ltd. Wei-Dar Development Co., Ltd. Tamerton Group Limited	Related-party	
Citibank (Taiwan) entrusted with custody of the investment account of the Central Bank of Norway.	11,804,826	1.43	0	-	0	-	None	None	
JPMorgan Custodian Advanced Starlight Advanced Comprehensive International Stock Index	9,769,009	1.18	0	-	0	-	None	None	

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IX. Equity investment and shareholding information held by the Company, its directors, managers and directly/indirectly owned subsidiaries

Unit: shares; %

Investees (Note)	Investment by the Company		Investment by directors, managers and enterprises directly or indirectly controlled by the Company		Total investment	
	Share(s)	(%)	Share(s)	(%)	Share(s)	(%)
Trimurti Holding Corporation	86,920,000	100.00	-	-	86,920,000	100.00
Hardison International Corporation	3,896,305	100.00	-	-	3,896,305	100.00
Dymas Corporation	1,161,004	19.48	4,798,566	80.52	5,959,570	100.00
TSRC (Vietnam) Co., Ltd.	N/A	100.00	-	-	N/A	100.00

Note: Long-term investments accounted for using the equity method.

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I. Capital and shares

<1> Source of capital stock

April 5, 2025

Year/ month	Issue price (NTD)	Authorized stock capital		Paid-in capital		Remarks		
		Shares(s) (1,000 shares)	Amount (NTD1,000)	Shares(s) (1,000 shares)	Amount (NTD 1,000)	Source of stock capital	Property oth- er than cash offset against capital	Other
July 1973	10	20,000	200,000	5,100	51,000	Incorporation of Company		
June 1974	10	20,000	200,000	13,200	132,000	Increase of NTD 51,000,000	Technical coopera- tion remu- neration transferred to capital stock NTD 30,000,000	
February 1975	10	20,000	200,000	20,000	200,000	Increase of NTD 61,928,000	Technical coopera- tion remu- neration transferred to capital stock NTD 6,072,000	
Novem- ber 1975	10	40,000	400,000	30,000	300,000	Increase of NTD 100,000,000		
Decem- ber 1975	10	40,000	400,000	40,000	400,000	Increase of NTD 100,000,000		
July 1976	10	60,000	600,000	50,000	500,000	Increase of NTD 100,000,000		
April 1977	10	60,000	600,000	54,000	540,000	Increase of NTD 40,000,000		
July 1980	10	110,000	1,100,000	73,238	732,380	NTD 14,000,000 transferred from earnings NTD 52,380,000 transferred from capital		
Septem- ber 1981	10	110,000	1,100,000	92,300	923,000	Increase of NTD 16,980,000 NTD 173,640,000 transferred from earnings		Issue date: May 18,1981
April 1982	10	120,000	1,200,000	116,000	1,160,000	Increase of NTD 135,470,000 NTD 101,530,000 transferred from capital		Listed date: September 25, 1982
October 1983	10	121,800	1,218,000	121,800	1,218,000	NTD 58,000,000 transferred from capital		
Septem- ber 1984	10	145,000	1,450,000	127,890	1,278,900	NTD 60,900,000 transferred from capital		
August 1985	10	145,000	1,450,000	140,679	1,406,790	NTD 63,945,000 transferred from earnings NTD 63,945,000 transferred from capital		

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Year/ month	Issue price (NTD)	Authorized stock capital		Paid-in capital		Remarks		
		Shares(s) (1,000 shares)	Amount (NTD1,000)	Shares(s) (1,000 shares)	Amount (NTD 1,000)	Source of stock capital	Property oth- er than cash offset against capital	Other
Septem- ber 1986	10	164,200	1,642,000	164,200	1,642,000	Increase of NTD 80,463,000 NTD 119,577,000 transferred from earnings NTD 35,170,000 transferred from capital		
July 1987	10	201,966	2,019,660	201,966	2,019,660	NTD 344,820,000 transferred from earnings NTD 32,840,000 transferred from capital		
August 1988	10	238,319	2,383,199	238,319	2,383,199	NTD 363,539,000 transferred from earnings		
August 1989	10	274,068	2,740,679	274,068	2,740,679	NTD 357,480,000 transferred from earnings		
October 1991	10	306,956	3,069,560	306,956	3,069,560	NTD 328,881,000 transferred from earnings		
August 1995	10	550,000	5,500,000	369,700	3,697,000	NTD 627,440,000 transferred from earnings		
July 1997	10	550,000	5,500,000	502,900	5,029,000	NTD 1,332,000,000 transferred from earnings		
July 1998	10	750,000	7,500,000	580,487	5,804,870	NTD 775,870,000 transferred from earnings		Authorized stock capital includes convertible corporate bonds totaling 100 million shares
July 1999	10	750,000	7,500,000	609,511	6,095,114	NTD 290,244,000 transferred from earnings		June 29, 1999 Approved by the official letter under (88) Tai- Tsai-Cheng (1) No. 59287
June 2006	10	750,000	7,500,000	649,909	6,499,095	NTD 403,981,000 transferred from earnings		Approval by letter under Chin-Kuan- Cheng-Yi-Tze No. 0950124967 dated June 20, 2006
June 2011	10	900,000	9,000,000	714,900	7,149,004	NTD 649,909,000 transferred from earnings		Approval by letter under Chin-Kuan- Cheng-Yi-Tze No. 1000028593 dated June 22, 2011
June 2012	10	900,000	9,000,000	786,390	7,863,904	NTD 714,900,000 transferred from earnings		Approval by letter under Chin-Kuan- Cheng-Yi-Tze No. 1010027239 dated June 19, 2012

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Year/ month	Issue price (NTD)	Authorized stock capital		Paid-in capital		Remarks		
		Shares(s) (1,000 shares)	Amount (NTD1,000)	Shares(s) (1,000 shares)	Amount (NTD 1,000)	Source of stock capital	Property oth- er than cash offset against capital	Other
June 2014	10	900,000	9,000,000	825,709	8,257,099	NTD 393,195,000 transferred from earnings		Approval by letter under Chin-Kuan- Cheng-Yi-Tze No. 1030023928 dated June 25, 2014
June 2019	10	1,200,000	12,000,000	825,709	8,257,099			

April 5, 2025

Type of shares	Authorized stock capital (shares)			Remarks
	Listed Shares	Non-listed shares	Total	
Common stocks	825,709,978	374,290,022	1,200,000,000	
Preferred stocks	-	-	-	

Information related to general report system-Not applicable

<2> Major shareholders

April 5, 2025

Shareholders	Shares	Shares held	Stake (%)
Bunker Industry Inc.		69,524,417	8.42
Han-De Construction Co., Ltd.		63,093,108	7.64
Wei-Dar Development Co., Ltd.		53,708,923	6.50
Formosa Petrochemical Corporation		41,201,000	4.99
Tamerton Group Limited		34,578,143	4.19
Hao Ran Foundation		28,171,319	3.41
Cathay Life Insurance Co. Ltd.		19,942,000	2.42
Miriton Investment Limited		14,151,148	1.71
Citibank (Taiwan) entrusted with custody of the investment account of the Central Bank of Norway.		11,804,826	1.43
JPMorgan Custodian Advanced Starlight Advanced Comprehensive International Stock Index		9,769,009	1.18

<3> Company Dividend Policy and Implementation

1. Dividend policy

The dividend policy of the Company is as follows: If there are earnings after closing of accounts, the Company shall first pay all taxes, and make up the losses of the preceding years and then, pursuant to the applicable laws and regulations, set aside a legal reserve of ten percent (10%) of the net profit and either make allowance or reversal for the special surplus reserve.

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Subsequently, the amount of the remaining profit shall be added to the adjusted beginning period unretained earnings as the distributable earnings. The Board of Directors shall prepare an earnings distribution proposal for such distributable earnings and submit it to the shareholders' meeting for approval. However, in the case of cash dividends, the proposal could be approved by a majority vote of the directors at the meeting of the Board of Directors with a quorum of two-thirds or more of the directors present and be reported to the shareholders' meeting.

In the distribution of dividends to the shareholders as mentioned in the preceding paragraph, the amount of cash dividends shall not be less than twenty percent (20%) of the aggregate distributable amount.

In line with the Company's long-term capital planning strategy, and adhering to principles of stability and balance, the Company has allocated 50% to 60% of the after-tax net profit for the fiscal year as cash dividends to shareholders in recent years.

2. Distribution of dividends scheduled at the shareholders' annual meeting

The Board of Directors of the Company, in line with the Company's operational development and considering shareholder interests, intends to distribute a cash dividend of NT\$0.63 per share. Submitted to the 2025 Shareholders' Meeting for Report.

<4> Effect upon business performance and EPS of stock dividend distribution plans drafted at the shareholders' annual meeting:Not applicable.

<5> Employees' compensation and directors' remuneration

1. In accordance with the Article 28-1 of the Company's articles of incorporation, If there is profit at the end of each fiscal year, a ratio of no less than one percent (1%) of the profit shall be allocated as employees' compensation and not more than one percent (1%) of the profit shall be allocated as directors' compensation.

The amount of directors' compensation and the regulation governing the employees' compensation as mentioned in the preceding paragraph shall be decided by the Board of Directors.

2. The amount of the employee's and Directors' remuneration compensation in 2024 is estimated at a certain ratio according to the profit and loss of the current year. The remuneration of the director is accounted for by the expected amount. If there is a discrepancy between the above-estimated amount and the actual issued amount, it will be treated according to the changes in accounting estimates and recorded in the year of issuance.
3. Board of Director Resolutions on Compensations:
 - (1) In 2024, the Company distributed remunerations of employees and remunerations of Directors in cash of NT\$62,289 thousand and 0; the amounts are in line with the estimated amounts during the year of recognition.
 - (2) The Company does not distribute employees' remuneration in stock in 2024.

4. The actual distribution of the remunerations of employees and Directors for the preceding year:

In 2023, the Company distributed remunerations of employees and remunerations of Directors in cash of NT\$69,010 thousand and 0; the amounts are in line with the estimated amounts during the year of recognition.

<6> Share repurchases: None

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- II. Corporate bonds - None
- III. Preferred stocks Status - None
- IV. Global depository receipts Status - None
- V. Employee stock options Status - None
- VI. Restricted Stock Awards Status - None
- VII. Status of issuance of new shares for mergers or acquisitions of other companies - None
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I. Business overview

<1> Business Scope

- 1. Major business and product lines:
The business focuses on developing, manufacturing and selling various synthetic materials, including:
(1) Synthetic rubber and elastomers: E-SBR, S-SBR, BR and TPE
(2) Applied Materials

2. Product Portfolio

Unit: thousand NTD		
Items	Revenue in 2024	Total Turnover(%)
Synthetic rubber and elastomers	36,446,737	98
Applied materials	761,928	2
Total	37,208,665	100

3. Planned Developments of New Products

- 1 TSRC is actively advancing next-generation technology platforms, investing in the development of new-generation eco-friendly S-SBR and Li-BR rubber products to meet the growing needs for high-performance and electric vehicle tires.
- 2 Continuously expand the application fields of BR products, enhance energy efficiency and high wear resistance, and meet the needs of footwear and tire customers.
- 3 Development of high-value-added differentiated SBC products is underway, including applications in medical-grade materials and Oil Additives and sanitary products.
- 4 Development of functional film materials suitable for medical and electronic products is also progressing, Provide sustainable and customized solutions.

<2> Industry Overview:

- 1. Global Economic Environment
In 2024, the global economy experienced various challenges and fluctuations, which were mainly due to the effects of economic figures (i.e., inflation trends and unemployment rate) and the changes in the interest rate policy of central banks in different countries. The pressure of inflation and the labor market is being relieved step by step, making the stance of central banks in different countries change. The monetary policies imposed turned from tightening to relatively neutral, driving the recovery of consumer confidence. However, geopolitical risks (i.e., disputes in the Middle East and the intensified US-China trade war) continued to affect the international economy. On the other hand, Mainland China continued to face sluggish domestic consumption and investment momentum, and the property market and other structural challenges imposed heavy pressure on the overall economic performance, affecting the finance of local governments.

Looking into 2025, with the restless protectionism and geopolitical situations and the effects of interest rate costs, high debts, and the implementation of the customs policy imposed by the new government of the U.S., the global economy remains under stress in 2025. IMF and OECD forecast that the global economic growth in 2025 will be 3.2% and 3.3%, respectively, and the growth prospect of global GDP will be equivalent to that of 2024. With the decrease in interest rates in major countries and the increase in the stimulus policy in Mainland China, it is expected that the effects of policies may bring recovery opportunities for the manufacturing industry.

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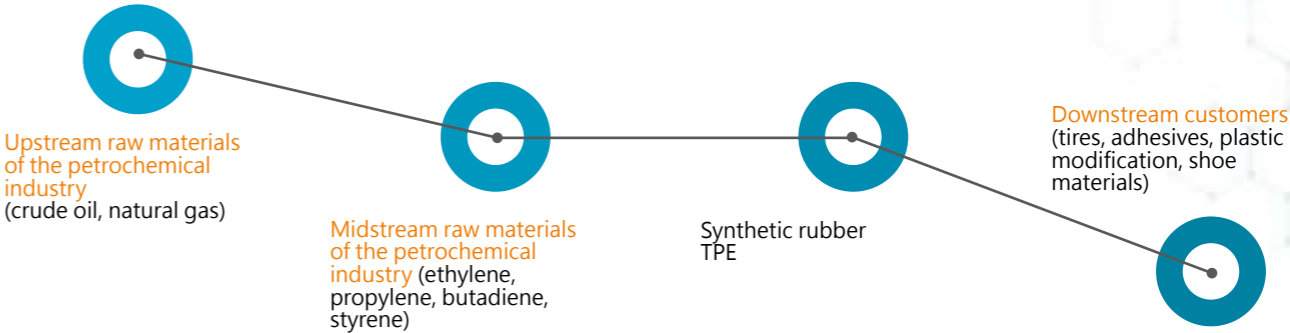
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2. Relevance of the industry's upstream, midstream and downstream:



Upstream raw materials of the industry are crude oil and natural gas. Midstream raw materials refer to raw materials produced by cracking “petrochemical primary raw materials” e.g. naphtha, followed by reactions such as polymerization, oxidation, and synthetization. The downstream of petrochemical industry processes midstream raw materials to produce plastics, chemical fibers, rubbers, and other chemical products such as tires, plastic modification, adhesives, shoe materials and other industrial goods.

3. Current Industry Status and Outlook:

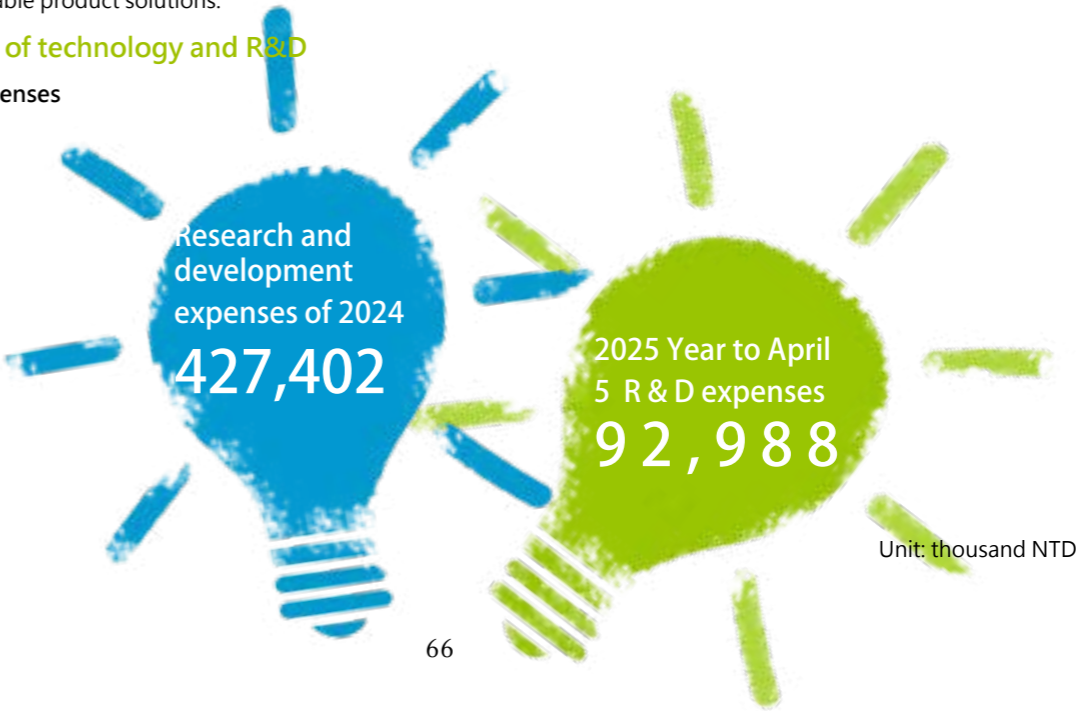
In 2024, the global economy continued to face multiple challenges, including the sluggish domestic demand in Mainland China, the increase in international transportation costs, and protectionism via customs, and the end product consumption remained relatively conservative.

It is hoped that in 2025 the slowdown of global inflation and the downward adjustments to interest rates are beneficial for improving consumer confidence and the overall demand in the vehicle market that is closely related to the products of TSRC remained stable. However, the US-China technology and trade war and the intense geopolitical situations will continue to affect the global economy, and the further customs protection actions taken by the U.S. brought high uncertainties to the global supply chain. In addition, the industry in which TSRC is located has continuously been facing intensified price competition due to sufficient supply capacity and energy and environmental regulations and carbon emission reduction policies will result in the intensification of challenges on the costs in the chemical industry.

Facing complicated and everchanging competitive environments, the Company will have close cooperation with crucial customers in terms of supply, technical services, transportation, and cost management through sufficient sales/production/purchase negotiations and continue to deepen the long-term cooperation relationships while actively optimizing the production quality and product performance so as to satisfy customers’ expectations for top-notch products. Looking forward, we will continue to promote new technological platforms and application R&D and accelerate the commercial production of high-added value product applications while actively developing sustainable product solutions.

<3> Overview of technology and R&D

1. R&D expenses



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2. Successfully developed technology or products

Item	Result
Patents	<ul style="list-style-type: none">There are 15 patents granted for this year.
Development of new generation rubber materials	<ul style="list-style-type: none">Successfully introduced the development of new-generation products and provided customized products to customers through functionalization and the micro-structure control technical platform. Overcome material limitations while providing better application performance. The products have passed the certification of global plants of major international brands and continue to expand sales
Development of tires for new energy vehicles.	<ul style="list-style-type: none">Development of next-generation rubber material solutions, encompassing application research testing, new energy vehicle tire technology platforms, and product portfolios, Combined simulation and analysis technologies of multiple dimensions to provide comprehensive solutions with an excellent balance between the rolling resistance, grip, and strength for tires of EVs, and the products entered the pilot production stage and exhibited favorable performance.
Product optimization - ESBR/BR	<ul style="list-style-type: none">Optimization of existing BR product formulations and processes, expanding into new application markets to provide customers with better processing performance, Our products have been certified by major manufacturers, enhancing commercial sales orders. ° Develop energy-saving products simultaneously to assist customers in achieving energy conservation and carbon reduction goals.Successfully evaluated and introduced the second supplier for multiple raw materials and enhanced the raw material supply chain stability while developing the BIO product series. Currently, such products have entered the designated manufacturer certification stage of a large-scale international sports brand, continuing to improve competitive strength in the market.
Development of high-value Styrene-Butadiene Copolymer (SBC) products	<ul style="list-style-type: none">Completed the development of medical materials; international customers have completed testing and medical certification of the product; Gained recognition from leading international medical companies, and continue to expand salesDeveloped materials for hygiene products; high-liquidity products are used in elastic films and elastic non-woven fabrics, and high-vinyl products are used in the modification of plastics; partial products are formally commercialized for sales.To meet market demand and comply with the latest global regulations, Complete the development and commercialization of hygiene care products, and continuously improve product quality to ensure performance.
Development of ESG shoe material product	<ul style="list-style-type: none">We jointly developed the easily recyclable synthetic leather technology with the ITRI and won the “R&D 100” award.Applied the supercritical fluid foaming technology in developing application products in line with ESG to satisfy the innovation requirements of international brands.Developed recyclable SEBS based on PCR technology to satisfy the requirements for ESG products in the market.
Compounds for medical use	<ul style="list-style-type: none">Optimized the key performance of tubing and films for medical infusion materials, actively striving for certification from leading medical equipment brands.Successfully developed a patented injection molding technology that is used in infusion materials.Successfully developed the materials for the film of medical infusion bags and established comprehensive quality control standards and methods to ensure the quality of medical-grade products.
Compounds for special applications	<ul style="list-style-type: none">Established comprehensive protective film compounded material production lines to satisfy the demand of different customers and actively conducted market development and promotion.
Development of cutting-edge process technologies	<ul style="list-style-type: none">Completed the new-generation production line designs and evaluations and introduced high-performance reaction systems and advanced procedure control to significantly improve production capacity.Developed low-carbon procedure technology to reduce energy consumption through system optimization and concentration increase technology.Continued to optimize existing procedures and product verification while successfully developing high-end medical-grade product procedure technologies to improve product quality.

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<4> Long-Term and Short-Term Business Development Plans

To realize High-Value transformation and in response to the increasing global awareness of ESG, the Company's major R&D direction will focus on developing new products and new technologies with high added-values by using advanced environmental protection process, to allow products and services of the Company to gain customers' satisfaction and solve issues of customers arising from the use of rubber, creating the niche for mutual benefits. The substantial development plan includes:

1. Long-term plan:
 - (1) Target key end-market applications and collaborate with customers' R&D teams to jointly develop high-value innovative products, serving as a total solution provider for the customers.
 - (2) Upgrade manufacturing equipment and the utilization of raw materials to improve production efficiency and production costs optimization.
 - (3) Continue examining synthetic rubber market dynamics and customer needs while exploring opportunities in new products, market, and applications, and evaluate opportunities of upstream and downstream strategic alliances.
 - (4) Offer local supply and customer services for target market industries and supply chain in order to strengthen TSRC's market position and expand customer base.
 - (5) Evaluate the feasibility of using biomass raw materials, biodegradable packaging materials, and eco-friendly materials in product procedures and improve the consumption of renewable energy and the reclamation ratio of water resources.
 - (6) Continue to promote the R&D of innovative TPE technology platforms and applications to satisfy the requirements for innovative products in the market and further reinforce customer and technical services to establish differentiated competitive strength. Combining with the development of the downstream industry and customer requirements, we are committed to developing application materials with high added value, including medical films, medical devices, protective films, personal hygiene products, and other application products with high added value to satisfy the use requirements of the emerging market through increasing the diversity of product portfolio.
 - (7) Adopting the establishment of long-term strategic cooperation partners with global shoe material brands, we provide value and professional knowledge for application markets in the hope of becoming the provider of shoe material solutions.
 - (8) In response to global energy conservation and carbon reduction, develop application markets related to recycled plastics, including utilizing existing TPE to improve the impact strength and percentage of breaking elongation of recycled materials to grant use performance to recycled products that are equivalent to that of new materials to extend the useful life of products. Meanwhile, we actively develop the mixing of recycled plastics, the full recycling of materials, and relevant application solutions. TSRC Shanghai obtained the GRS certification in June 2024 to allow TSRC to move toward the next milestone regarding its development in the recycled material field.
2. Short-Term Plan:
 - (1) As countries, including the EU, Japan, and mainland China, have promoted the environmental tire label one after another, to continue focusing on developing and promoting the S-SBR market position with low rolling resistance and good traction performance; meanwhile, we will reinforce S-SBR and other special synthetic rubber product portfolio to respond to the carbon reduction requirements of customers, securing the certification from major tire customers and increasing our market share.
 - (2) Focus on high-rigidity, high-traction, wear resistance, and low-rolling resistance features for EV tire and continue to develop new products to satisfy the requirements of tire customers.
 - (3) Strengthen the Company's market positioning by utilizing the production capacity of the Vietnam Plant and its geographical advantages and enter new regions, including India and Southeast Asia; continue expanding our customer base to improve the supply chain benefits.
 - (4) Proactively responding to industry headwinds through stable product quality, close collaboration with customers, and differentiated market positioning with high-value product supply.
 - (5) Developing a 2025 for obtaining International Sustainability and Carbon Certification (ISCC PLUS) accreditation for the TPE production bases in Nantong and the United States, showcasing the company's proactive actions in sustainable materials.
 - (6) Strengthen the biomass TPE product portfolio to provide forward-looking options for high-performance materials to satisfy the product design requirements of customers and strive to improve the sustainability of high-performance materials through recycling and innovative application plans.
 - (7) Facing high uncertainties in the industrial environment, focus on rational upstream raw material procurement and production decisions and segregate with other companies in the market through inventory level management, product quality control, customer cooperation and exchanges,

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II. Market overview and production/sales analysis

<1> Market Analysis

1. Major sales destinations

Unit: thousand NTD/Metric Ton

Name of product	2024		Exported territories
	Sales volume	Sales amount	
Synthetic rubber and elastomers	545,656	36,446,737	China, USA, Taiwan, Vietnam, Germany, Thailand
Applied materials	9,675	761,928	China, Vietnam, India

2. Market share:

TSRC had ranked NO.7 in the world based on IISRP 2024 Annual Synthetic Rubber Capacity Survey.

3. Industry demand supply and market growth projection

The synthetic rubber industry continues to face oversupply. However, automobiles and tires are essential consumer goods, and the long-term market demand is expected to remain stable, providing a solid foundation for the operation of TSRC. The demand for automobiles and tires in the Asian region continues to exhibit higher growth compared to the global average. Our company will enhance profitability through optimization of customer and product portfolios, order allocation, and production line adjustments.

The rapid development of the electric vehicle industry is expected to drive demand for next-generation tire development, emphasizing characteristics such as energy efficiency, durability, and high performance. TSRC will dedicate itself to developing new products and solutions according to customer needs to strategically position itself in the market and seize opportunities. With the rise of ESG awareness, consumers are increasingly focused on energy-saving and carbon-reducing products, particularly in the fields of tires and footwear. Customers are paying more attention to the acquisition of sustainable materials. The Company obtained ISCC PLUS certification , demonstrating its ability to provide customers with bio-based materials. In the future, we aim to continue to increase the proportion of sustainable materials to achieve ESG goals.

Under the continuous development of global energy conservation and carbon reduction issues, the demand for recyclable, reusable, and low-carbon materials has become ardent. Except for the development of relevant materials, how to reduce the processing costs for recycling and reuse and convenience are also considered for the designs of end products. The increase in medical and health standards and the aging population also continued to bring about the requirements for green medical materials, and the conversion from PVC to TPE for medical packaging and devices will continue in 2025. The NEV industry has developed worldwide, and large-scale vehicle companies in Europe, the U.S., Japan, and Mainland China continue to launch different types of vehicle models in the market. In the NEV sales market in Mainland China, the sales ratio of NEVs exceeded 45%, and it is estimated that the overall market share will continue to grow. In addition, for the shoe industry, the development of global shoe brands focuses on low carbon, circular economy, and supply chain integration. Furthermore, it is noteworthy that the shoe industry’ s supply chain in Taiwan is actively planning the expansion of new production capacity in India and Indonesia.

The adhesive formulation industry is facing intense price competition, with the market share of the world's top adhesive formulation leaders being eroded by emerging private enterprises in China. Global adhesive formulation manufacturers are increasingly focusing on price sensitivity and are committed to developing products that reduce energy consumption or usage. With the rise of the circular economy and new regulations, the annual compound growth rate of recycled PP is estimated to be over 6%, which will drive a rapid increase in demand for SEBS-modified materials in post-consumer recycled (PCR) applications.

Under the effects of the new production capacity of national and private sectors in Mainland China, the global SBS operating rate was reduced to below 60% as compared to 2023. In addition, petrochemical enterprises in Mainland China constantly expand their production capacity for SIS, resulting in the intensified situation of supply over demand. Affected by the shrinkage of property demand and the relief of the pandemic, the application of waterproof membranes and mask films dropped significantly in Mainland China; however, the demand will increase due to the destocking of downstream and the constantly increasing e-commerce and the overall demand will show a slight

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growth as compared to last year. Furthermore, the demand for SEBS grew by 4.5% due to the moderate growth in vehicles and the economy. However, due to the commercialized operations of two new production lines of national petrochemical enterprises in 2024, the global operating rate dropped to below 60%. Overall, the dynamic changes of different industries are affecting the global chemical industry; therefore, we shall keep abreast of market dynamics to make adjustments and responses in a timely manner.

4. Competitive positioning, future development factors and actions

The synthetic rubber business of our Company produces E-SBR and BR, which are mature products. The differences between products produced by different manufacturers are not significant, and raw material costs are the key to profitability. Our Company lacks upstream integration advantages, and profitability is significantly affected by raw material trends, especially butadiene. In recent years, there has been a significant increase in butadiene capacity in the Asian region. Coupled with our Company's bargaining power in procurement, we anticipate reducing the cost differential between non-integrated and vertically integrated facilities. Furthermore, the Company actively expands into overseas markets and non-tire sectors, broadening its sales channels.

With the rise in protectionism and geopolitical tensions, the risks to the supply chain have increased. The focus of the supply chain has shifted from optimizing production costs to ensuring diversity and local stability in supply. TSRC has multiple production sites globally, which effectively mitigates the risk of supply disruptions for customers and optimizes costs amid trade disputes or increased carbon fees.

The Advanced Materials Division of the Company anticipates increased market impact due to the gradual introduction of new facilities for Thermoplastic Elastomers (TPE) in China between 2024 and 2025. During the initial operation phase, these new facilities will be in the debugging stage, potentially increasing the probability of market disruption from low-cost supply, Especially in off-season industries. Further exacerbating the supply-demand imbalance in the market, creating a situation of adding insult to injury. Simultaneously, facing geopolitical conflicts, relatively high energy prices, and the profound impact of carbon taxes on the international trade landscape, accelerating the restructuring of supply chain industry systems, with a noticeable trend towards regionalization.

As sustainable development issues continue to receive attention, more and more companies need to adjust and innovate product development to meet the needs of different industry sectors and align with the trend of sustainable development. Under the requirements of the circular economy, simplifying the types of raw materials in products has become a core focus of development, aimed at increasing recyclability and using recycled materials. These trends help drive customers to shift their raw materials towards high-performance thermoplastic elastomers (TPE) and related downstream applications, thereby accelerating the growth rate of market demand. Therefore, enterprises should pay more attention to the environmental characteristics of their products, including eco-friendly, non-toxic materials, carbon reduction, energy efficiency, lightweight products, and enhanced structural strength. These characteristics not only offer advantages in recyclability but also prolong the material's lifespan, becoming key trends in the development of downstream product applications.

In response to the competition arising from the new capacity in thermoplastic elastomers (TPE), the Company will simultaneously address short-term, long-term, and sustainable benefits, undertaking concrete actions. Furthermore, plan for ISCC Plus certification of factories in Nantong, China, and the United States in 2025. It will continue to enhance the sustainability of high-performance materials and diversify its portfolio of market and application solutions through various innovative initiatives. The Company is focusing on accelerating the development of new high-end technology application solutions for hydrogenated thermoplastic elastomers (TPE) and compounding materials, aiming to break away from price competition and enhance the company's competitiveness.

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<2> Important application and manufacturing processes of main products

1.Main product important use:

E-SBR	General material for car tires, soles, conveyor belts, hoses, sport facilities, toys and other industrial products.
S-SBR	Energy-saving (low rolling resistance) tires, high-function tires, snow tires and all-season tires.
BR	High-speed tires, soles, sport facilities, High Impact polystyrene (HIPS) and other industrial products.
TPE	Adhesives, hot melt adhesives, plastic modifiers, film, medical transfusion suppliers, tar modification, and other industrial products of special applications
Applied Materials	Advanced shoe materials, foamed shoe materials, toys, stationery, wire and cable, baby supplies, personal care, hand tools covering, materials, car industry and other industries such as refrigeration.

2.Outline of production process:

E-SBR	E-SBR is produced in an emulsion polymerization system. Soap is used as the reaction medium and emulsifier for the polymerization of butadiene and styrene to produce high molecular latex. After the addition of anti-oxidant and extender oil (for oil-extended rubber products), the coagulation crumb is then washed, dewatered, dried, baled and packaged.
S-SBR	S-SBR is produced in a solution polymerization system. Butadiene and styrene was polymerized to high molecule weight rubber solution via anionic initiator in organic solvent system. After the addition of anti-oxidant and extender oil (for oil-extended rubber products), the coagulation crumb is then washed, dewatered, dried, baled and packaged.
BR	BR is produced in a solution polymerization system. Crumb is made after polymerization of butadiene (BD), and is condensed into pallets, ash content is washed off and then dewatered and packed.
TPE	TPE is produced in a solution polymerization system. Crumb is made after polymerization of butadiene and styrene after being steamed to recall solvent, it is dewatered, pelleting and then packed.
Applied Materials	TPE products and other raw materials are mixed, blended and granulated.

<3> Supply of main raw materials

The synthetic rubber produced by the Company is mainly polymerized from butadiene and styrene within the petro-chemical products.

Item	Main source	Supply situation
Butadiene	Domestic, imports	Domestic butadiene is primarily supplied by CPC and FPCC and imported in the case of the short supply.
Styrene	Domestic	Styrene is primarily supplied by SMCT, FCFC and GPPC

<4> (Suppliers (Customers) accounting for 10% or more of the Company's total procurement (sales) amount in either of the most recent two fiscal years, the amounts bought from (sold to) each, and the percentage of total procurement (sales) respectively, and reasons for increase/decrease

There was no supplier or customer accounted for 10% or more of the Company's total purchases or sales value in the most recent two years.

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III. Employees information

Year	2023	2024	As of April 5, 2025
Direct workers	884	887	874
Indirect workers	768	771	774
Total	1,652	1,658	1,648
Average age	42.0 (years old)	42.2 (years old)	42.5 (years old)
Average seniorities	11.9 (years)	12.0 (years)	12.2 (years)
Education level	Ph.D.	1%	1%
	Master	14%	14%
	Bachelor	66%	68%
	Senior high school	16%	15%
	Below senior high school	3%	2%

IV. Disbursements of environmental protections

In 2024 and up to the publication date of the annual report (April 5, 2025), the description of losses incurred due to environmental pollution is as follows:

No. of Fine Notification	Regulation or Provision Violated	Disposal	Amount of Fine	Countermeasure
Kao-Shi-Huan-Ju-Fei-Chu-Zi No.20-113-060026	Article 20, Paragraph 1 of the Air Pollution Control Act	According to the equipment component testing results of Kaohsiung Plant by personnel from the Environmental Protection Bureau, Kaohsiung City Government, on March 28, 2024, the net test value of one equipment component in the procedure exceeds 2,000ppm (No. 021130328001V; fluid composition: cyclohexane; test value: 25,684ppm), which exceeds the standards in the "Kaohsiung City Equipment Component Volatile Organic Compound Control and Discharge Standards" and violates paragraph 1, Article 20 of the Air Pollution Control Act.	NT\$ 225,000	Include the axis of control valves as components with high fugitive emission risks, arrange for dedicated personnel to perform tests, and increase the self-testing frequency.
Kao-Shi-Huan-Ju-Fei-Chu-Zi No.20-113-060027	Article 23, Paragraph 2 of the Air Pollution Control Act	Regarding the furnace CHP procedures in Kaohsiung Plant (M01), according to the results of function audits by personnel from the Environmental Protection Bureau, Kaohsiung City Government, for the continuous monitoring facilities installed according to the requirements for the emission channel (P001) of the procedure, the efficiency of NO2/NO converter was 87.01 % , which failed to apply with the requirements in Appendix II (VII) performance specification (with a conversion rate of 90% or above) stated in Article 14 of the "Regulations Governing the Continuous Monitoring Facilities of Stationary Pollution Source Air Pollutants" and violated paragraph 2, Article 23 of the Air Pollution Control Act.	NT\$ 225,000	The system is replaced, and it is no longer required to use standard gases to calibrate the conversion efficiency of NO2/NO.

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No. of Fine Notification	Regulation or Provision Violated	Disposal	Amount of Fine	Countermeasure
Kao-Shi-Huan-Ju-Fei-Chu-Zi No.20-113-120078	Article 8, Paragraph 3 of the Air Pollution Control Act	The VOC emissions of the Kaohsiung Plant were 169,758 kg/year, which exceeded the target annual emissions of 162,212 kg/year in the existing stationary pollution source air pollutant emission recognition document and violated paragraph 3, Article 8 of the Air Pollution Control Act.	NT\$ 750,000	Include the product volume in the monthly alert table for tracking. Purchase VOC reduction credits and complete the alteration of the recognition document.

V. Labor relations

<1> Employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and measures for preserving employees' rights and interests:

1. Regarding welfare measures

- (1) Besides providing employees with cash gifts for the three major festivals (Dragon Boat Festival, Moon Festival, Chinese New Year), birthday and Labor day through Employee Welfare Committee, the Company also implements “cafeteria benefit” , a welfare project for employees to combine the “bonus points” satisfying their own welfare demands, including travel and leisure activities, education subsidy for their children, self-selected group buying of daily supplies from employee welfare club, etc., to truly implement the actual concepts of employee welfare.
- (2) TSRC hosts large annual gatherings and galas each year for better employee relationships.
- (3) Setting up staff cafeteria and subsidizing staff's meals
- (4) Gives employees cash gifts for weddings, childbirth, injuries, and allowances for disease.
- (5) As for the insurance, besides labor and health insurance, TSRC also provides free group insurance that covers employees and their family members.
- (6) Has one nurse for each medical room; and offers medical consultation services with physicians.
- (7) In addition to enhancing employee welfare, Employ visually impaired massage therapists to provide services, equitable, and inclusive workplace environment, contributing to the promotion of DEI (Diversity, Equity, Inclusion) principles.

2. Education and Training

In accordance with internal employee training policies, the Company implements an education and training program based on the annual business objectives, departmental needs, and relevant legal requirements. This program includes courses on general knowledge, professional skills, and managerial abilities for both new hires and existing staff. Training is facilitated through methods such as On-the-Job Training (OJT), Off-the-Job Training (Off-JT), and Self-Development (SD) to achieve continuous learning objectives. The total training expenditure for the fiscal year 2024 amounted to NT\$10.903 million, with an average training cost of approximately NT\$6.6 thousand per person and an average training duration of about 65 hours per person.

3. Retirement System and Its Implementation

To ensure the stability of employees' lives after retirement, the Company has established a Labor Retirement Regulations and formed a Labor Retirement Preparation Fund Supervisory Committee. This committee convenes regular quarterly meetings to oversee the utilization of the retirement fund, safeguarding the interests of colleagues. In the year 2024, a total of four meetings were held to fulfill this responsibility.

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Item	Old System	New System
Legal Foundation	Labor Standards Act	Labor Pension Act
Allocation Ratio and Status of Retirement Funds	For employees eligible for retirement under the Labor Standards Act, 2% of their total monthly salary is deducted and deposited monthly into the Taiwan Bank's labor retirement reserve account. Every year, Yuetian Actuarial Consultants is commissioned to conduct actuarial calculations for retirement pensions. At the end of each year, the amount in the labor retirement reserve account is reviewed to determine if it is sufficient to cover the retirement pensions estimated to be required by employees who meet the retirement criteria for that year. If there is an insufficiency, the required retirement contributions will be topped up by the end of March of the following year in accordance with the law. As of the end of December 2024, there were 91 employees subject to the old retirement system, while there were 82 employees subject to both the new and old retirement systems simultaneously.	For employees covered by the Labor Pension Act, the company contributes a percentage ranging from 6% of each employee's monthly total salary according to the Salary Grading Table for Monthly Contributions to the Employee's Individual Pension Account to the individual pension accounts at the Bureau of Labor Insurance. Since the implementation of the Labor Pension Act on July 1, 2005, the proportion of new employees covered by the new retirement pension system among regular employees has been 100%. As of the end of December 2024, a total of 484 employees were covered by the new retirement system.
Qualifications for Retirement Application	Voluntary Retirement: a. Employees with 25 years of service in the Company b. Employees aged 55 or above with 15 years of service in the Company c. Employees aged 60 or above with 10 years of service in the Company Mandatory Retirement: a. Employees aged 65 or above · However, this does not apply to employees whom the company requires to stay. b. Employees who are physically or mentally incapable of performing their duties	As Left
Retirement Application Procedure	Employees eligible for retirement should complete the retirement application form. Upon approval, the retirement procedures will be carried out.	As Left
Retirement Pension Payment Standards	For employees covered by the "Labor Standards Act" and eligible for retirement based on their years of service, the retirement pension is calculated as follows: For each year of service, 2 times the basic wage is provided; After completing 15 years of service, an additional 1 times the basic wage is provided for each year beyond 15 years; The total number of basic wages provided is capped at 45; For periods of less than half a year, it is counted as half a year, and for periods exceeding half a year, it is counted as one year. The Company should provide the retirement pension to employees within 30 days from the date of their retirement.	When reaching the age of 60, individuals may apply to the Bureau of Labor Insurance to withdraw the accumulated funds from their personal accounts.

4. Measures for preserving employees' rights and interests:

The Company has established a labor union organization, providing diversified communication mechanisms and platforms to maintain harmonious and mutually beneficial labor-management relations. Regular labor-management meetings are held quarterly to facilitate regular and effective communication between labor and management. In 2024, a total of four labor-management meetings were convened to promote regular and effective communication between labor and management.

In addition, through the signing of a collective agreement with the enterprise union at the Kaohsiung factory, arrangements for work schedules and rest days for shift work are stipulated in the collective agreement for both labor and management to adhere to, fostering a friendly and harmonious working environment together.

- <2> In 2024 and until the publication date, there is no loss suffered from labor disputes.
- <3> Estimated loss suffered by the Company due to labor disputes currently and in the future, and explanation measures

Since the incorporation of the labor union, the relationship between employees and the Company has remained fair through the good interaction and communication. Therefore, no significant dispute over labor has occurred, let alone the loss thereof. Therefore, the Company and employees will abide by the communication models to create a win-win situation when proceeding with communication, and there is no likelihood of any monetary loss resulting from labor dispute.

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VI. Cybersecurity Management

In the era of accelerated digital transition, cybersecurity has become the key to stable operations and sustainable development of enterprises. Facing increasingly complicated network threats and information risks, the Company is deeply aware of the importance of information asset protection. Therefore, we strive to build a comprehensive cybersecurity management system that covers the cybersecurity risk management structure, cybersecurity policies, substantial management plans, and resources invested in cybersecurity management to comprehensively enhance our information security resilience.

By continuously improving our information security governance capabilities, we not only safeguard the stable operation of businesses but also protect the trust of customers and partners.

1. Cybersecurity risk management structure

The Company adopts cybersecurity as the key to sustainable corporate development and has established a comprehensive and stringent cybersecurity risk management structure. The Information Department has established a dedicated department with an Information Security Officer and information security personnel allocated to fully respond to information security issues. We carry out the risk level identification of core systems, regular cybersecurity equipment inventory, and annual information security risk assessments through information security risk management specifications, implementation regulations, and relevant rules.

In addition, the Company actively introduces international security standards (i.e., ISO 27001) and has officially obtained relevant certifications in 2024. Meanwhile, it joined the TWCERT/CC to obtain the latest information security intelligence for real-time responses.

2. Cybersecurity policies

The Company formulates and implements its cybersecurity policies, and the scope covers all information equipment, application software, communication equipment, large-scale servers, system software, and corporate data and ensures the safety and compliance of systems through the computer resource use specifications, software and hardware management regulations, and the employee account and password management system.

For potential information security threats, the Company has established a comprehensive protection system, including information security firewalls, e-mail filter system, IDS/IPS, and APT protection, and utilized the cloud security gateway and ZTNA to reinforce the remote access security and data transmission protection.

3. Substantial management plan

(1) Information security education and training:

- Implement social engineering drills, education and training and improve employees' awareness of information security.
- Dispatch information security promotion information via e-mail quarterly to share recent information security incidents and improve the information security awareness of employees.

(2) Incident response system:

- Establish comprehensive information security incident response and reporting procedures to ensure the rapid evaluation of effects and the adoption of countermeasures upon the occurrence of incidents.

(3) Internal information security monitoring and audit:

- The information security team of the Information Department convenes outsourced monitoring service report meetings with SOC suppliers quarterly and regularly carries out internal information security projects and internal control meetings.

(4) Data protection and access management:

- Implement a multi-layer protection system that covers access permission management, transmission encryption, and operating record monitoring to ensure the security of sensitive data.

4. Resources invested in cybersecurity management

The Company continues to invest resources in cybersecurity management to ensure the continuous optimization and effective operation of the information security system, including:

- (1) Human resources: Have one Information Security Officer and multiple dedicated personnel in place to be responsible for information security management and monitoring.
- (2) Technology resources: Introduce the international information security standards ISO 27001 to improve information security risk management capabilities.
- (3) External cooperation: Cooperate with TWCERT/CC to grasp the latest information security intelligence and cooperate with SOC suppliers for the provision of real-time monitoring and incident response services.
- (4) Education resources: We regularly carry out information security education, training, and drills to improve the information security protection awareness of employees.

5. In the most recent year and as of the publication date of the annual report, there were no material cybersecurity incidents, and there were no business or operational losses caused by cybersecurity issues. In the future, we will continue to optimize information security protection measures to ensure stable corporate operations and the security of information assets.

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April 5, 2025

Nature	Concerned party	Duration	Contents	Restrictive terms
Joint venture	UBE Industries Ltd., Marubeni Corporation UBE (Thailand) Co.,Ltd	October 20, 1995 until termination of the cooperative relationship	The joint venture for production and sale of BR with the annual capacity of 50 thousand metric tons of BR in Thailand	No
Joint venture	UBE Industries Ltd., Marubeni Petrochemicals Investment B.V.	October 26, 2006 until termination of the cooperative relationship	The joint venture for production and sale of BR plant with the annual capacity of 72 thousand metric tons in China	No
Technical support and services	Trimurti Holding Corporation	December 31, 2006 ~ until termination of the cooperative relationship	Authorize to use SEBS technology	No
Technology license	JSC VORONEZHSYNTEZKAUCHUK	May 27, 2009 until 10 years after the official production	Authorize for production of thermoplastic elastomers with the annual capacity of 50 thousand metric tons	No
Joint venture	Indian Oil Corporation	April 3, 2010 until termination of the cooperative relationship	The joint venture for production and sales of ESBR plant with the annual capacity of 120 thousand metric tons in India	No
Technology license	Indian Synthetic Rubber Private Ltd.	September 1, 2010 until termination of the cooperative relationship	A license for India Synthetic Rubber Private Limited. to use ESBR technology	No
Joint venture	ARLANXEO Holding B.V	May 7, 2010 until termination of the cooperative relationship	The joint venture for production and sales of NBR plant with the annual capacity of 30 thousand metric tons in China	No
Technology license	ARLANXEO-TSRC (Nantong) Chemical Industrial Co., Ltd	December 1, 2010 until termination of the cooperative relationship	A license for ARLANXEO-TSRC (Nantong) Chemical Industrial Co Ltd. to use NBR technology	No
Technology license	TSRC (Nantong) Industrial Ltd.	January 02, 2022 to December 31, 2041	Extend to a 35 thousand metric tons-SEBS technology licensing	No
Technology license	TSRC (Nantong) Industrial Ltd.	September 01, 2017 to December 31, 2041	Adding the permission for SEBS authorized products with the annual production of 20 thousand metric tons	No
Technology license	TSRC (Nantong) Industrial Ltd.	October 1, 2022 to September 30, 2032	Extend to a 25 thousand metric tons-SIS technology licensing	No
Relocation Compensation Contract	Chemical Industrial Park Management Office of Nantong Economic & Technological Development Area, Nantong Nengda River Science Innovation Park Development Co., Ltd. and Shen Hua Chemical Industrial Co., Ltd.	December 4, 2021 until termination of the cooperative relationship	Compensation agreement for Shen Hua Chemical Industrial Co., Ltd. to relocate in accordance with the policy	No

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Nature	Concerned party	Duration	Contents	Restrictive terms
Investment agreement	Chemical Industrial Park Management Office of Nantong Economic & Technological Development Area, Nantong Nengda River Science Innovation Park Development Co., Ltd. and Shen Hua Chemical Industrial Co., Ltd.	December 4, 2021 until termination of the cooperative relationship	The investment of relocating Shen Hua's plant that initially located in the North Development Zone to the South Development Zone in response to the "Industrial Upgrade, Reformation, and Relocation Project" of the Chemical Industrial Park of Nantong Economic & Technological Development Area	No
Medium-and long-term loan	MUFG Bank	June 25, 2021 to June 25, 2024	Loaned NTD 600 million	Loan amount cannot be drawn again.
Medium-and long-term loan	E. Sun Bank	February 20, 2020 to August 15, 2027	Loaned NTD 478 million	Loan amount cannot be drawn again.
Medium-and long-term loan	Tai Shin Bank	March 23, 2021 to March 23, 2024	Loaned NTD 500 million	Loan amount cannot be drawn again.
Medium-and long-term loan	Chang Hwa Bank	January 14, 2022 to January 14, 2027	Loaned NTD 500 million	Loan amount cannot be drawn again.
Medium-and long-term loan	HSBC Bank (Taiwan) Limited	May 10, 2023 to May 8, 2026	Loaned NTD 84 million	All amounts borrowed are used as the funds for our green project in compliance with the principles of green loans
Medium-and long-term loan	CTBC Bank	March 27, 2023 to March 27, 2028	Loaned NTD 650 million	Loan amount cannot be drawn again.
Medium-and long-term loan	HSBC Bank (Taiwan) Limited	March 10, 2023 to March 10, 2026	Loaned NTD 500 million	Loan amount cannot be drawn again.
Medium-and long-term loan	Mega Bank	March 20, 2024 to March 20, 2029	Loaned NTD 500 million	Loan amount cannot be drawn again.
Medium-and long-term loan	Bank of Taiwan	October 26, 2023 to October 26, 2028	Loaned NTD 1500 million	Loan amount cannot be drawn again.
Medium-and long-term loan	O-Bank	January 21, 2025 to May 01, 2027	Loaned NTD 500 million	No

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I. Financial position:

Unit: thousand NTD

Item \ Fiscal year	2024	2023	Amount change	Percentage change (%)
Current assets	20,117,208	17,140,231	2,976,977	17.37
Property, plant and equipment	13,568,513	10,506,134	3,062,379	29.15
Intangible assets	663,086	739,458	(76,372)	(10.33)
Other assets	8,867,482	9,602,554	(735,072)	(7.65)
Total assets	43,216,289	37,988,377	5,227,912	13.76
Current liabilities	10,840,280	10,433,433	406,847	3.90
Non-current liabilities	10,588,757	6,753,150	3,835,607	56.80
Total liabilities	21,429,037	17,186,583	4,242,454	24.68
Capital stock	8,257,099	8,257,099	0	0.00
Capital Surplus	57,219	179,833	(122,614)	(68.18)
Retained earnings	9,520,795	8,782,597	738,198	8.41
Total shareholders' equity	21,787,252	20,801,794	985,458	4.74

Significant Financial Changes:

1. The increase in property, plant and equipment was primarily due to the equipment payments for the new plant of Shenhua Chemical Industry Co., Ltd..
2. The increase in non-current liabilities is due to the increase in long-term borrowings and the receipt of relocation subsidies.
3. The decrease in the capital reserve was primarily due to the allocation of dividends to shareholders.

II. Financial performance:

Analysis and comparison of financial performance

Unit: thousand NTD

Item \ Fiscal year	2024	2023	Amount change	Percentage change (%)
Revenue	37,208,665	31,426,889	5,781,776	18.40
Operating cost	33,093,008	28,118,423	4,974,585	17.69
Gross profit	4,115,657	3,308,466	807,191	24.40
Operating expenses	2,916,887	2,589,146	327,741	12.66
Other income and expenses	178,211	228,596	(50,385)	(22.04)
Operating profit	1,376,981	947,916	429,065	45.26
Non-operating revenues and gains	405,877	476,167	(70,290)	(14.76)
Net income before tax	1,782,858	1,424,083	358,775	25.19
Less: income tax expenses	734,205	457,156	277,049	60.60
Net income	1,048,653	966,927	81,726	8.45

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Significant Financial Changes:

- 1. The increase in operating gains was primarily due to the YOY increase in market demand.
- 2. The increase in income tax expenses was primarily due to the increase in the profits of the period.

Sales volume forecast and the basis there of

Unit: Metric Ton

Name of product	2025	
	Sales volume fore cast	Basis
Synthetic rubber and elastomers	564,554	Subject to the requirement of the market and customers forecast
Applied Materials	12,709	Subject to the requirement of the market and customers forecast
Total	577,263	

III. Cash flow analysis:

Unit: Metric Ton

Cash balance at the beginning	Net cash flow from operating activities of the year	Cash inflow (outflow) of the year	The impact of exchange rate fluctuation on cash	Remainder (deficit) of cash	Remedy for insufficient cash	
					Investment plan	Financial plan
5,448,591	748,432	(534,318)	672,561	6,335,266	-	-

Analysis of change in cash flow in the current year:

- 1.Operating activities:Mainly from the cash inflow of NT\$2,717,646 generated from items of profit or loss, the cash outflow of NT\$1,240,477 thousand generated from the net changes in operating assets and liabilities, net interest expenditures of NT\$153,521 thousand, and paid income tax of NT\$575,216 thousand.
- 2.Investing activities: The net cash outflow from investing activities of NT\$1,975,294 thousand was mainly due to the disposal of financial assets at fair value through other comprehensive income of NT\$248,161 thousand, the share payments returned due to the capital decrease of investees of NT\$236,396, net outflow from the acquisition and disposal of property, plant and equipment of NT\$3,049,995 thousand, dividend received of NT\$285,169 thousand, the receipt of relocation compensation consideration of NT\$281,859 thousand, and the decrease in other non-current assets of NT\$23,116 thousand.
- 3.Financing activities: The net cash inflow from financing activities was NT\$1,440,976 thousand, primarily due to the net outflow of short-term borrowings of NT\$20,289 thousand, the increase in short-term notes payable of NT\$100,000 thousand, the net inflow of long-term borrowings of NT\$2,172,575 thousand, the repayment of lease principal of NT\$170,598 thousand, and the distribution of cash dividends of NT\$640,712 thousand.

<2> Improvement plan for insufficient liquidity-none.

<3> Liquidity analysis for the coming year:

Unit: thousand NTD

Cash balance at the beginning(1)	Projected cash flow from operation of the year (2)	Estimated annual net cash flow from investing and financing activities(3)	Projected remainder (deficit) of cash (1)+(2)-(3)	Remedy for insufficient cash	
				Investment plan	Financial plan
6,335,266	977,000	(2,162,000)	5,150,266	-	-

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IV. Impact of major capital expenditures within the most recent fiscal year on financial operations.

<1> Major capital expenditure condition and source of funding

Unit: thousand NTD

Item	Sources of funds	Actual of intended completion date	Amount	Year	
				2024	2025
New plant of Shen Hua	Self-owned capital and loads from banks	2025	5,407,000	2,778,000	101,000
Flare exhaust gas incinerators	Self-owned capital	2027	162,000	-	117,000
SSBR New production line.	Self-owned capital and loads from banks	2027	5,452,000	-	2,020,000

<2> Benefits generated: Expected to increase profitability.

It is estimated that the Shen hua new Plant may improve our market share and profits, Flare exhaust gas incinerators are to comply with the emission requirements, and the new SSBR lines are to respond to the high-speed growth of the EV industry and to satisfy the high requirements of customers.

V. The Company's reinvestment policy for the most recent fiscal year, the main reasons for profit/loss generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year

To maintain a leading position in the synthetic rubber market, the Company continues its strategic investment projects on specialty rubber with higher value and profit margins to sustain operating performance of the Company.

VI. Analysis and assessment of risk management

<1> The effect of the change in interest rate and exchange rate and inflation on the profit and loss of the Company and future countermeasures

The impact on our company's profits and losses:

Unit: thousand NTD

2024	Amount	Accounting for the percentage of net operating revenues (%)	Accounting for the percentage of net profit before taxation (%)
Net interest income (expense)	(149,614)	(0.4)	(8.4)
Net exchange gain (loss)	41,126	0.1	2.3

Interest rate change:

The interest rate risk of the Company comes from the liabilities generated from the operating demand. If there are obvious fluctuations for the expected interest rate, the Company will shorten the term for account receivables offered to customers or adopt proper financial instruments, such as long-term liabilities with fixed interest rates, adjustment in the borrowing currency or loan period, to lower the costs of funds with the most suitable borrowing portfolio.

Exchange rate fluctuation:

The Company receives and pays in foreign currencies for part of its sales and purchases. Therefore, significant changes in foreign exchange rates will have an impact on the Company's operating revenues, cost of goods sold and operating income. The Company has conducted exchange rate hedges for foreign currency assets and liabilities held and scheduled to be traded in order to reduce the impact of exchange rate fluctuations on its operations.

Inflation:

The increase in inflation may cause a rise in raw material prices, and the interest rate may also rise due to the tight monetary policy adopted by the Central Bank, affecting the Company's operating costs. Our risk countermeasures include the reduction of cost changes through mass procurement or long-term contract. Selling prices of products are appropriately adjusted based on costs and market conditions. For interest rates, the Company adjusts the collection and payment period or adopts appropriate financial instruments to manage the effects of inflation on the Company.

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<2> Policy on high risk and high leverage investments, loans to others, guarantee and endorsement and derivative transactions, and the main reason for profit or loss, and response measure to be taken in the future

The Company has not engaged in any high-risk, high-leveraged investments, extending loans to others, or derivatives transactions. Granting endorsements and guarantees is limited to an investee Company accounted for under the equity method. The above transactions will be performed in accordance with relevant requirements prescribed in the Company's "Procedure for Acquisition or Disposal of Assets," "Procedures for Lending Funds to Other Parties," "Procedures for Making of Endorsement and Guarantee."

<3> R&D work to be carried out in the future and future expenditures expected for R&D work

Unit: thousand NTD

Project name	Expected R&D spending
New Generation and High Performance Tire Product Development	73,000
New Differentiated Polybutadiene Products	50,000
High Value-Added Thermoplastic Elastomer (TPE) Products	158,000
High Performance Materials and Formulas for Footwear	45,000
Medical application blended materials and special film application.	101,000
Advanced Process Technology Development	49,000

<4> Effect on the Company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response.

In recent years, the governments worldwide proactively responded to the climate changes and pledged to uphold the Paris Agreement by setting carbon emission targets to deliver on their Net Zero commitment. Being in the carbon-intensive industry with production & commercial base worldwide, TSRC faithfully uphold the Taiwan's Climate Change Response Act, the Sustainable Development Action Plan for Listed Companies, and EU's Carbon Border Adjustment Mechanism (CBAM). TSRC has set a series of mid-to-long term carbon emission targets, conducts GHG certification, and implement energy-saving & carbon reduction measures. In addition, TSRC continues to strengthen its organization's sustainability capability, enhances sustainability disclosure, and mitigates impacts on business portfolio and operating cost.

The change in government policies and laws in the country and foreign jurisdiction in the recent years has not impacted the Company's finance and operations.

<5> Effect of changes in technology (including cybersecurity risks) and industry dynamics on the Company's financial and business operations, as well as the measures to be taken in response

As the industry technology develops, The Company has invested greatly in R&D and process technology, continued to build various technology platforms, and worked with customers to jointly develop new technologies and products. Through these activities, The Company was able to enhance its technology and provide new solutions for customers, strengthening The Company position in specialty materials applications and market segments. However, synthetic rubber business can be highly influenced by the external factors such as butadiene price, natural rubber price, synthetic rubber supply-demand balance, and intensified market competition caused by new capacity additions. The Company has a sales-production-procurement (SPP) coordination mechanism in place to periodically review those external factors to control upstream cost and reduce the impact of price fluctuations to the Company. In addition, The Company has expanded its global presence and continued developing products for high-value applications to reduce the risk of being held limited to a single geographic location or industrial area, further strengthening its ability in responding to market changes. Regarding the increasingly important cybersecurity, apart from reinforcing the information protection educational training, the Company also introduced the "zero trust network," "multi-factor authentication," and "instant information security monitoring" systems to effectively improve the information safety protection ability of the Company and minimize risks related to information security.

<6> Effect of changes in the Company's corporate image on the Company's crisis management, and measures to be taken in response:

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The Company adheres to the philosophy of treasuring the resources of the earth and implementing sustainable operations, values contributions to environments and society and communication with stakeholders, and commits to minimizing the impact of operating activities on the environment. Meanwhile, the Company constantly makes improvements and innovations for its ESG strategies and actions and implements healthy corporate citizen and social responsibilities. The Company attaches great attention to social participation, continues to make donations to disadvantaged students, and supports disadvantaged groups through various social activities. Concurrently, the Company invests in volunteer assistance on chemistry education and inheritance to provide corporate returns and create value for the overall society.

<7> Expected benefits and risks associated with merger and acquisitions, and mitigation measures being or to be taken:

To achieve corporate transformation and increase shareholders value, The Company continues to develop and assess equity investment, strategic alliance and merger and acquisitions (M&A) opportunities. The main risks of cross-border M&A include compliance with local M&A regulations and foreign investment requirements as well as post-M&A operation management. To ensure a smooth transition from transaction to post-deal integration, the Company would consult professional advisors with local expertise to set the deal structure conforming to both local and domestic regulations, while the Executive Leadership Team would construct a global operating model to align with the Company's cross-border M&A strategy. Minimize potential risks arising from M&A.

<8> Expected benefits and risks associated with plant expansion and mitigation measures being or to be taken:

Regarding the initiative related to the environmental protection along the Yangtze River promoted by local governments and our optimistic view on the continual growth in the demand for synthetic rubber in the regional markets, the Company relocate Shen Hua Chemical to the South Area of the Chemical Industry Park of NETDA in Jiangsu Province and expanded its production capacity to 220,000 MT. The production capacity expansion is subject to limited risk as it is required by the operations and organized through detailed capital expenditure planning.

<9> Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken:

Purchase: The production capacity of domestic suppliers for the major raw material – butadiene of the Company is limited; to stabilize the source of raw materials and considering the acquisition costs, the Company has otherwise entered into import contracts, apart from entering into supply contracts with major domestic suppliers. In the event of force majeure experienced by the domestic suppliers, the Company can still purchase raw materials from foreign suppliers as such raw materials are international suppliers and materials. Therefore, there is no likelihood of short supply of the raw materials.
Sales: The Company's main customers are world's leading companies and the Company's long-term partners. Most of them are contract customers with strong financial health. The Company's business divisions also have control on the amount a customer can purchase while continue conducting credit investigation. Hence, to avoid significant operational and operational risks.

<10> Effect upon and risk to the Company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the Company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken:

In the case of directors, managers, or shareholders holding more than 10% of the Company's common share transferring a major quantity of shares or otherwise changed hands may result in the change of management of the Company or affecting the stock price of the Company. TSRC's directors, managers, and shareholders holding more than 10% of the Company's common share are required to report any changes in their shareholding to the competent authority. As of the date of this annual report, there have been no events of TSRC's directors, manager, or shareholders holding more than 10% of the Company's common share transferring a major quantity of shares or otherwise changed hands.

<11> Effect upon and risk to Company associated with any change in governance personnel or top management, and mitigation measures being or to be taken: No

<12> Litigious and non-litigious matters involved the Company and/or any Company director, any Company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any Company or companies controlled by the Company: No

<13> Other important risks, and mitigation measures being or to be taken: No

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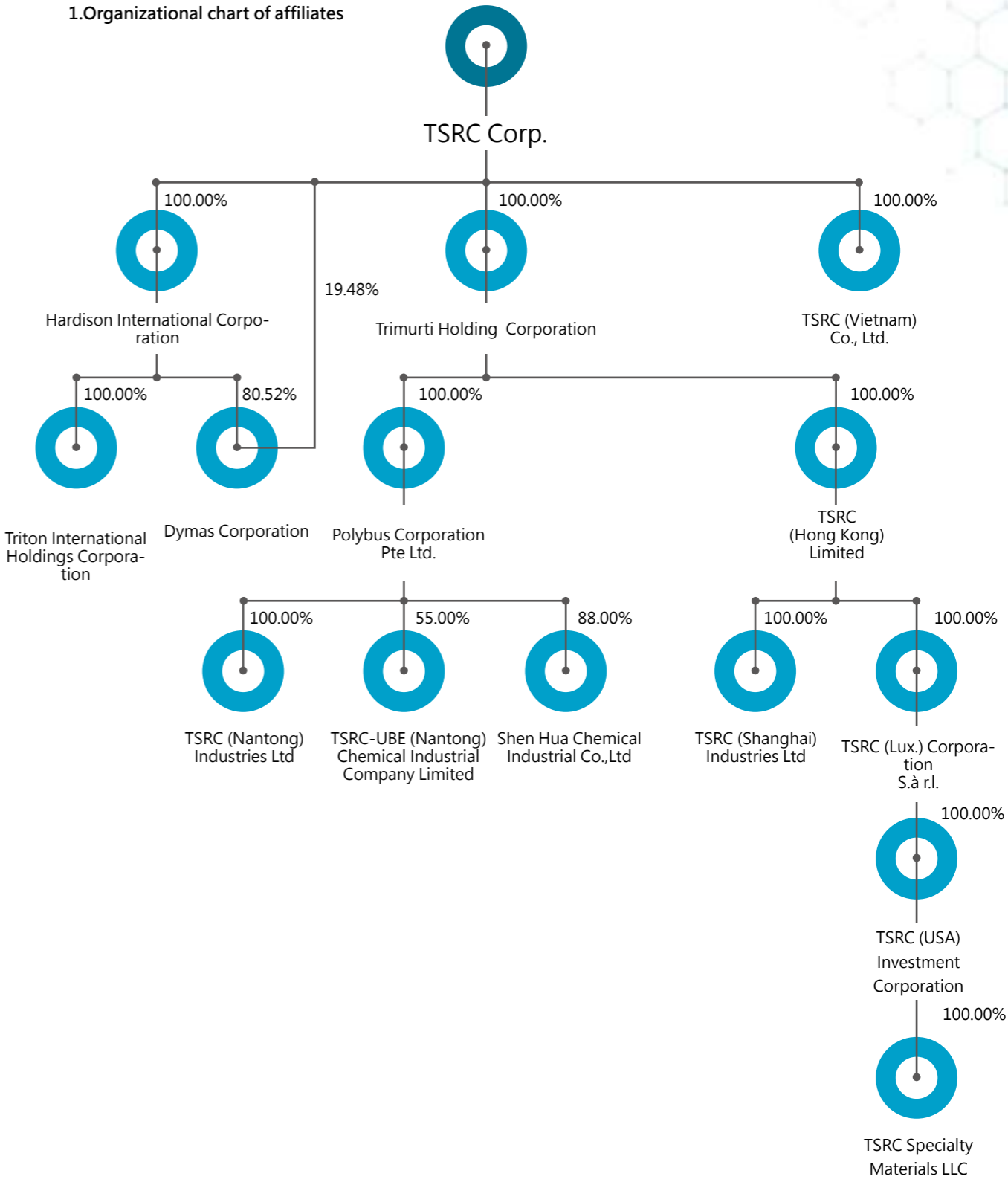
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<1> Company's Affiliate Business Report

1.Organizational chart of affiliates



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2. Profiles of the Company's affiliates

December 31, 2024

Name of enterprise	Date of incorporation	Address	Currency	Actual received capitals (Unit: thousand)	Major business or production items
Trimurti Holding Corporation	1994.03.10	Palm Grove House, P.O. Box 438, Road Town, Tortola, B.V.I.	USD	86,920	Investment corporation
Hardison International Corporation	1994.03.11	Palm Grove House, P.O. Box 438, Road Town, Tortola, B.V.I.	USD	3,896	Investment corporation
Dymas Corporation	1991.03.19	Palm Grove House, P.O. Box 438, Road Town, Tortola, B.V.I.	USD	5,960	Investment corporation
Polybus Corporation Pte Ltd	1995.02.25	100 Peck Seah Street #09-16 Singapore 079333	USD	92,500	Trading and investment corporation
TSRC (Hong Kong) Limited	2008.03.19	15/F BOC Group Life Assurance Tower 136 Des Voeux Road Central	USD	103,850	Investment corporation
Triton International Holdings Corporation	1993.05.24	Palm Grove House, P.O. Box 438, Road Town, Tortola, B.V.I.	USD	50	Investment corporation
TSRC (Lux.) Corporation S.à r.l.	2011.07.26	39-43 avenue de la Liberté, L-1931 Luxembourg	EUR	74,870	Trading and investment corporation
TSRC(USA) Investment Corporation	2011.01.27	2711 Centerville Road, Suite 400, Country of New Castle, Wilmington, Delaware, 19808	USD	96,050	Investment corporation
TSRC Specialty Materials LLC	2002.02.20	23027 Elkana Deane Lane, Katy, Texas 77449-3696	(Note 1)	(Note1)	Production and sale of TPE
TSRC (Shanghai) Industries Ltd	2001.02.22	No. 1406, Yu Shu Road, Hi-tech Park Songjiang Zone, Shanghai, P.R.C	USD	5,500	Production and sale of compounding materials
Shen Hua Chemical Industrial Co., Ltd	1996.03.29	NO.1 Shen Hua Road, Nantong Economic & Technology Development Area, Nantong Jiangsu, P.R.C.(Note 2)	USD	83,350	Production and sale of synthetic rubber products
TSRC (Nantong) Industries Ltd	2006.09.05	No. 22 Tong Wang Road, Nantong Economic & Technological Development Area, Nantong Jiangsu, P.R.C.	USD	105,125	Production and sale of TPE
TSRC-UBE (Nantong) Chemical Industrial Company Limited	2006.12.06	No. 22 Tong Wang Road, Nantong Economic & Technological Development Area, Nantong Jiangsu, P.R.C.	USD	40,000	Production and sale of butadiene rubber
TSRC (Vietnam) Co., Ltd.	2018.10.16	No.8, VSIP II-A, Street 31, Vietnam Singapore Industrial Park II-A, Vinh Tan ward, Tan Uyen City, Binh Duong Province, Vietnam	USD	12,900	Production and processing of plastic rubber granular, Thermoplastic Elastomer and plastic compound

Note1: In 2011, TSRC (USA) Investment Corporation acquired 100% ownership of Dexco Polymers Operating Company LLC and Dexco Polymers L.P. with USD 192,617,000 through M&A. In 2020, the organization was simplified, merged, and renamed into TSRC Specialty Materials LLC.

Note2: To establish a new factory location in August 2024 at No. 88 Haiya Road, Economic and Technological Development Zone, Nantong City, Jiangsu Province, as a production site.

3. Companies presumed to have a relationship of control and subordination: No

4. The industries covered by the business operated by the affiliates and mutual dealings and division of work:

The company's overall relationship with the industries covered by the company's business operations is mainly based on the production and sales of synthetic rubber and TPE, and extends to the production and sales of plastic rubber masterbatch and plastic compounds.

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5. Profiles of Directors, Supervisors and Presidents of the Company's affiliates:

December 31, 2024

Name of enterprise	Job title	Name of representative	Shares held	
			Share(s)	Shareholding
Trimurti Holding Corporation	Director	Joseph Chai	-	-
	Director	Kevin Liu	-	-
	Director	Edward Wang	-	-
Hardison International Corporation	Director	Joseph Chai	-	-
	Director	Edward Wang	-	-
Dymas Corporation	Director	Joseph Chai	-	-
	Director	Edward Wang	-	-
Polybus Corporation Pte Ltd	Director	Joseph Chai	-	-
	Director	Kevin Liu	-	-
	Director	Edward Wang	-	-
TSRC (Hong Kong) Limited	Director	Joseph Chai	-	-
	Director	Kevin Liu	-	-
	Director	Edward Wang	-	-
Triton International Holdings Corporation	Director	Joseph Chai	-	-
	Director	Edward Wang	-	-
TSRC (Lux.) Corporation S.à r.l.	Director	Kent Emil Kvaal	-	-
	Director	Edward Wang	-	-
	Director	Brian Hsu	-	-
	Director	David Maria	-	-
	President	Christian Kafka	-	-
TSRC (USA) Investment Corporation	Director	Joseph Chai	-	-
	Director	Edward Wang	-	-
	Director	Brian Hsu	-	-
	President	Joseph Chai	-	-
TSRC Specialty Materials LLC	Director	Joseph Chai	-	-
	Director	Edward Wang	-	-
	Director	Kent Emil Kvaal	-	-
	President	Gordon Requa Little JR	-	-
TSRC (Shanghai) Industries Ltd	Chairman	Brian Hsu	-	-
	Director	Chin-Bao Lu	-	-
	Director	Thomas Lin	-	-
	Supervisor	Edward Wang	-	-
	President	Xiaodong Wu	-	-

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Name of enterprise	Job title	Name of representative	Shares held	
			Share(s)	Shareholding
Shen Hua Chemical Industrial Co., Ltd	Chairman	Chao Yang Jiang	-	-
	Director	Thomas Lin	-	-
	Director	Kevin Liu	-	-
	Director	Brian Hsu	-	-
	Director	Xia ying	-	-
	Supervisor	Edward Wang	-	-
	President	Luk Kin Fai	-	-
TSRC (Nantong) Industries Ltd	Chairman	Brian Hsu	-	-
	Director	Chin-Bao Lu	-	-
	Director	Chao Yang Jiang	-	-
	Supervisor	Edward Wang	-	-
	President	Chao Yang Jiang	-	-
TSRC-UBE (Nantong) Chemical Industrial Company Limited	Chairman	Kevin Liu	-	-
	Director	Thomas Lin	-	-
	Director	Brian Hsu	-	-
	Director	Tokoro Yasunobu	-	-
	Director	Nemoto Tetsuya	-	-
	Supervisor	Tsukada Katsuyuki	-	-
	President	Tang Haibin	-	-
TSRC (Vietnam) Co., Ltd.	Chairman	Edward Wang	-	-
	Director	Brian Hsu	-	-
	Director	Thomas Lin	-	-
	Supervisor	Iting Tsai	-	-
	President	Li Haoxiu	-	-

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6. Overview of operation of affiliates

December 31, 2024
Unit: thousand NTD

Name of enterprise	Capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating income (loss)	Gain/loss current-period (after tax)	EPS after tax (NTD)
Trimurti Holding Corporation	2,845,342	18,775,588	0	18,775,588	0	(9,598)	1,172,144	13
Hardison International Corporation	127,725	718,726	0	718,726	0	(93)	32,788	8
Dymas Corporation	195,361	839,591	0	839,591	0	(706)	64,782	11
Polybus Corporation Pte Ltd.	3,032,243	11,065,707	336,618	10,729,089	883,138	7,391	711,088	5
TSRC (Hong Kong) Limited	3,404,307	2,608,949	7,876	2,601,073	0	(536)	(341,770)	(3)
Triton International Holdings Corporation	1,639	40,531	0	40,531	0	(68)	(19,309)	(386)
TSRC (Lux.) Corporation S.à r.l.	2,449,000	4,332,931	1,128,140	2,095,031	2,313,068	33,851	(388,559)	(5)
TSRC (USA) Investment Corporation	3,148,615	2,492,186	331,411	2,160,775	0	(111,664)	(392,008)	(4)
TSRC Specialty Materials LLC	-	3,072,973	1,578,640	1,494,333	4,632,719	(220,795)	(280,990)	NA
TSRC (Shanghai) Industries Ltd	180,296	387,594	57,051	330,543	549,016	45,310	43,629	NA
Shen Hua Chemical Industrial Co., Ltd	2,732,296	10,400,378	5,739,209	4,661,168	10,136,041	629,658	469,018	NA
TSRC (Nantong) Industries Ltd	3,446,103	5,914,396	1,864,964	4,049,432	5,379,431	318,329	188,507	NA
TSRC-UBE (Nantong) Chemical Industrial Company Limited	1,311,240	2,532,484	605,226	1,927,257	4,229,186	360,881	269,208	NA
TSRC (Vietnam) Co., Ltd.	422,875	279,794	508,550	(228,756)	25,421	(70,170)	(345,910)	NA

Note: Spot exchange rate on the balance sheet date under the title of assets=USD1:NTD 32.781.
Spot exchange rate on the balance sheet date under the title of income=USD1:NTD 32.09835.

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<2> Consolidated financial statements of the affiliated companies

Representation Letter

The entities that are required to be included in the combined financial statements of TSRC Corporation as of and for the year ended December 31, 2024 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standards No. 10, "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, TSRC Corporation does not prepare a separate set of combined financial statements.

hereby specified

Company name: TSRC Corporation

Chairman: Nita Ing

Date: March 6, 2025

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<3> Relation Statement

Statement

The 2024 Relation Statement of the Company (from Jan. 1, 2024 to Dec. 31, 2024) was prepared in accordance with “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” and the disclosed information was in accordance with the relevant information in the consolidated financial statement during the aforementioned period without major incompliance.

Hereby specified

Company name: TSRC Corporation

Chairman: Nita Ing

Date: March 6, 2025

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To TSRC Corporation:

1. TSRC Corporation has declared that the combined financial statements for the year ended December 31, 2024, were prepared in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" dated March 6, 2025. In addition, relevant information that should be disclosed in the combined financial statements has been fully disclosed in the consolidated financial statements.
2. We, independent auditors, have reviewed the affiliation report prepared in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises." Based on our review, all relevant information is consistent with TSRC Corporation's declaration above.

The engagement partners on the audits resulting in this letter are Tza-Li Gung and Li- Yuan Kuo.

Deloitte & Touche
Taipei, Taiwan
Republic of China

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Letter to the Shareholders

Corporate governance report

Information on capital raising activities

Overview of business operations

Review and analysis of the Company's financial position and financial performance, and risk management

Special items to be included

- I. Information related to the Company's affiliates
- II. State of the Company's conducting private placements of securities
- III. Other matters that require additional description

Any circumstances referred to in Paragraph 3(2) of Article 36 of the Securities and Exchange Act which might materially affect shareholders' equity or the price of the Company's securities

1.Relation between the subordinate company and the controlling company

Unit: shares; %

Name of the Controlling Companies	Controlled Reasons	Shareholdings and pledges of the controlling companies			Employees sent by controlling company as directors, supervisors or managers	
		Shareholdings	Shareholding ratio	Pledged shares	Position	Name
Wei-Dar Development Co., Ltd	Jointly control subordinate company with over half of the board	53,708,923	6.50	26,800,000	Director	Nita Ing, John Huang
Han-De Construction Co., Ltd.		63,093,108	7.64	26,300,000	Director	Charles Y. Huang, Monling Lee
MaoShi Corporation	Controlling company of Wei-Dar Development Co., Ltd and Han-De Construction Co., Ltd.	-	-	-	-	-
Jade Fortune Enterprises Inc.	Controlling company of MaoShi Corporation	-	-	-	-	-
Palmy Corporation	Controlling company of Jade Fortune Enterprises Inc.	-	-	-	-	-
Pan Asia Corporation	Controlling company of Palmy Corporation	-	-	-	-	-
Vanteva Corporation	Controlling company of Pan Asia Corporation	-	-	-	-	-
Montrion Corporation	Controlling company of Vanteva Corporation	-	-	-	-	-

2.Trade correspondences

The trade correspondences of the Company with controlling company in 2024 are as follows:

- (1) Import and sales trading: none.
- (2) Property trading: none.
- (3) Financing: none.
- (4) Asset leasing: none.
- (5) Others: none.

3. Making of Endorsements/Guarantees: none.

II. State of the Company's private placement of marketable securities: No.

III. Other matters that require additional description: No.

Any circumstances referred to in Paragraph 3(2) of Article 36 of the Securities and Exchange Act which might materially affect shareholders' equity or the price of the Company's securities-None