

2025 ESG Performance

TSRC integrated the company's long-term vision and core business goals to develop a specific blueprint framework for ESG strategy in the next decade. The framework is based on the main axis of "Strengthening Governance," "Enhancing Positive Social Impact," and "Promoting Environmental Protection," covering 9 major areas and 24 targets. They will be reviewed based on short-term (2023), medium-term (2025), and long-term (2030) milestones to actively strengthen the ESG performance of TSRC through a positive and practical attitude.

At the same time, considering the importance of ESG goals to company sustainability, TSRC incorporates key ESG objectives or actions into organizational performance goals and executive annual performance targets to motivate executives to achieve individual and organizational goals, thereby strengthening ESG performance. For setting performance targets for senior managers, please refer to the [FAQ for ESG](#) Page 3.

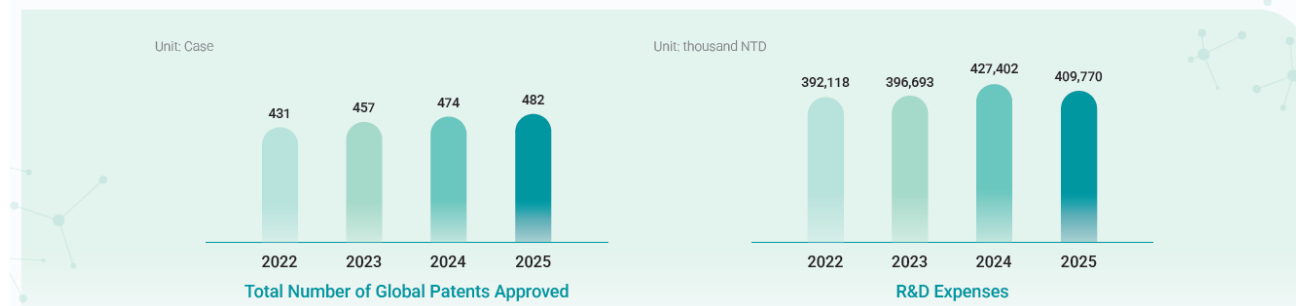
1. The Performance of Governance in 2025

	Corresponding Corporate Indicator for SDGs	★ Achievements in 2025	2025 Goals	2026 Goals	2030 Goals	Corresponding Chapter
 Strengthen Corporate Governance	 SDG 17 Enhance risk & crisis management	- Completed the Group's 2025 Risk Board of Directors Report and disclosed it to the public - Completed the greenhouse gas inventory information system, continued to evaluate and introduce the sustainability information management system, and introduced the product carbon footprint information system	 Strengthen risk monitoring and improve operation management via digital management systems	Continuously improve risk management and crisis response mechanisms	Continuously improve risk management and crisis response mechanisms	2.1.4 Risk Management 2.1.5 Climate Strategy and Management
	 SDG 9 Build new sustainable business	Continue to evaluate investment opportunities into new business	New business contributes >5% of total revenue	Continue to explore investment opportunities into new business	New businesses contributes ≥10% of total revenue	2.2 Develop Innovation Momentum
 Integrate Sustainability and Business Strategies	 SDG 9 Develop Innovation Momentum	New products accounted for 16% of total revenue in 2025	 New products will account for ≥15% of revenue	New products will account for ≥15% of revenue	Continue increasing new product revenue share	2.2 Develop Innovation Momentum
	 SDG 9 Enhance value of customized services	 SDG 12 Sales of easy-to-process synthetic rubber increased by 53.4% compared to 2021	 Increase the sales of easy-to-process synthetic rubber by 20% compared to 2021, and pilot other new customized products or services	Increase the sales of easy-to-process synthetic rubber by 20% compared to 2021, and continue to promote other new customized products or services	Increase the sales of easy-to-process synthetic rubber by 50% compared to 2021, and begin selling other new customized products or services	2.2 Develop Innovation Momentum 3.6.1 Lifecycle Green Design
 Build Resilient Operations	 SDG 17 Accelerate reduction of supplier's greenhouse gas emissions	Completed the promotion of carbon reduction actions among the top 50 suppliers for annual procurement of primary and secondary raw materials, with 35 suppliers having established reduction targets or actions, and 15 suppliers currently in the planning stage.	 Promote the reduction of greenhouse gas emissions (by the top 50 suppliers in terms of annual procurement amount), and establish targets and action plans	Promote the top 50 suppliers for primary raw material suppliers to reduce greenhouse gas emissions, and establish targets and action plans	Promote the reduction of greenhouse gas emissions from all suppliers, and establish targets and action plans	2.3.1 Supplier Management
	 SDG 17 Strengthen supply chain integrity	Global local procurement of raw materials reached 82% of total procurement spending, and we continued to seek out suitable suppliers for locally sourced renewable raw materials	 Global local procurement of raw materials will reach 75% of total procurement spending, and we will seek out suitable suppliers for locally sourced renewable raw materials	Global local procurement of raw materials will reach 75% of total procurement spending, and we will seek out suitable suppliers for locally sourced renewable raw materials	Global local procurement of raw materials will reach 80% of total procurement spending, and we will seek out suitable suppliers for locally sourced renewable raw materials	2.3.2 Green and Local Procurement

【Patent Results】

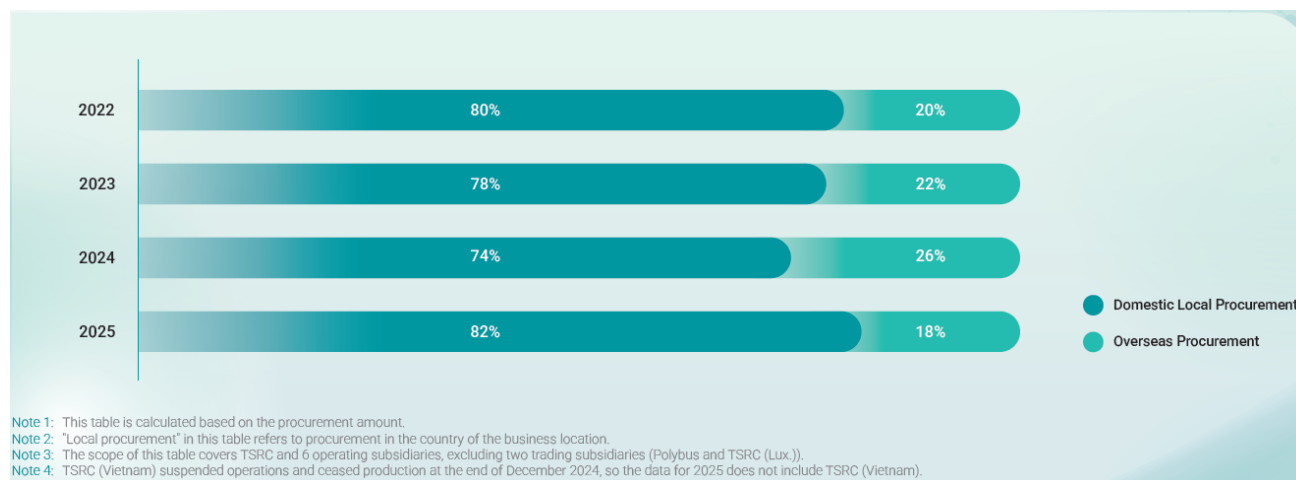
In 2025, obtained first national patents for 2 patents and received patent awards. 8 TSRC patents were approved in total across the year. As of the end of 2025, TSRC has applied for a total of 575 patents worldwide, and 482 patents have been approved.

● Patents and R&D Expenses over the Years



【Local Procurement Ratio of the TSRC Group】

In 2025, the green procurement of TSRC's Kaohsiung Factory amounted to NT\$129,946,866. The Group's domestic local procurement accounted for approximately 82% of total procurement.

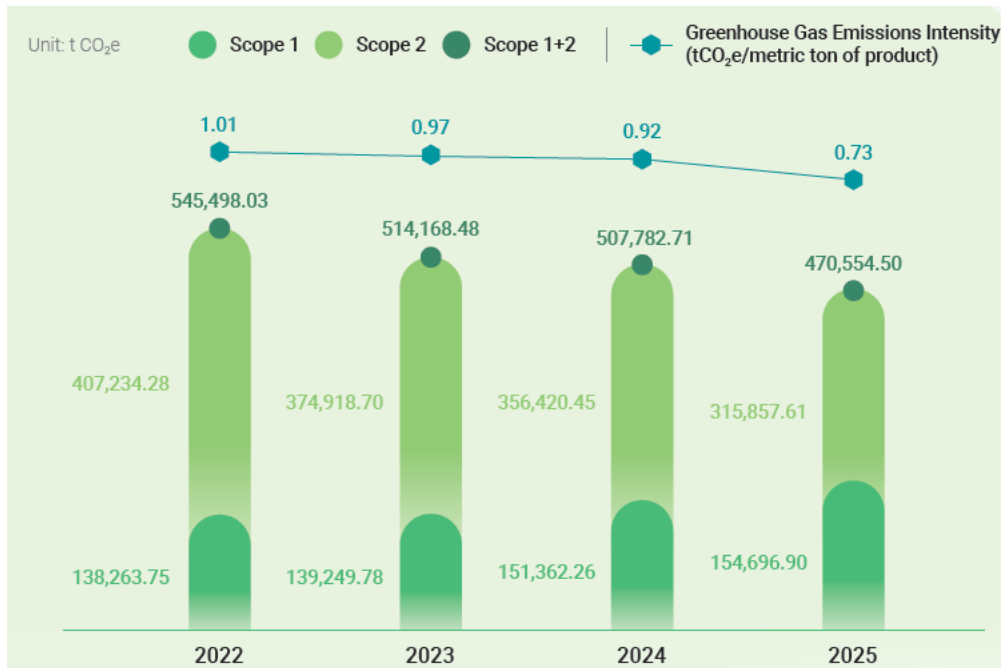


2. The Performance of Environment in 2025

	Corresponding Corporate Indicator for SDGs	★ Achievements in 2025	2025 Goals	2026 Goals	2030 Goals	Corresponding Chapter
Towards Carbon Neutrality	SDG 13 Reduce total carbon emissions (Scope 1+2; Base year: 2021)	Total emissions decreased by 16.08% compared to base year	✓ Total carbon emissions reduced by 10% compared to base year	Total carbon emissions reduced by 12.5% compared to base year	Total carbon emissions reduced by 22.5% from base year	3.1 Towards Carbon Neutrality
	SDG 7 Increase the use of renewable energy	Renewable energy accounted for 29.50% of total electricity consumption	✓ Renewable energy accounted for 10% of total electricity consumption	Renewable energy accounted for 15% of total electricity consumption	Renewables account for 30% of total electricity consumption	3.2 Energy Management
Water Resource Optimization	SDG 6 Increase wastewater recycling	Increase wastewater recycling to 36% of total volume of wastewater	✓ Increase wastewater recycling to 36% of total volume of wastewater	Increase wastewater recycling to 37% of total volume of wastewater	Increase wastewater recycling to 40% of total volume of wastewater	3.4.2 Water Reuse and Recycling
	SDG 6 Increase reclaimed water utilization	Increase reclaimed water utilization to 29% of total water consumption	Increase reclaimed water utilization to 34% of total water consumption	Increase reclaimed water utilization to 35% of total water consumption	Increase reclaimed water utilization to 40% of total water consumption	3.4.2 Water Reuse and Recycling
Reducing the Carbon Footprint of Products	SDG 9 SDG 12 Develop eco-friendly products	Develop new-generation synthetic rubber for green and EV tires/shoe materials to reduce carbon emissions by around 430,000 mt	✓ Develop new-generation synthetic rubber for green and EV tires/shoe materials to reduce carbon emissions by around 300,000 mt	Develop new-generation synthetic rubber for green and EV tires/shoe materials to reduce carbon emissions by around 300,000 mt	Develop new-generation synthetic rubber for green and EV tires/shoe materials to reduce carbon emissions by around 1,500,000 mt	3.6.1 Lifecycle Green Design
		- Completed the 100% recycling and reuse of three batches of foaming materials, completed physical property verification, and provided the material to customers for use in slippers - Introduced eco-friendly foam products in recyclable bra pads and received positive feedback from customers	✓ Develop eco-friendly foaming products that can be recycled	Continue to develop eco-friendly foaming products that use renewable materials and offer greater recyclability	Develop eco-friendly foaming products that use renewable materials and offer greater recyclability	3.6.1 Lifecycle Green Design
		Successfully developed styrenic block copolymers (SBC) and recyclable thermoplastic elastomer (TPE) for medical, healthcare materials, labeling, and modified plastic products, demonstrating outstanding performance and sustainable value. The product has officially been launched and is now on the market, with sales reaching 2,353 tons in 2025	✓ Develop new SBCs to help customers improve processing and formula design flexibility, in order to reduce process energy consumption and VOC usage	Continue to develop new SBCs to help customers improve energy efficiency	Develop TPE products for medical use able to reduce medical waste by 10% compared with previous generation products	3.6.1 Lifecycle Green Design
	SDG 7 SDG 13 Product process optimization	Optimized the manufacturing process of TPE products and reduced the use of vapor, achieving carbon emissions reduction by 3,749 mt in 2025 compared to 2022	✓ Optimized the manufacturing process of TPE products and reduced process electricity and energy consumption (cumulative reduction of 3,230 metric tons of carbon emissions compared to 2022)	Optimize production process of TPE products to reduce electricity and energy consumption	Optimized manufacturing process of TPE products to reduce electricity and energy consumption (reduced carbon emissions by 9,000 metric tons per year compared to 2022)	3.2 Energy Management
	SDG 12 Use renewable materials ^{Note 1}	Renewable raw materials account for 4% of total raw materials procurement	Renewable raw materials account for 5% of total raw materials procurement	Renewable raw materials account for 5% of total raw materials procurement	Renewable raw materials account for 15% of total raw materials procurement	3.6.1 Lifecycle Green Design
	SDG 9 SDG 12 Increase sustainable products ^{Note 2}	Sustainable product portfolio accounted for 13.3% of total sales	Sustainable product portfolio accounted for 20% of total sales	Sustainable product portfolio accounted for 20% of total sales	Sustainable product portfolio accounted for 40% of total sales	3.6.1 Lifecycle Green Design

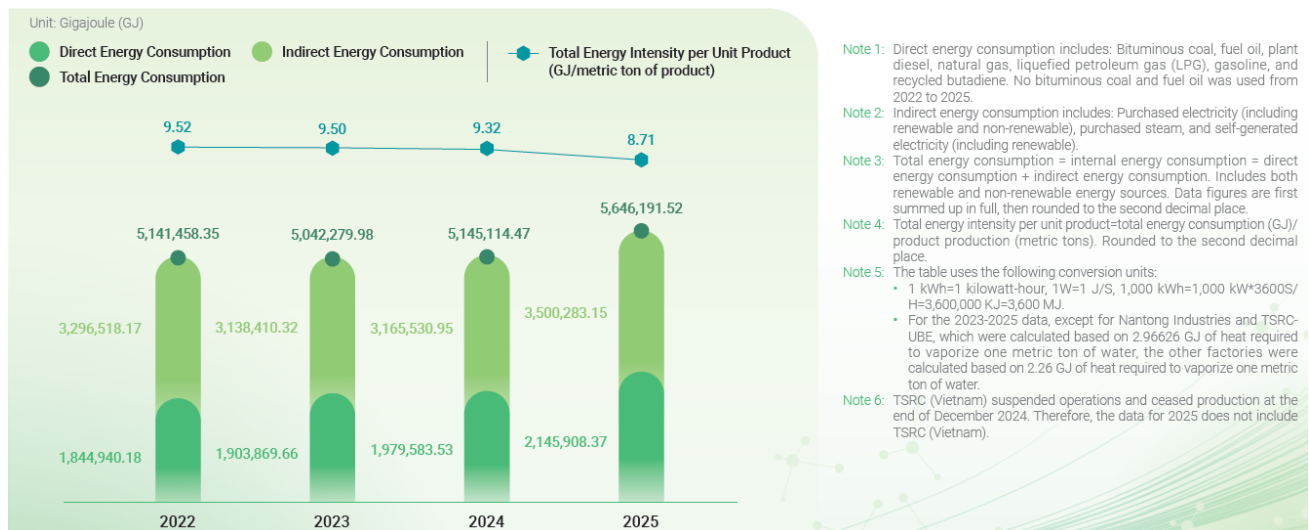
【GHG Emissions】

In 2025, TSRC Group's Scope 1+2 (market-based) GHG emissions were 470,554.50 t CO₂e, a decrease of 16.08% compared to the base year of 2021 (Scope 1+2 emissions was 560,685.08 t CO₂e). At the same time, TSRC did not use carbon offsetting measures in 2025. The main reduction is due to the purchase of renewable energy sources under Scope 2, the use of installed solar power generation equipment, and increases to equipment energy efficiency. The Kaohsiung Factory, Nantong Industries, Shen Hua Chemical, and TSRC-UBE achieved the most significant results. In 2025, TSRC's Scope 1+2 carbon emission intensity per unit product decreased slightly to 0.73 t CO₂e per metric ton of product compared to the base year of 2021.



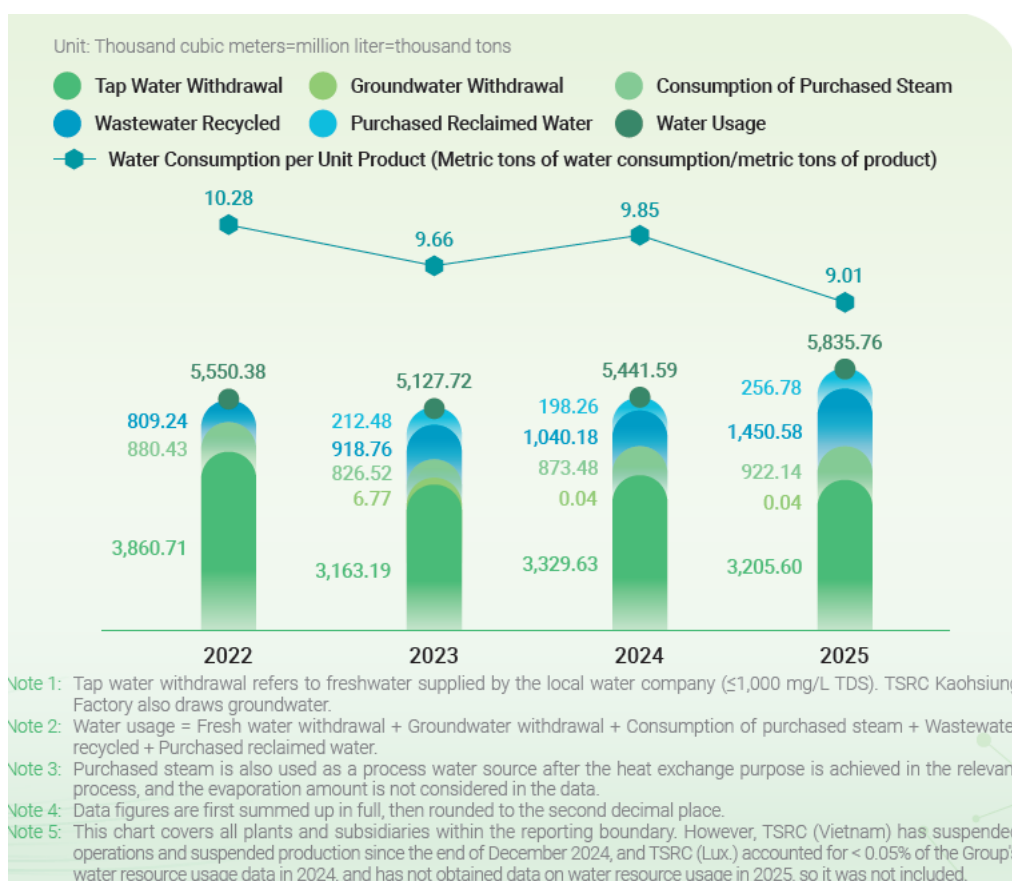
【Energy Management】

TSRC Group's total energy consumption in 2025 was 5,646,191.52 gigajoules (GJ). While TSRC's production output in 2025 increased by 17.34% compared to 2024, energy consumption only increased by 9.74% compared to 2024. Energy intensity per metric ton of production was 8.71 GJ/metric ton, a decrease of 6.48% compared to the previous year, and showing an effective improvement to energy efficiency.



【Water Resource Management】

TSRC's total water usage in 2025 was 5,835.76 thousand cubic meters, an increase of 7.24% compared to 2024. Water consumption per unit product was 9.01 metric tons per metric ton of production, a decrease of 8.60% compared to 2024. In 2025, the Kaohsiung Factory, Nantong Industries, and TSRC-UBE each optimized their factory facilities to reduce reliance on fresh water. In particular, the Kaohsiung Factory recycled and reused process wastewater, while Nantong Industries and TSRC-UBE reduced reliance on fresh water by increasing their wastewater recycling rate.



【Waste Management】

In 2025, TSRC generated total general industrial waste (including non-recyclable, reusable, and recyclable) weighing 3,753.42 metric tons, a 2.63% decrease compared to 2024. Total hazardous industrial waste (including non-recyclable, reusable, and recyclable) weighing 2,222.86 metric tons was generated, a 6.54% increase compared to 2024. The total weight of all generated waste was 5,976.28 metric tons, an increase of 0.59% compared to 2024. Overall, TSRC's waste per unit product in 2025 was 9.22 metric tons/thousand metric tons of product, a decrease of 14.27% compared to 2024.



【Environmental Investment & Capex】

In 2025, TSRC's capital expenditures on environmental projects for energy conservation, air pollution prevention, waste management, and water resource management reached NT\$232,069,083, accounting for 19.1% of the total annual capital expenditures. In 2025, the total expenditures for projects increased by 15.9% compared to 2024. Overall, environmental-related capital expenditures continue to follow existing management direction in 2025, with energy conservation and carbon reduction as the primary focus. Related expenditures in 2025 increased by 84% compared to 2022, and we will continue to promote and gradually deepen our efforts in improving energy efficiency and carbon reduction operations.

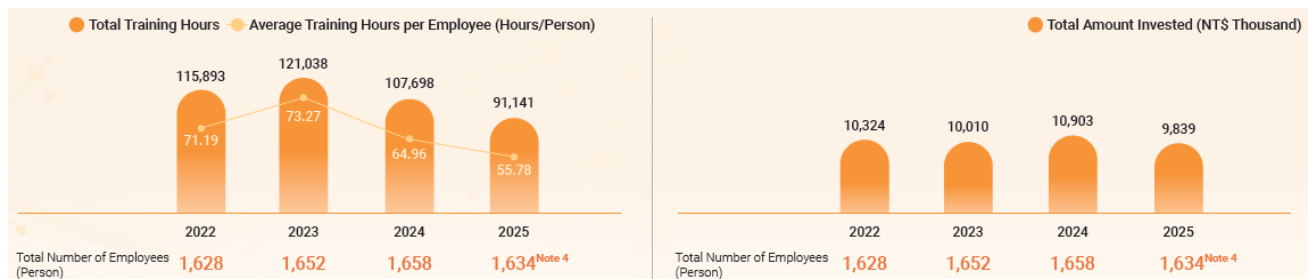
Unit: NT\$	2022	2023	2024	2025
Energy Conservation and Carbon Reduction	65,585,801	82,634,999	118,818,631	120,840,281
Reduction of Air Pollution	57,672,813	87,427,700	99,756,543	71,730,443
Waste Reduction	9,096,124	23,762,820	537,067	3,901,056
Improve Water Resources Management	7,154,179	45,277,097	9,320,825	35,597,303
Total	139,508,917	239,102,616	228,433,066	232,069,083

3 The Performance of Society in 2025

	Corresponding Corporate Indicator for SDGs	★ Achievements in 2025	2025 Goals	2026 Goals	2030 Goals	Corresponding Chapter
 Strengthening the Organization's Sustainability Capabilities	 SDG 8 SDG 17 Enhance organization-wide ESG development and employee competency	Implemented a number of ESG development and diverse competency training programs for a total of 452 people , with a cumulative total of 2,121 participants since 2022. - Optimize the TSRC learning management system training process to improve learning participation and the quality of teaching materials - Continue to contact suppliers of ESG information systems and discuss system requirements	 Improve the organization's ESG development and provide multifaceted competency training to 950 employees	Improve the organization's ESG development and provide multifaceted competency training to 1,070 employees	Improve the organization's ESG development and provide multifaceted competency training to 1,500 employees	4.1 Strengthening the Organization's Sustainability Capabilities
	SDG 17 Sustainable collaboration programs with business partners or outside institutions	- Participated in the 2025 ChemCareer Employment Expo at the National Taiwan University and engaged in chemistry-related exchanges with universities and colleges - NIJST Information Session on Industry-Academia Internship Programs - Petrochemical Industry Voluntary Reduction Experience Exchange - Total of 562 participants in 2025, with a cumulative total of 2,469 people since 2022.	 Achieve ≥1,000 participants (cumulative) for academic or technology exchange with business partners or outside institutions	Achieve ≥2,500 participants (cumulative) for academic or technology exchange with business partners or outside institutions	Achieve ≥5,000 participants (cumulative) for academic or technology exchange with business partners or outside institutions	4.3.2 Industry-Academic Collaboration
 Improve Health, Safety & Wellbeing of Employees	SDG 8 Enhance global workplace safety in the global operating environment	Achieved Total Recordable Incident Rate (TRIR) of 0.28	 Achieve TRIR <0.3	Achieve TRIR <0.3	Achieve TRIR <0.3 , and achieve at least 12 consecutive months with zero recordable injuries	4.2.1 Occupational Health and Safety
	SDG 8 Strengthen employee engagement	86% approval rate for the latest employee engagement survey (2024) - Collaborate with department heads to improve vulnerability indicators - Conducted organization thermometer survey, with a response rate of 93.8% and a net employee recommendation rate of 15.6%	 Group Organization Thermometer Survey Indicator eNPS >0%	Achieve approval rate of 75% in the Employee Engagement Survey	Achieve approval rate of 75% in the Employee Engagement Survey	4.2.3 Human Rights and Labor-Management Communication
	SDG 3 SDG 8 Enhance employee physical and mental care	- Organized physical and mental health activities or lectures, with a total of 1,022 participants in 2025 and a cumulative 4,541 participants since 2022 - The Group's operating sites provide workplace consultation services for 99% of employees	 More than 50% of all global operating sites provide physical and mental consulting services	Continued to have more than 50% of all global operating sites provide physical and mental consulting services	Have all global operating sites provide physical and mental consulting services	4.2.1 Occupational Health and Safety
 Enhance Social Engagement	SDG 17 Support environmental protection and social care programs	≥2,369 volunteers (cumulative) have participated in social care or environmental protection activities among global employees since 2022	 ≥600 volunteers (cumulative) for social care or environmental protection activities among global employees	≥600 volunteers (cumulative) for social care or environmental protection activities among global employees - Plan and organize at least three events related to social care or environmental protection	≥1,000 volunteers (cumulative) for social care or environmental protection activities among global employees	4.3.1 Social Impact
	SDG 9 SDG 17 Promote science sustainability education programs	Organize scientific events which attract ≥1,011 total participants (cumulative)	 Organize scientific events which attract ≥300 total participants (cumulative)	Organize scientific events which attract ≥300 total participants (cumulative)	Organize scientific events which attract ≥1,000 total participants (cumulative)	4.3.2 Industry-Academic Collaboration

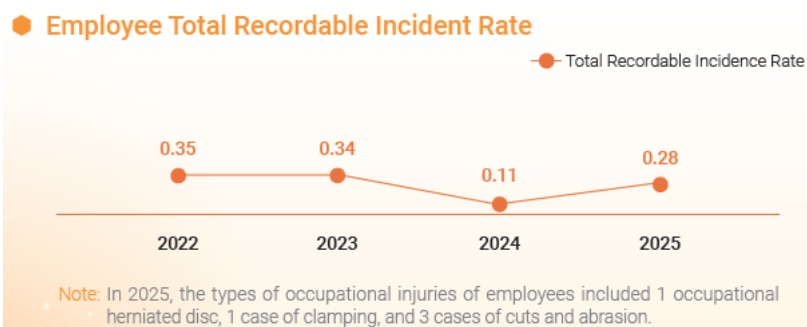
【Employee Training Hours】

In response to rapid market and environmental changes, TSRC has actively invested in employee education and training resources, and implemented training projects. In 2025, through lean course design, optimization of training methods, and adjustment of training allocation in response to actual manpower needs, the overall utilization efficiency of training resources was improved, with the ongoing focus on improving training quality and learning effectiveness, so that annual training volume will show reasonable fluctuations.



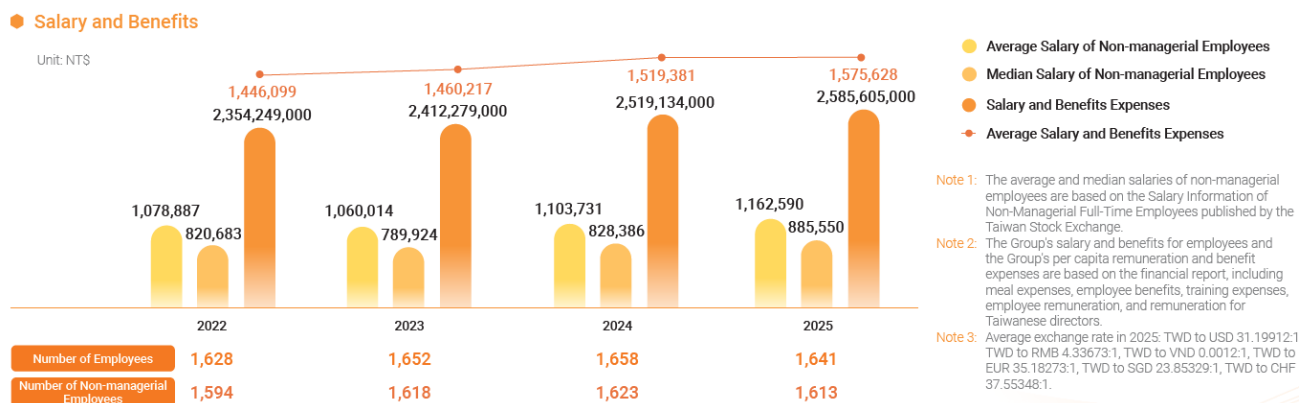
【Employee Total Recordable Incident Rate】

TSRC adopts the Total Recordable Incident Rate (TRIR) as a management indicator to monitor global operational safety. In 2025, 5 occupational injuries occurred among TSRC employees, with the TRIR across the entire Group being 0.28, reaching the 2025 management target (≤ 0.3).



【Employee Remuneration】

Employee compensation and benefits of the TSRC Group reached NT\$2,585,605,000 in 2025, up 2.6% compared to 2024. Average remuneration and benefits expenses increased to NT\$1,575,628, up 3.7% compared to 2024. TSRC continues to provide competitive compensation and benefits associated with the annual earning to attract and retain outstanding talent for innovation.



【Employee Surveys】

Organization Thermometer Survey

We derive an employee net promoter (eNPS) based on the survey results in order to gauge how our employees currently feel towards the Company. This score is used as a reference indicator for observing how the organization's atmosphere changes.

Survey frequency Once a year

Scope of survey All TSRC employees worldwide

Implementation results The response rate in 2025 increased by 4.1% compared to 2024, while the employee net promoter score was 15.6% (down 0.6% compared to 2024).

Employee Engagement Survey

Through surveys, are able to understand the current work situations faced by our employees, discovering potential challenges and issues with work. For areas with lower scores, the HR team has collaborated with functional units to promote continuous improvements and formulate plans to enhance employee engagement, closely tracking progress and results to strengthen organizational team cohesion.

Survey frequency Once every two years

Scope of survey All TSRC employees worldwide

Implementation results In 2025, based on the results of the 2024 employee engagement survey, each operational site worked with plant supervisors to address areas of weakness, promote two-way communication and improvement initiatives, strengthening motivation, identification, and sense of belonging.