

Evaluation and Actions for Material Topics

TSRC follows the GRI Standards to analyze and identify material issues. Through the five steps of "identification, evaluation, analysis, examination, and approval," TSRC examined the substantive and potential impacts of daily operations on the economy, environment, and society/people, incorporating input from internal and external stakeholders to optimize TSRC ESG management strategies and track and manage impacts.

2025 Material Topics

In 2025, TSRC identified 12 material topics, which are as follows: Business Strategy and Economic Performance, Governance and Compliance, Risk Management, Sustainable Innovation, Sustainable Supply Chain Management, Climate Strategy and Greenhouse Gas Emissions, Energy Management, Waste and Circular Management, Water Resource Management, Occupational Health and Safety, Talent Development, Labor Relations and Human Rights. The following is a summary of each material topic and its strategies and actions. For detailed information, please refer to the [2025 TSRC Sustainability Report](#).

Material Topics	Positive/negative impacts on the Economy, Environment, and People (Including their human rights)	Policies or Commitment	Actions	Grievance Mechanism	Stakeholder Involvement in Grievance Mechanism Design	Number of Complaints in 2025	Remedial Measures for Complaint Cases
Business Strategies and Performance	※ Positive -Good operational strategies and performance 【Society/People】 TSRC continues to make profits, creating higher economic value and benefits for shareholders and employees. 【Economy】 TSRC's good operating strategies and continued profitability revitalize the local economy and create momentum in the area where the plant is located	2025 Investors Conference Presentation	- Adopt a proactive pricing strategy - Utilize product portfolio advantage	This topic has no negative impact.	—	—	—
Governance and Compliance	※ Negative - Violation of laws and regulations 【Environmental】 If TSRC violates environmental laws and regulations, causing environmental laws and regulations, causing pollution or other negative effects and disrupts the ecological balance, TSRC will be subject to penalties imposed by the relevant authorities. 【Society/People】 If TSRC violates labor, human rights or product labeling laws and regulations, it will be fined by the relevant authorities and the rights of employees, customers and suppliers will be harmed.. 【Economy】 If TSRC violates laws and regulations related to corporate governance, and ethical integrity and other governance-related failures that result in the company being fined by the relevant authorities, the overall economic development and efficiency will be reduced.	- Corporate Governance Guidelines - Code of Ethics - Code of Business Conduct - Management Procedure for Insider Trading - Management Procedure for Antitrust Compliance - Environmental Policies	- Track laws and regulatory updates - Develop and host educational training and dissemination	- ESG mailbox in English and Chinese on the company website - Whistleblower mailbox in English and Chinese on the company website - Sustainable development section's contact window on the company website - TSRC spokesperson mailbox - Employee feedback mailbox	Communicate and express opinions through the ESG mailbox and the contact window of the sustainable development section on the website.	0 cases	- Once a complaint is received, it is handled immediately to decide how to respond to the complaint based on the nature of the incident and the circumstances involved. - Take necessary remedies and improvement measures for items that require improvement, and track the effectiveness.

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				6. Contractors communication meeting 7. Local competent authorities			
Risk Management	※ Negative - Mismanagement of risk 【Society/People】 If TSRC's mismanagement of risks results in major violations or operating losses, it will damage the rights and interests of employees, shareholders, and customers. 【Economy】 If TSRC doesn't properly manage its finances, strategies, operations, industrial risks and climate risks, the company will incur losses and affect the tax revenue and overall economic development of the region in which it operates.	TSRC Enterprise Risk Management Policy	- Develop and implement risk management actions - Monitor risk responses quarterly	1. ESG mailbox in English and Chinese on the company website 2. TSRC Shareholders' Service center contact window on the company website 3. TSRC spokesperson mailbox 4. shareholders meeting 5. Employee feedback mailbox	Express opinions or make suggestions at the shareholders' meeting through the Shareholders Service Contact Window.	0 cases	1. Once a complaint is received, it is handled immediately to decide how to respond to the complaint based on the nature of the incident and the circumstances involved. 2. Take necessary remedies and improvement measures for items that require improvement, and track the effectiveness.
Sustainable Innovation	※ Positive - Sustainable innovation 【Environmental】 TSRC provides innovative, sustainable products to reduce energy and resource consumption and ecological impact 【Economy】 TSRC has innovative and sustainable technology that encourages the rubber industry to promote low-carbon, waste-reducing and energy-saving production technologies, and stimulates the sustainable transformation of the entire industry and economy	- TSRC ESG Strategy & Targets - Overview of Development Management - R&D Management Measures - New Product Development Management Measures	- Promote energy-saving and carbon-reduction manufacturing process - Optimize manufacturing process and technology - Increase Innovative and sustainable products	This topic has no negative impact.	—	—	—
Sustainable Supply Chain Management	※ Negative - Inadequate supply chain management 【Environmental】	TSRC ESG Strategy & Targets	Conduct annual supplier	1. ESG mailbox in English and	Communicate and express opinions	0 cases	1. Once a complaint is received, it is handled

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	Due to inadequate supply chain management, TSRC's suppliers have caused environmental pollution, destroying ecological balance and environmental quality. 【Society/People】 Due to inadequate supply chain management, TSRC's suppliers have violated workers' rights and interests, resulting in harm to workers' rights and interests. 【Economy】 Due to inadequate supply chain management, TSRC's suppliers have been dishonest, corrupt, or fraudulent, affecting the development of the rubber industry and the overall economic efficiency.	- TSRC Group Supplier Code of Conduct - TSRC ESG Procurement Policy	screenings through document-based or on-site assessments. Track the implementation status of the GHG reduction plan of the top 50 suppliers for annual procurement of primary and secondary raw materials	Chinese on the company website 2. Whistleblower mailbox in English and Chinese on the company website 3. Sustainable development section's contact window on the company website 4. TSRC spokesperson mailbox 5. Employee feedback mailbox	through the ESG mailbox and the contact window of the sustainable development section on the website.		immediately to decide how to respond to the complaint based on the nature of the incident and the circumstances involved. 2. Take necessary remedies and improvement measures for items that require improvement, and track the effectiveness.
Climate Strategy and GHG Emissions	※ Positive - Reducing the carbon footprint of products 【Environmental】 TSRC is committed to reducing the carbon footprint of its products in order to reduce emissions and mitigate the negative impacts of climate change and the environment. 【Society/People】 TSRC provides customers with low carbon footprint products to help them meet their carbon reduction goals. ※ Negative - Greenhouse gas emissions 【Environmental】 TSRC's operations and suppliers emit greenhouse gases that cause climate change and impact the environment, ecology and biodiversity 【Society/People】 TSRC's operations and suppliers emit greenhouse gases that cause climate change and related disasters and damage the rights and interests of society and people. 【Economy】 TSRC's operations and suppliers emit greenhouse gases that cause climate change and related climate disasters, resulting in overall economic losses.	- TSRC ESG Strategy & Targets - Environmental Policies	- Promote energy-saving and low-carbon manufacturing process - Plan the use of renewable energy	1. ESG mailbox in English and Chinese on the company website 2. Whistleblower mailbox in English and Chinese on the company website 3. Sustainable development section's contact window on the company website 4. TSRC spokesperson mailbox 5. Shareholders meeting	Communicate and express opinions through the ESG mailbox and the contact window of the sustainable development section on the website.	0 cases	1. Once a complaint is received, it is handled immediately to decide how to respond to the complaint based on the nature of the incident and the circumstances involved. 2. Take necessary remedies and improvement measures for items that require improvement, and track the effectiveness.

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Energy Management	※ Positive - Using renewable energy 【Environmental】 If TSRC uses renewable energy to reduce its dependence on fossil fuels, it will help mitigate climate change and negative environmental impacts. 【Economy】 If TSRC's demand for renewable energy increases, it will promote the development of renewable energy technologies and facilitate the development of the green chemical industry and the transformation of the low-carbon economy. ※ Negative - Use of fossil fuels 【Environmental】 TSRC and its suppliers use fossil fuels in their operations, resulting in the continued extraction of fossil fuels. The extraction process can pose a threat to water and the ecosystem. ※ Negative - High energy consumption 【Environmental】 If TSRC consumes a significant amount of energy, it may have a crowding-out effect on energy resources in the area of operation, resulting in the competent authorities to expand the construction of power plants or related facilities to meet the energy needs of industries and communities. It may have adverse effects on the environment, ecosystem and wildlife habitats. 【Society/People】 If TSRC consumes a substantial amount of energy, it may cause crowding-out effects on the allocation of energy resources, which may harm the rights and interests of local communities in the use of energy.	• TSRC ESG Strategy & Targets • Environmental Policies	• Promote energy-saving and low-carbon manufacturing process • Plan the use of renewable energy	1. ESG mailbox in English and Chinese on the company website 2. Sustainable development section's contact window on the company website 3. TSRC spokesperson mailbox	Communicate and express opinions through the ESG mailbox and the contact window of the sustainable development section on the website.	0 cases	1. Once a complaint is received, it is handled immediately to decide how to respond to the complaint based on the nature of the incident and the circumstances involved. 2. Take necessary remedies and improvement measures for items that require improvement, and track the effectiveness.
Water Resource Management	※ Positive - Water recycling and reuse 【Environmental】 Increasing the wastewater recycling rate and the use of reclaimed water will reduce TSRC's tap water consumption, its dependence on water resources, and its impact on the ecological environment. 【Economy】 TSRC's expansion of reclaimed and recycled water promotes the development of reclaimed water technology and the transition to a green economy. ※ Negative - High water consumption 【Environmental】	• TSRC ESG Strategy & Targets • Environmental Policies	• Promote wastewater reuse • Increase recycled water usage percentage • Optimize wastewater treatment facilities	1. ESG mailbox in English and Chinese on the company website 2. Sustainable development section's contact window on the company website	Communicate and express opinions through the ESG mailbox and the contact window of the sustainable development section on the website.	0 cases	1. Once a complaint is received, it is handled immediately to decide how to respond to the complaint based on the nature of the incident and the circumstances involved. 2. Take necessary remedies and improvement

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	If TSRC has a high consumption on tap water, it may lead to crowding-out effects on water resource in the area of operation, resulting the competent authorities expanding the construction of reservoirs or the water storage facilities to meet the water consumption of industries and local communities. The construction may cause adverse impact on the environment, ecosystem, and wildlife habitats 【Society/People】 If TSRC has a high consumption on tap water, it may lead to crowding-out effects on the distribution of water resources, which may harm the rights and interests of local communities in the use of water. ※ Negative - Improper treatment of wastewater 【Environmental】 If the wastewater generated by TSRC is directly discharged without proper treatment, it may lead to environmental and water pollution and affect the balance of the ecosystem. 【Society/People】 If the wastewater generated by TSRC is directly discharged without proper treatment, it may affect the health of employees and local communities.			3. TSRC spokesperson mailbox			measures for items that require improvement, and track the effectiveness.
Waste and Hazardous Substance Management	※ Positive - Waste reduction, reuse and recycling 【Environmental】 TSRC promotes the recycling and reuse of waste to avoid the extraction of raw materials and to reduce the impact on the environment. By reducing waste generation, TSRC avoids the use of energy resources and potential ecological impacts of waste disposal. ※ Negative - Improper waste disposal 【Environmental】 If the waste generated by TSRC is disposed of or discharged without proper treatment, it will cause ecological impacts. 【Society/People】 If the waste generated by TSRC is discharged or discarded without proper treatment, it may affect the health of the local community. ※ Negative - Toxic chemical spills 【Environmental】 If TSRC produces harmful chemicals and discharges them into water or soil, it may cause the death of animals and plants, resulting in an ecological disaster	- TSRC ESG Strategy & Targets - Environmental Policies	- Optimize the manufacturing process to reduce waste - Reuse and recycle waste	- ESG mailbox in English and Chinese on the company website - Sustainable development section's contact window on the company website - TSRC spokesperson mailbox - Environmental Protection Bureau, Kaohsiung City Government - Industrial Park Service Center	Communicate and express opinions through the ESG mailbox and the contact window of the sustainable development section on the website.	0 cases	- Once a complaint is received, it is handled immediately to decide how to respond to the complaint based on the nature of the incident and the circumstances involved. - Take necessary remedies and improvement measures for items that require improvement, and track the effectiveness.

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	【Society/People】 If TSRC discharges harmful chemicals into water or soil, the local community or end-users are directly exposed to the toxic substances, resulting in physiological disorders or chronic poisoning through biomagnification and long-term accumulation in the human body.						
Occupational Health and Safety	※ Positive - Promoting health and safety in the workplace 【Society/People】 TSRC continues to optimize the workplace environment and health to provide employees with a positive and safe work environment 【Economy】 TSRC advocates workplace health promotion measures to improve the health of employees and the overall productivity of the economies in which it operates. ※ Negative - Occupational injuries 【Society/People】 If TSRC's occupational health and safety activities are not properly managed, it may result in occupational injuries and illnesses, affecting the labor rights and health of employees.	• TSRC ESG Strategy & Targets • HSE incident reporting and investigation procedures • Contractor management procedure • TSRC Group Supplier Code of Conduct	• Establish the TSRC HSE incident management mechanism • Set up the TSRC global HSE awards	1. Employee feedback mailbox 2. Occupational Safety and Health Committee 3. Local competent authorities	Discussion by employee representatives of the Occupational Safety and Health Committee	0 cases	1. Once a complaint is received, it is handled immediately to decide how to respond to the complaint based on the nature of the incident and the circumstances involved. 2. Take necessary remedies and improvement measures for items that require improvement, and track the effectiveness.
Talent Development	※ Positive - Improving talent cultivation 【Society/People】 TSRC provides on-the-job training and job coaching to assist employees with future career planning and development. 【Economy】 TSRC provides comprehensive professional training courses and learning resources to cultivate talents in the chemical industry and promote the improvement of the overall competitiveness of the industry.	• SRC ESG Strategy & Targets • Talent Development Management Approach • Human Rights Policy	• Implement ESG development and diverse competency training • Introduce the TSRC learning management system training process to improve learning participation and the quality of teaching materials	This topic has no negative impact.	—	—	—

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Employment and Human Rights	※ Negative - Violation of labor rights 【Society/People】 Forced labor, discrimination, harassment, denial of freedom of speech, and other human rights abuses occur at TSRC's operations or at its suppliers, infringing on employees' rights and interests at work.	- Human Rights Policy - Privacy and Personal Data Protection Policy - TSRC Group Supplier Code of Conduct	- Continue to follow up and make improvements based on employee due diligence results - Conduct human rights due diligence on suppliers - Regularly communicate privacy and personal data protection laws and regulations with employees to raise compliance awareness	- Submit a complaint to the unit supervisor - Whistleblower mailbox in English and Chinese on the company website - Employee feedback mailbox - Contractors communication meeting - Local competent authorities	Regular discussions between union representatives and representatives of the Company's management team. Non-employees can communicate and discuss with contractors at their communication meetings.	0 cases	- Once a complaint is received, it is handled immediately to decide how to respond to the complaint based on the nature of the incident and the circumstances involved. - Take necessary remedies and improvement measures for items that require improvement, and track the effectiveness.

For topics that are not identified as material to TSRC but are highly relevant to operations and may pose potential negative impacts, the key response and management measures are outlined below:

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Product Stewardship and Chemical Management	Negative - Improper chemical safety management and labeling 【Environment】 TSRC's failure to manage chemical safety during the product life cycle has resulted in negative impacts on the environment during the manufacturing process and product use, jeopardizing the ecological balance and species. 【Economy】 TSRC's improper chemical safety management and unclear labeling may cause health and safety hazards to customers due to improper use.	- Hazardous Substances Free (HSF) Policy - Food Contact Material Safety Policy - Toxic and Concerned Chemical Substances Management Procedures	Establish a hazardous and chemical substances management system to ensure proper control and safe use of chemicals.	- ESG mailbox in English and Chinese on the company website - Sustainable development section's contact window on the company website	Communicate and express opinions through the ESG mailbox and the contact window of the sustainable development section on the website.	0 cases	Once a complaint is received, it is handled immediately to decide how to respond to the complaint based on the nature of the incident and the circumstances involved.

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		Code of Business Conduct		3. TSRC spokesperson mailbox 4. Business unit contact window			2. Take necessary remedies and improvement measures for items that require improvement, and track the effectiveness.
Biodiversity and Natural Environment	※ Negative - Destruction of habitat and biodiversity 【Environmental】 The operation of existing TSRC factories and the development of new factories may destroy ecological habitats and causes disturbance to species, resulting in a decrease in the number of species or an increase in the risk of extinction, affecting biodiversity and the natural environment. 【Society/People】 The operation of existing TSRC factories and the development of new factories may destroy ecological habitats and affect the ecosystem's ability to provide sufficient resources for human society, affecting the entire population.	Environmental Policies	Without compromising plant safety and normal operations, each facility maintains a certain proportion of green spaces and landscaped vegetation, and has established policies for natural ecosystem conservation and management.	1. ESG mailbox in English and Chinese on the company website 2. Sustainable development section's contact window on the company website 3. TSRC spokesperson mailbox	Communicate and express opinions through the ESG mailbox and the contact window of the sustainable development section on the website.	0 cases	1. Once a complaint is received, it is handled immediately to decide how to respond to the complaint based on the nature of the incident and the circumstances involved. 2. Take necessary remedies and improvement measures for items that require improvement, and track the effectiveness.