

2024

TIEN KANG CO., LTD.

ESG Sustainability Report



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About This Report

TIEN KANG CO., LTD. (hereinafter referred to as “TIEN KANG CO., LTD.” or the “Company”) has, since 2025, prepared and published its ESG Sustainability Report in accordance with the guidelines of the Global Reporting Initiative (GRI). This report serves as an important channel for communicating non-financial information and for reviewing and enhancing the Company's overall sustainability performance.

In addition, the Company has restructured and enhanced its comprehensive ESG corporate sustainability website, where the contents of the ESG Sustainability Report are disclosed on the corporate website. This initiative aims to improve the accessibility, transparency, timeliness, completeness, and interactivity of sustainability-related information for stakeholders. Feedback from various stakeholders is collected through these channels and used as a basis for the continuous improvement and optimization of the Report's content and presentation.

1-1 Report Information

1-1-1 Basis of Preparation

This Report has been prepared with reference to the 2021 edition of the GRI Sustainability Reporting Standards (GRI Standards) issued by the Global Reporting Initiative (GRI). It also references and aligns with the OECD Guidelines for Multinational Enterprises, the United Nations Global Compact (UNGC), the United Nations Sustainable Development Goals (SDGs), ISO 26000 Guidance on Social Responsibility, and the standards of the Sustainability Accounting Standards Board (SASB) for disclosure purposes.

In addition, this Report has been prepared in accordance with the Taiwan Stock Exchange “Regulations Governing the Preparation and Filing of Sustainability Reports by Listed Companies” and the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” , with the aim of clearly presenting the Company's policies, practices, and performance related to corporate social responsibility and disclosing such information to stakeholders.

Relevant cross-reference tables are provided in the Appendix.

1-1-2 Reporting Period and Frequency

This ESG Sustainability Report is published on an annual basis. It covers the Company's relevant operating systems and activities for the period from January 1, 2024 to December 31, 2024, with a focus on the management approach and performance of each material topic. The reporting period is consistent with the Company's financial reporting period.

The Report includes, among others, the management approach, material topics, performance results, value chain management, and environmental and social initiatives, and is also disclosed on the Company's website.

Current edition release: June 2025.

1-1-3 Reporting Boundary and Scope

The reporting entity and boundary of this ESG Sustainability Report are defined as TIEN KANG CO., LTD. and the disclosures herein are limited to the Company's operations within this scope.

1-1-4 Information Restatement

There were no restatements of information in the 2024 Sustainability Report of TIEN KANG CO., LTD.

1-1-5 External Assurance / Verification

This Report has not been assured or verified by an independent third-party verification/assurance body.

1-1-6 Responsible Unit for Sustainability Reporting

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1-2 About TIEN KANG CO., LTD.

Tienkang Group: Rising from Crisis, Innovation Leading the Future

1-2-1 An Accidental Beginning

More than forty years ago, Mr. Huang Feng-Wu may never have imagined that his life would become closely intertwined with the machinery manufacturing industry. At that time, he was merely an advertising sales representative based in Taichung, providing advertising services to machinery-related businesses and interacting with industrial clients on a daily basis.

As his business performance accumulated over time, he gradually built up capital and earned the trust of his clients. One day, a loyal customer recognized his capabilities and invited him to invest in, and serve as a supervisor of, a newly established company. As Mr. Huang was unfamiliar with corporate management at the time, his role was more akin to that of an observer. He did not actively participate in decision-making, but instead monitored the company's development solely in his capacity as an investor.

1-2-2 Crisis Strikes: Rising to the Challenge

However, fate often plays unexpected tricks. Due to poor management, the newly established company accumulated debts of up to NTD 8 million and eventually stood on the brink of bankruptcy. Faced with this predicament, everyone else chose to withdraw, leaving Mr. Huang Feng-Wu at a critical crossroads in his life. Although he had initially been only a passive investor, his role as a supervisor required him to assume joint liability. “I chose not to run away; I decided to take a chance,” he later recalled.

He personally negotiated with creditors in an effort to secure extensions and grace periods, and even advanced his own funds to cover outstanding obligations. Through sheer determination, he took over the struggling company. Transforming himself from a complete novice in management into the leader of the enterprise, every step he took was fraught with challenges and uncertainty. Yet it was precisely this unyielding spirit that enabled him to find a glimmer of hope amid the darkness.

1-2-3 Turning Point Through Innovation and Market Insight

Amid the impact of the oil crisis, market demand contracted sharply, and two idle injection molding machines remained unsold for an extended period. At that time, Mr. Huang Feng-Wu happened to identify a business opportunity at a night market—plastic building blocks. Acting on this insight, he decided to shift the Company's production direction by utilizing existing equipment to manufacture building blocks, while introducing an innovative model that allowed employees to purchase the products at wholesale prices and sell them independently. This strategy not only boosted internal morale but also stabilized Tienkang's revenue, enabling the Company to weather its most challenging period.

The true breakthrough, however, came with entry into the footwear machinery sector. A collaboration with a shoe factory in Pingtung presented Tienkang with a pivotal opportunity. The factory urgently required a new type of shoe eyelet injection molding machine, and Mr. Huang led his team in developing a customized solution tailored to the client's needs. Although the order generated limited profit, he astutely recognized its market potential. By personally guiding prospective customers through factory tours and demonstrating the advantages of the equipment, he successfully attracted a new client base. This effort propelled Tienkang from the low-price segment into the high-end footwear machinery market, laying a new foundation for the Company's growth.

Tienkang's expansion did not stop there. When an EVA injection molding machine introduced by the Italian company Wintech failed to gain market traction due to performance issues, Mr. Huang immediately identified opportunities for improvement. He decisively dispatched engineers to Italy to study and refine the technology, leading to the successful development of a more efficient EVA machine. The improved model quickly gained attention in the Asian market and subsequently attracted the interest of internationally renowned sports brands. As orders surged, Tienkang's global business entered a phase of explosive growth.

1-2-4 Global Expansion and Sustained Leadership

Today, TIEN KANG CO., LTD. has become a leading enterprise in the global injection molding machinery industry, with products exported to more than 90 countries worldwide. From a small company once on the brink of bankruptcy, it has grown into an international brand with annual revenue exceeding NTD 1 billion. Throughout this journey, every challenge has served as a catalyst for transformation, while Mr. Huang Feng-Wu's vision and perseverance have been the critical drivers behind Tienkang's continued breakthroughs.

“Always staying one step ahead of market demand” has long been the Company's guiding vision. Its core values emphasize “encouragement, inclusiveness, and continuous learning; integrity in conduct, diligence in execution, and solid craftsmanship in machine building.” The brand spirit is embodied in three key principles: Reliability—manufacturing high-quality machines; Commitment—addressing market changes with forward-looking thinking; and Innovation—delivering more efficient solutions.

Reflecting on this journey, Mr. Huang firmly believes that “every difficulty exists to make us stronger.” It is this resilient and unyielding spirit that has enabled Tienkang to stand firm through adversity and to continue writing an even more remarkable chapter in future market competition.

1-2-5 Gentrex Precision Machinery Technology Co., Ltd.

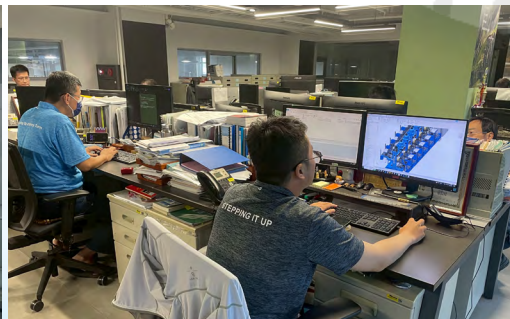
- Date of Incorporation Approval : April 1, 1982
- Paid-in Capital (Year 2023/112) : NT\$203,800,000
- Representative : Huang Feng-Wu
- Public Listing Status : Not publicly listed



1-3 Main Products and Services

Material Properties	Main Products	Materials Used	Photos	Feature
Thermoset materials	EVA Injection Molding Machine	EVA		Tienkang's EVA injection molding machines are designed with high stability, high efficiency, and energy-saving features. They are specifically developed for the production of outsoles, midsoles, slippers, and similar products. The machines enable rapid molding with consistent quality, while supporting a wide range of mold configurations and automated production, thereby enhancing productivity and yield rates.
	Rotary EVA Hot & Cold Molding Machine	EVA		Tienkang's EVA compression molding machines (hot & cold press) integrate heating and cooling systems, enabling both hot pressing and shaping processes to be completed in a single machine. This enhances process efficiency and product stability. The machines are suitable for high-quality footwear material compression, reduce labor requirements, and support multi-cavity production.
	EVA Co-Shot Injection Molding Machine	EVA		Tienkang's EVA cold preform and injection molding machines integrate cold preforming and injection molding technologies, effectively reducing cycle time and enhancing molding stability. They are particularly suitable for high-density and high-elasticity footwear materials, ensuring dimensional accuracy and superior surface quality.
	Rotary PU Casting Molding Machine	PU		Tienkang's PU pouring machines are equipped with high-precision automatic metering and mixing systems, making them suitable for the production of PU foamed products such as insoles and midsoles. The machines offer user-friendly operation and stable material output, while supporting multi-color and multi-ratio requirements to ensure uniform foaming and consistent product quality.
	Rotary Rubber Injection Molding Machine	RUBBER		Tienkang's Rubber injection molding machines are specifically designed for rubber outsoles, featuring high-pressure injection and precise temperature control. They are compatible with a wide range of rubber materials, ensuring stable molding, reduced cycle time, and enhanced product strength and consistency.
	Rubber Compression Molding Machine	RUBBER		Tienkang's Rubber compression molding machines utilize high-efficiency hydraulic systems and precise temperature control, making them suitable for vulcanized rubber products such as outsoles. The machines feature multi-layer mold platens and an automatic mold opening design, enhancing production efficiency and ensuring stable compression quality.

Material Properties	Main Products	Materials Used	Photos	Feature
Thermoset materials	TR/TPU Thermoplastic Static Injection Molding Machine	TR/TPU	<p>TR/TPU INJECTION TR/TPU射出</p>	Tienkang's TR/TPU injection molding machines are engineered for high-elasticity outsoles and footwear components. They support multi-station rotary operations and multi-color injection, delivering high plasticizing efficiency and stable material output. Compatible with thermoplastic elastomers such as TPR and TPU, the machines enable the production of high-quality, durable products with superior finish.
	DIP Shoe Injection Molding Machine	PVC	<p>DIP SHOE INJECTION 拉幫鞋射出</p>	Tienkang's direct injection shoe molding machines integrate automatic upper lasting and injection molding functions, and are specifically designed for one-piece molding of casual and safety footwear. The machines enhance structural integrity and appearance consistency, while supporting a wide range of upper materials and meeting high-efficiency mass production requirements.
	PVC/TPR Injection Molding Machine	PVC/TPR	<p>PVC/TPR INJECTION PVC/TPR射出</p>	Tienkang's PVC/TPR injection molding machines are suitable for manufacturing full plastic footwear, sandals, and outsoles. They support both single-color and multi-color injection, featuring stable plasticizing, rapid molding, and automated operation. These capabilities ensure excellent flexibility, uniform coloration, and consistent product quality.
	PVC Boot Injection Molding Machine	PVC	<p>PVC BOOT INJECTION PVC鞋靴射出</p>	Tienkang's PVC footwear injection molding machines offer flexibility in producing both safety boots and general rain boots, meeting diverse market demands. Equipped with a sole cooling system, they effectively shorten cooling time and improve production efficiency. The machines feature a C-frame design for easier maintenance, eliminating the need to dismantle the entire rotary table. In addition, the heated last function ensures stable molding, reduces material waste, and enhances product quality and yield rates.
	GENTREX SCF Physical Foam Injection Molding Machine	EVA/TPU/PEBAX/SEBS/TPEE	<p>GENTREX 物理性發泡射出</p>	Tienkang's GENTREX physical foaming injection molding machines utilize supercritical gas technology (such as N ₂ and CO ₂), eliminating the need for chemical blowing agents. This enables the production of lightweight, highly elastic, and environmentally friendly foamed products. The machines offer high stability and visualized process control, making them suitable for high-end footwear materials and innovative application development.



1-4 Geographic Distribution, Global Layout, and Employee Information

Headquarters : TIEN KANG CO., LTD. (Taiwan)

Branches :

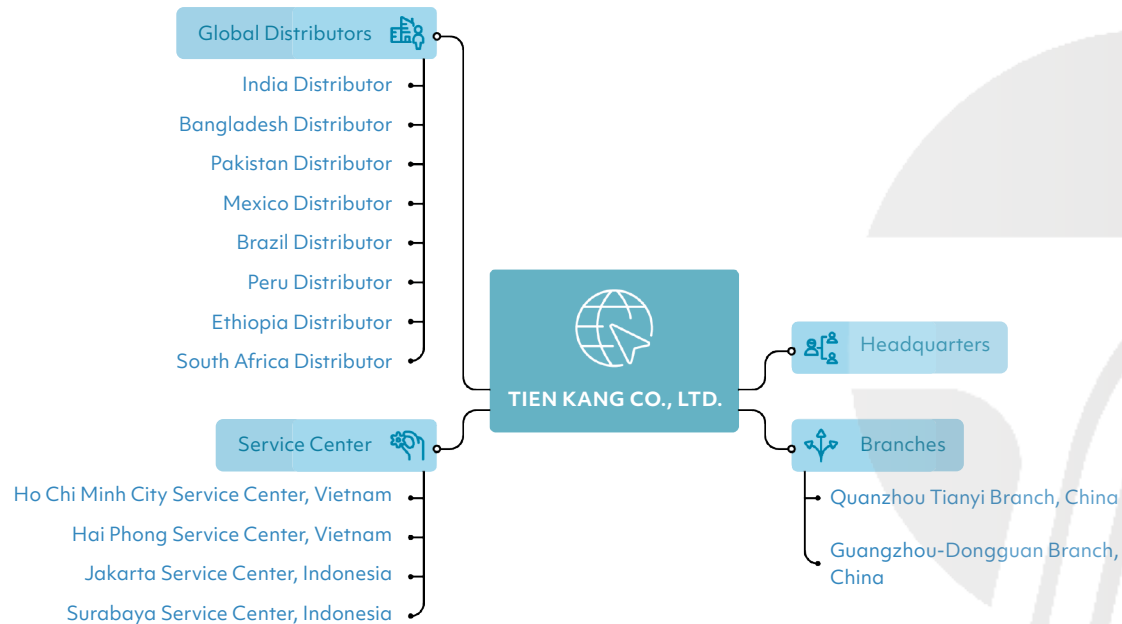
1. Quanzhou Tianyi Branch, China
2. Guangzhou-Dongguan Branch, China

Service Centers :

1. Ho Chi Minh Service Center, Vietnam
2. Hai Phong Service Center, Vietnam
3. Jakarta Service Center, Indonesia
4. Surabaya Service Center, Indonesia

Agents/Distributors :

1. India Agent
2. Bangladesh Agent
3. Pakistan Agent
4. Mexico Agent
5. Brazil Agent
6. Peru Agent
7. Ethiopia Agent
8. South Africa Agent



1-4-1 Branch

Quanzhou Branch – Tianyi Precision Machinery (Quanzhou) Co., Ltd.

Located in the Taiwan-invested zone of Quanzhou City, the branch covers an area of 60,611 square meters. In addition to manufacturing high-performance, energy-efficient, and automated shoe-making equipment, the facility houses a machining center for precision parts production, providing comprehensive services to our customer base.

Tianyi operates under the shared values of the Tienkang team: honesty in character, diligence in work, and reliability in machinery, continuously striving for innovation. The branch faithfully serves a broad clientele in the shoe and rubber machinery sectors, leveraging the unique design and performance of our equipment to help customers enhance production output and efficiency.

The guiding principle of the company is: “Our customers' success is our success.” A good manufacturer can only grow when its customers succeed in the market.

Guangzhou Dongguan Branch

Located in Dongguan City, Guangdong Province—a key hub of China's manufacturing industry—with a prime location and convenient transportation. This branch was established to be closer to the Chinese market, providing local clients with faster and more efficient technical support and after-sales services. Leveraging expertise in precision machining and automation technology, the Dongguan Branch is committed to meeting customer needs, enhancing production efficiency, and fostering closer collaborations to create shared industry value.



1-4-2 Value-Added Service Centers

Ho Chi Minh City Service Center, Vietnam

- Hai Phong Service Center, Vietnam
- Jakarta Service Center, Indonesia
- Surabaya Service Center, Indonesia

These service centers are strategically established based on customer geographic distribution to serve a broad client base. They are designed to assist customers in resolving machine issues within 2–4 hours, minimizing downtime and reducing production losses.



1-4-3 Global Distributors

- Southwest Asia : India Distributor, Bangladesh Distributor, Pakistan Distributor
- Latin America : Mexico Distributor, Brazil Distributor, Peru Distributor
- Africa : Ethiopia Distributor, South Africa Distributor

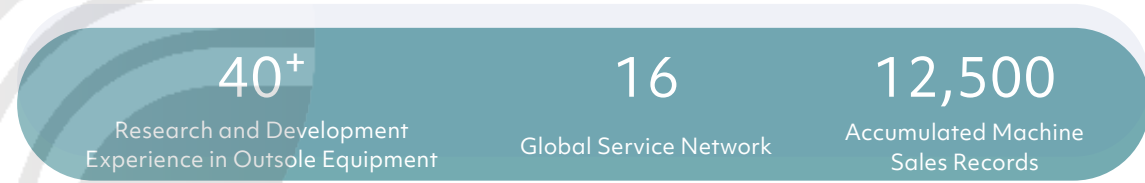
These distributors are equipped to address local customer needs and provide machine purchase recommendations. All distributors receive training from Tienkang headquarters in installation and maintenance, enabling them to promptly offer installation, repair, and upkeep services to customers in their respective regions.



GENTREX Technology by Tienkang: From Taiwan to the World - A Global Footprint in Footwear Machinery

More than four decades ago, when GENTREX was quietly founded in Taiwan, few could have foreseen the profound impact it would leave on the global footwear machinery industry. Since its establishment in 1982, Tienkang has developed GENTREX and expanded beyond geographical boundaries and, through innovative technologies and outstanding quality, successfully entered the core arena of the global footwear industry.

Today, GENTREX machines are deployed across 95 countries worldwide, with cumulative sales exceeding 12,500 units, and the company has established strong partnerships with more than 30 internationally renowned brands. These achievements stem from GENTREX's relentless pursuit of excellence, continuous investment in innovation, and forward-looking global market strategy.

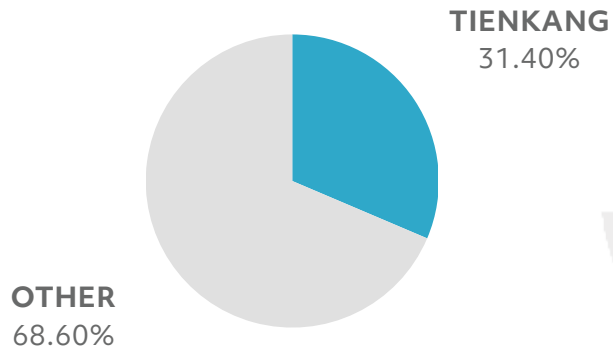


From Taiwan to the World: The Rise of a Company

The success story of Tienkang began in Taiwan but did not stop there. As market demand expanded and the global footwear industry evolved, Tienkang quickly established service hubs in Vietnam, Indonesia, India, and China, and opened 16 sales offices worldwide, covering Southeast Asia, South Asia, South America, Africa, and Europe. This global footprint not only demonstrates Tienkang's deep insight into market trends but also reflects its unwavering commitment to internationalization.

Deepening in the Asia-Pacific: Vietnam and Indonesia as Global Footwear Hubs
 In the global footwear industry landscape, Vietnam and Indonesia have emerged as two key markets.

Vietnam—As a rising hub in the global footwear sector, Vietnam has attracted numerous international brands with government-provided tax incentives, streamlined investment processes, and a favorable business environment. Tienkang established its operations early in the country and, leveraging superior technology and efficient service, successfully captured a 31.4% market share, becoming the most trusted partner for local footwear manufacturers.



Indonesia—With the continued growth of the footwear industry, Tienkang's machines have achieved a 22.1% market share locally, establishing solid partnerships with numerous domestic footwear manufacturers. Tienkang's technology helps Indonesian factories improve production quality and efficiency, further driving the industry's upgrading and transformation. From Southeast Asia to South Asia, Tienkang's machines are assisting countless brands in enhancing product quality and supporting the global footwear industry's advancement.

Driving Global Industry Upgrading
 Supporting the transformation of the global footwear industry by enhancing product quality and operational efficiency.

Market Leadership in Indonesia
 Achieved a significant market share of 22.1% in Indonesia, demonstrating strong regional influence.

Strategic Partnerships
 Established partnerships with over 30 international brands, strengthening its market position.

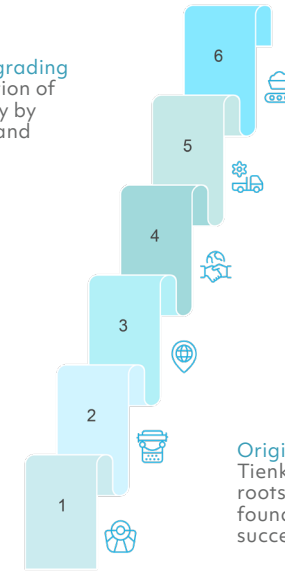
Global Collaboration: Partnering with Leading Brands

Tienkang's success is closely tied to the trust of internationally renowned brands. Top sports brands such as Nike, Adidas, PUMA, ON Running, Hoka by Deckers, and Brooks have all chosen Tienkang as a long-term partner. These brands favor Tienkang because its equipment delivers exceptional technical performance, innovation capability, and reliable after-sales service.

Technical Performance
 Outstanding Equipment Performance

Innovation Capability
 Continuous Innovation Capability

After-Sales Service
 Reliable and Comprehensive Services



Global Footprint
 Tienkang's machines are deployed across 95 countries worldwide, reflecting its extensive global presence and influence.

Innovation and Quality
 Committed to innovation and excellence in quality, enabling Tienkang to stand out in the market.

Origins in Taiwan
 Tienkang began with humble roots in Taiwan, laying a strong foundation for its future global success.

For example :

ON Running places extremely stringent requirements on lightweight design and comfort. GENTREX's machinery provides precise outsole production technology, ensuring that every pair of shoes delivers the ultimate comfort and performance required by athletes.

HOKA by Deckers is renowned for its maximal cushioning and demands exceptionally high manufacturing precision. GENTREX's equipment perfectly meets these requirements, supporting the brand in creating lighter, more ergonomic footwear.

The choices made by these international brands not only validate GENTREX's technological capabilities, but also highlight its commitment to innovation and quality.

Global Supply Chain Diversification: New Opportunities in Emerging Markets

Amid rising geopolitical risks and the accelerating trend toward supply chain diversification, more companies are choosing to disperse their production bases to reduce reliance on a single market. This trend has prompted GENTREX to actively expand its presence in emerging markets such as Indonesia and India. The significant growth potential of the footwear industry in these regions has become a key strategic focus for GENTREX's future development.

- **India**—With the upgrading of local manufacturing capabilities and the entry of numerous international brands, GENTREX is strengthening its presence in the region and deepening cooperation with contract manufacturers, providing high-performance footwear machinery solutions for global brands.
- **Indonesia**—The footwear industry is developing rapidly, driving increased demand for equipment. GENTREX's machinery market share continues to rise, and its influence is expected to expand further in the future.

Through global deployment and strategic market adjustments, GENTREX is steadily advancing toward a leading position in the global footwear machinery market.

1-5 Overall Environmental Context and Its Relationship with Organizational Operations

1-5-1 Industry Background and External Environment

Founded in 1982 and expanding from Taiwan to China, GENTREX Machinery is one of the world's top three footwear machinery and equipment suppliers. The company has delivered over 12,000 systems to approximately 90 countries and provides machinery services to 25 professional footwear brands.

The footwear industry is accelerating its transformation toward automation, energy efficiency, and low-carbon manufacturing processes. International brands such as Nike and Adidas increasingly require their supply chains to comply with ESG principles, while regulations such as the EU's Carbon Border Adjustment Mechanism (CBAM) are intensifying carbon emission pressures. These market trends place higher demands on GENTREX for improved machinery efficiency and enhanced carbon emission control capabilities.

1-5-2 Corporate Strategy and Sustainability-Oriented Products

Tienkang, through its GENTREX technology, upholds three core values—Reliability, Persistence, and Innovation—as the foundation of its corporate development and sustainability strategy.

In 2022, GENTREX launched the GENTREX multifunctional physical foaming injection system (Supercritical Fluid System) in collaboration with FCS.

By using liquid nitrogen (N2) to replace chemical foaming agents, the system enables near-zero carbon emissions in the outsole manufacturing process.

The GENTREX series supports a wide range of materials, including EVA, TPU, SEBS, and TPEE. Owing to its innovation and commitment to sustainability, the system has received multiple awards, including the New York Product Design Award, the TaipeiPLAS Silver Award, and the Circular Sustainability Special Award.



1-5-3 Integration of Operations and Management Systems

Tienkang has obtained dual international certifications, ISO 14064-1 (Greenhouse Gas Emissions Inventory) and ISO 50001 (Energy Management System), demonstrating its robust institutional capabilities in carbon management and energy efficiency.

In addition, the company has implemented smart manufacturing and intelligent equipment monitoring systems, including collaboration with Advantech to deploy the iFactory RTM/OEE system, enhancing equipment utilization, enabling predictive maintenance, and improving overall production efficiency and operational reliability.

1-5-4 Stakeholder Concerns and Company Responses

- a. Customers (Footwear Manufacturers) : Customers place strong emphasis on carbon reduction and manufacturing efficiency. GENTREX responds to these environmental trends by providing smart manufacturing solutions and energy-efficient equipment.
- b. Brand Owners and Supply Chain : Carbon footprint transparency and ESG performance have become key qualification criteria for global brands when selecting suppliers.
- c. Government and Regulatory Authorities : Governments promote carbon neutrality, smart manufacturing, and energy management initiatives. GENTREX demonstrates regulatory compliance through ISO certifications and verified carbon inventory practices.

1-5-5 Integration of Operations and Sustainability Strategy

a. Product Innovation Integrated with ESG :

GENTREX not only represents technological breakthroughs but also incorporates sustainability concepts by embedding ESG principles into machine design and material selection.

b. Synchronized Upgrade of Management Systems :

Through ISO certifications, carbon inventory, and energy management systems, sustainability processes are normalized and institutionalized.

c. Smart Manufacturing Enhancing Resource Efficiency :

By implementing intelligent monitoring and maintenance management, equipment downtime is reduced, machine utilization rates are improved, and overall operational efficiency is enhanced.



Global Footprint

Presence across 95 countries worldwide



Forward-Looking Expansion

A proactive and forward-looking global market strategy



Commitment to Innovation

Continuous investment in innovation



Pursuit of Excellence

An unwavering commitment to excellence



2

Management Philosophy and Sustainability Strategy

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2-1 Message from Management

Since its establishment in 1982, Tienkang has been deeply rooted in the field of footwear manufacturing equipment, consistently upholding the core values of Reliability, Persistence, and Innovation. Originating from Taiwan, we have expanded steadily into global markets and have grown to become one of the world's top three footwear machinery manufacturers, serving professional footwear manufacturers in more than 90 countries with over 12,000 installed machines worldwide.

As the global economy moves toward low-carbon development and sustainable manufacturing, we clearly recognize the responsibilities and impact that enterprises bear across the three pillars of Environmental (E), Social (S), and Governance (G) performance. In response to the challenges of climate change and energy transition, we are not only committed to developing new technologies with energy-saving and carbon-reduction benefits, but also actively integrating sustainability-oriented governance as a key direction for upgrading our business operations.

Environmental (E)

Tienkang actively responds to the trends of green manufacturing and carbon neutrality by developing the GENTREX series, based on physical foaming technology. By using liquid nitrogen to replace chemical foaming agents, this solution significantly reduces carbon emissions and waste generation in outsole production processes. We have also obtained ISO 14064-1 and ISO 50001 certifications, demonstrating our practical capabilities in greenhouse gas management and energy efficiency. In parallel, through smart manufacturing and data monitoring systems, we further optimize resource allocation and production processes, creating a win-win outcome for both our customers and the planet.

Social (S)

We firmly believe that people are the foundation of an enterprise. We continue to implement our corporate culture of “Three More and Three Real” : learning more, caring more, and building more confidence; being genuine in conduct, practical in execution, and sincere in product development. Through internal training programs, cross-departmental learning initiatives, health-promotion activities, and a friendly workplace framework, we cultivate a positive and inclusive talent environment, encouraging employees to realize sustainable values through personal and professional growth. At the same time, we actively fulfill our role as a responsible corporate citizen by strengthening local engagement, supporting education, and participating in industry-academia collaboration and public welfare initiatives.

Governance (G)

Tienkang continues to strengthen its corporate governance framework by implementing internal audit and control systems, as well as sustainability risk management mechanisms, to ensure that corporate decisions are forward-looking and compliant. We emphasize ethical business practices, information transparency, and stakeholder communication, and elevate ESG as a key topic for the Board of Directors and senior management, thereby achieving the dual objectives of sound governance and sustainable performance.

Looking Ahead

Tienkang will continue to place technological innovation at its core and sustainability value as its driving force, working hand in hand with global customers, partners, and employees to co-create a new generation of footwear manufacturing models that are smart, automated, and low-carbon. We firmly believe that corporate success is not measured solely by revenue and market share, but is deeply rooted in our commitment to the environment, our care for society, and our responsibility to the future.

On behalf of the management team, we sincerely thank all partners who have journeyed alongside Tienkang, and we warmly invite stakeholders from all sectors to advance sustainability together and build a more resilient vision for the future.

2-2 Management Philosophy

As Chairman, I am deeply aware that corporate development must balance economic growth, environmental sustainability, and social responsibility. Therefore, we have established clear management principles and sustainable development strategies, striving to demonstrate corporate leadership amid global sustainability trends.

First, in terms of our management philosophy, we adhere to **RPI** — **Reliability, Persistence, and Innovation** as the core values of sustainable development. Based on these principles, we have formulated our corporate sustainability policy, integrating corporate social responsibility into our business strategy to create sustainable economic, social, and environmental value, and to accompany our renowned customers toward a future of sustainable success.

President



Vice President



2-3 Corporate Vision

Our corporate vision is to drive and advance the sustainable development of the footwear industry by delivering high value-added and innovative footwear manufacturing equipment, providing differentiated and optimal solutions to brand customers, and creating meaningful industry transformation together.

Our core values are rooted in the belief of “encouraging more, embracing more, and learning more,” while upholding integrity in conduct, diligence in execution, and uncompromising solidity in machine manufacturing. Our brand spirit is embodied in three key principles:

Reliability — manufacturing high-quality, dependable machinery

Persistence — responding to market changes with a forward-looking mindset

Innovation — delivering more efficient and advanced solutions

By integrating ESG sustainability principles, we actively promote the development of energy-saving technologies and continuous technological innovation to enhance product competitiveness and production efficiency. Our commitment to green energy and carbon reduction reflects our environmental responsibility through the adoption of renewable energy and the reduction of greenhouse gas emissions, thereby realizing green manufacturing practices. Meanwhile, value co-creation underscores our collaboration with shareholders, employees, customers, suppliers, and society at large to jointly create and share the outcomes of sustainable development.

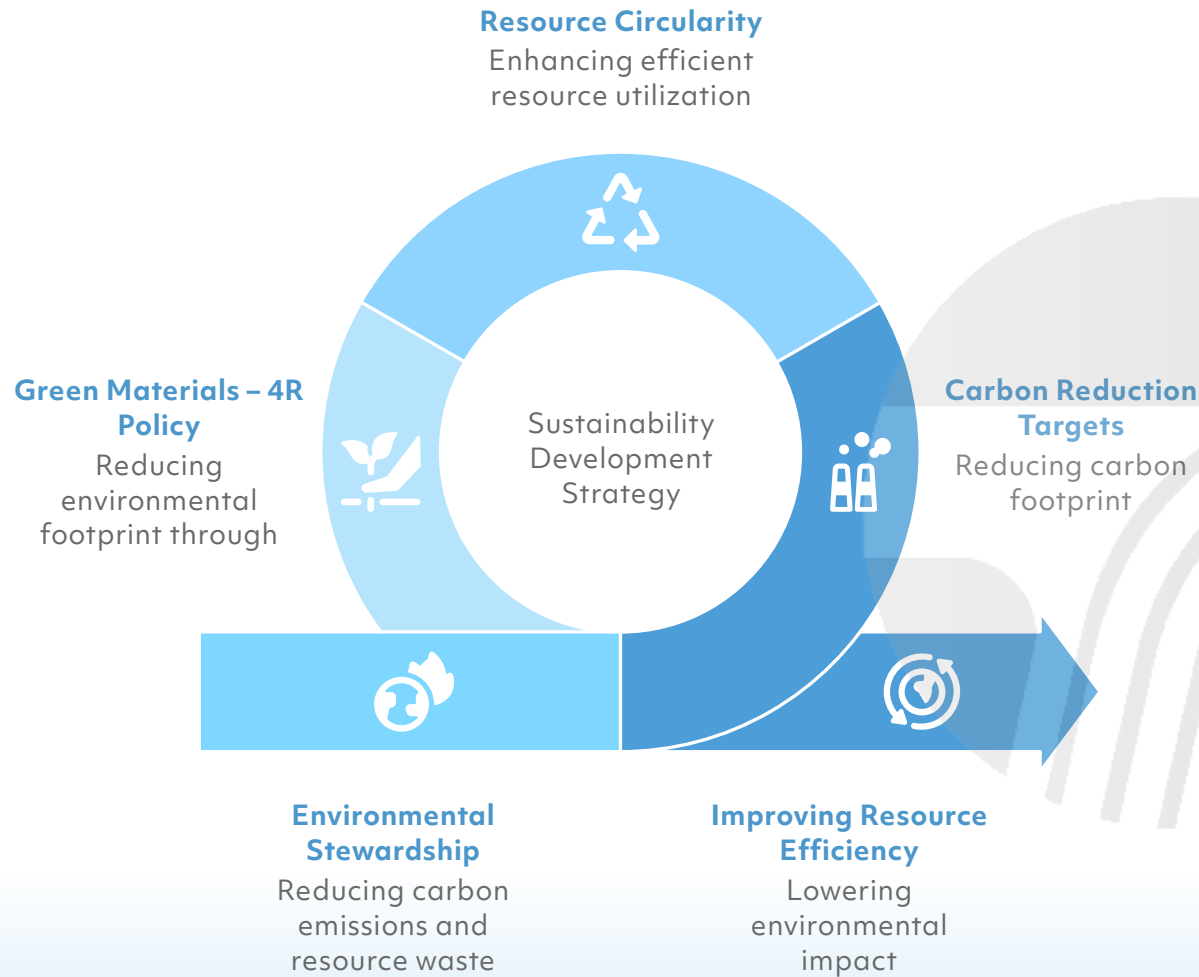
In implementing these management philosophies, the Company places strong emphasis on a pragmatic, performance-oriented approach. Through clear goal setting and continuous performance monitoring, we ensure effective execution and realization of our strategies. We also actively cultivate employees'

innovative thinking through diverse internal training programs and cross-departmental collaboration, unlocking team potential and continuously strengthening overall competitiveness.

With respect to our sustainable development strategy, the Company aligns with the United Nations Sustainable Development Goals (SDGs) and proactively addresses global warming and climate change by advancing comprehensive ESG management. On the environmental front, we have established clear carbon reduction targets, promoted resource circularity and reuse, and implemented the 4R green materials policy—Reduce, Reuse, Recycle, and Replace—to minimize material usage, enhance recycling and reuse, and substitute virgin materials with recycled alternatives. These initiatives not only significantly reduce environmental impact but also greatly improve resource efficiency.



Sustainable Development Goals (SDGs)



From a social perspective, we prioritize employee safety and health, actively fostering a positive and fulfilling work environment while providing comprehensive training and career development opportunities to enhance employee satisfaction and engagement. In addition, we actively participate in local community development and public welfare initiatives, supporting education, environmental protection, and charitable activities to fulfill our social commitments and corporate social responsibility.

From a governance standpoint, the Company has established a robust sustainability governance framework, with the Board of Directors directly overseeing ESG matters to ensure effective implementation of sustainability policies. We also promote information transparency through comprehensive corporate social responsibility reporting and dedicated information disclosure platforms, strengthening communication and engagement with stakeholders and further enhancing sustainability performance.

Through the implementation of these management philosophies and sustainability strategies, we are confident that the Company will not only effectively address climate change and global sustainability trends, but also continue to build competitive advantages in an increasingly dynamic market. Looking ahead, we will further deepen and strengthen our sustainability initiatives and work collaboratively with all stakeholders toward a more sustainable and prosperous future.

2-4 ESG Sustainability Strategy

Short-Term (Years 113–115)

Mid-Term (Years 116–120)

Long-Term (Years 121–125)



Environmental Sustainability

- ▶ Establish an Environmental Sustainability Policy and Management Framework, and Implement ISO 14001 Environmental Management System (EMS)
- ▶ Communicate sustainability principles with internal and external stakeholders to enhance employees' environmental awareness.
- ▶ Conduct environmental impact assessments to identify and confirm high-risk environmental issues.

- ▶ Integrate environmental management into corporate decision-making mechanisms to strengthen the ESG governance framework.
- ▶ Publish an Environmental Sustainability Report to transparently disclose the Company's environmental management performance.
- ▶ Establish an environmental risk monitoring mechanism and regularly review the effectiveness of environmental strategies.

- ▶ Achieve digitalization of environmental management, leveraging AI and big data analytics to assess and manage environmental impacts.
- ▶ Transform business models by fully adopting circular economy and carbon neutrality strategies.
- ▶ Continuously enhance environmental management effectiveness to align with international sustainability standards.



Green and Sustainable Innovation Solutions

- ▶ Promote green product design and low-carbon manufacturing processes.
- ▶ Develop recyclable, biodegradable, or reusable materials for products.
- ▶ Establish an internal green innovation platform to encourage employees to propose environmentally friendly and sustainable solutions.

- ▶ Collaborate with academic institutions and R&D organizations to develop new environmentally friendly technologies.
- ▶ Implement green supply chain management, encouraging suppliers to adopt eco-friendly materials and technologies.
- ▶ Expand green product markets to enhance the competitiveness of sustainable and green solutions.

- ▶ Become an industry-leading green innovation enterprise and establish international partnerships.
- ▶ Continuously optimize sustainability solutions through technological innovation and data analytics.
- ▶ Build a green industry ecosystem to drive the overall industry transformation.



Climate Change

- ▶ Conduct climate risk assessments and establish response strategies.
- ▶ Develop action plans to reduce carbon emissions and adapt to climate change.
- ▶ Participate in international climate initiatives to enhance the transparency of the Company's climate actions.

- ▶ Set corporate carbon emission reduction targets (e.g., a 50% reduction by 2030).
- ▶ Develop and invest in renewable energy to reduce reliance on fossil fuels.
- ▶ Enhance climate risk resilience to ensure stable business operations.

- ▶ Achieve carbon neutrality targets and implement a net-zero (zero-carbon) supply chain.
- ▶ Strengthen carbon credit trading and carbon offset mechanisms to promote industry-wide climate action.
- ▶ Establish sustainable city or community collaboration models to jointly address climate change.

2-4-1 Looking Ahead: Pioneering a New Generation of Smart and Green Footwear Manufacturing

As the global footwear industry accelerates toward low-carbon transformation and sustainable manufacturing, Tienkang fully recognizes its responsibilities and mission. We have established a clear three-phase development roadmap aligned with short-, mid-, and long-term ESG objectives, closely aligned with the sustainability visions of leading international brands.

2-4-2 Short-Term Objectives (by 2026)

Our near-term focus is on the initial realization of carbon reduction and smart manufacturing, including:

- Reducing carbon emissions by 20%, using 2022 as the baseline.
- Comprehensive adoption of GENTREX Supercritical Foaming injection equipment, significantly reducing chemical usage and carbon footprint.
- Establishing smart energy monitoring and MES-integrated management systems to support customers in real-time energy efficiency and carbon management.

2-4-3 Mid-Term Objectives (by 2030)

- At this stage, we will deepen resource circularity and service model innovation:
- Reducing carbon footprint per pair of shoes by 25% and lowering water consumption per style by 20%.
 - Implementing an Equipment-as-a-Service (EaaS) business model to help customers transition to low-carbon processes while alleviating capital expenditure pressure.

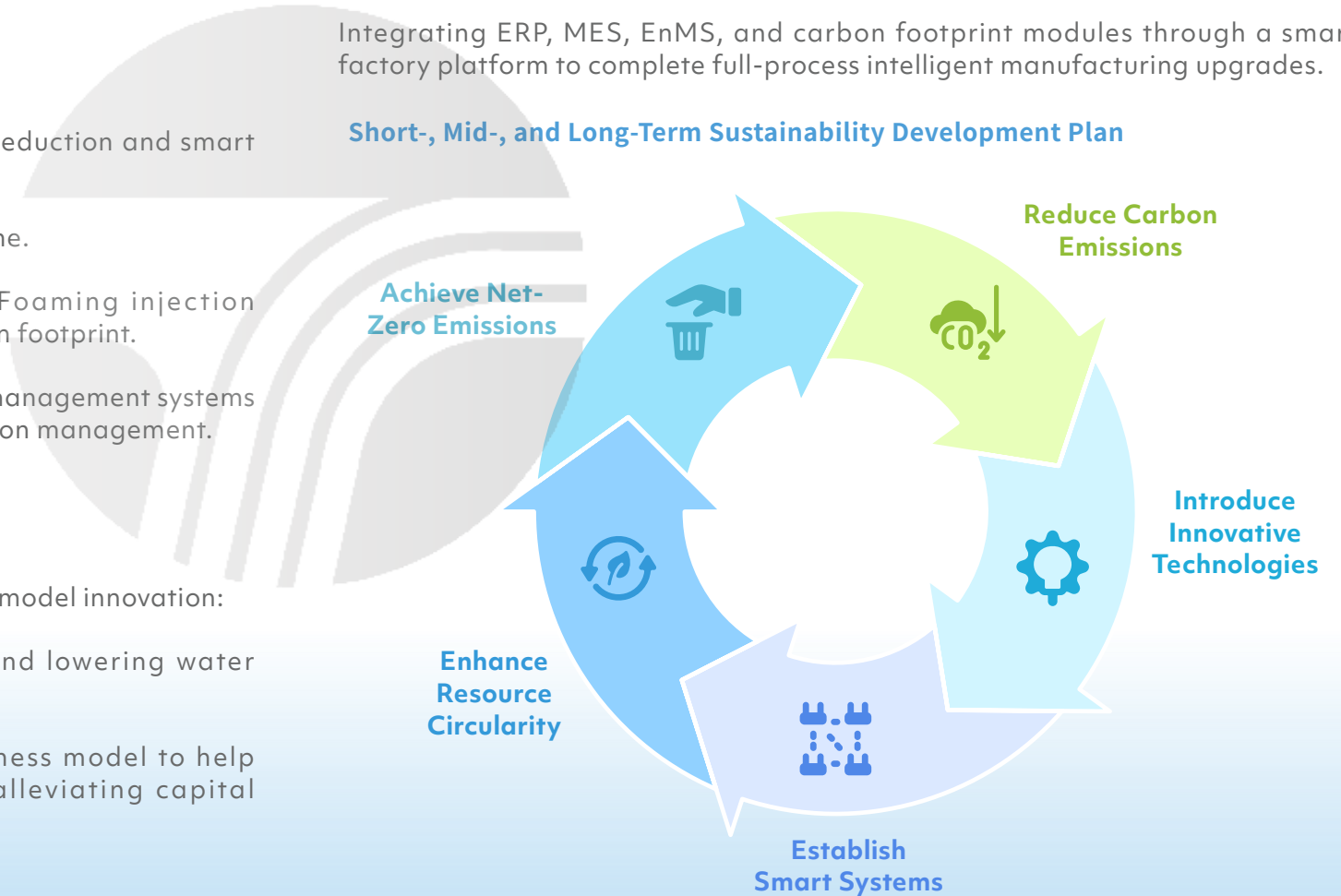
2-4-4 Long-Term Objectives (by 2050)

Tienkang is committed to achieving net-zero carbon emissions:

- Achieving over 90% GHG reduction and ultimately realizing net-zero emissions.
- Driving 100% material recyclability and circular resource utilization across the entire supply chain.

Integrating ERP, MES, EnMS, and carbon footprint modules through a smart factory platform to complete full-process intelligent manufacturing upgrades.

Short-, Mid-, and Long-Term Sustainability Development Plan



We believe that the next generation of footwear machinery will be defined by high energy efficiency, smart manufacturing, and low-carbon material applications. As the global footwear industry advances toward sustainable transformation, Tienkang is not merely a manufacturer, but a key catalyst for change.

Leveraging high value-added and innovative footwear equipment, Tienkang is committed to providing differentiated solutions to brand customers, empowering global partners to enhance competitiveness and jointly advance the sustainable development of the footwear industry. From material selection to process design, we integrate environmental principles with technological innovation, actively deploying intelligent systems and energy-saving equipment to create next-generation production models that are green, smart, and highly efficient.

Tienkang firmly believes that future competitiveness is rooted in a commitment to planetary sustainability. We therefore continue to invest in R&D and expand our global collaboration network—setting sail from Taiwan and reaching the world—to work alongside international partners in achieving the dual transformation of low-carbon manufacturing and intelligent upgrading.

We are confident that the chapters ahead will be even more compelling. Driven by innovation and guided by sustainability, Tienkang will continue to lead the footwear machinery industry to new heights, shaping a greener and smarter future for the global footwear sector.

2-5 Sustainability Governance Framework

2-5-1 Establishment of the Sustainability Development Committee

Establishing an effective and comprehensive sustainability governance framework is a cornerstone of sustainable management and an integral part of the Company's operations. Through a sound governance structure, the Company ensures the effective implementation of sustainability policies and achieves a balanced development of economic growth, environmental protection, and social responsibility.

Tienkang has established a Sustainability Development Committee as the Company's highest-level dedicated body for sustainability affairs. The Committee is chaired by the Vice President, who also serves as the Chief Sustainability Officer (CSO). In alignment with ESG principles, the Committee is supported by three functional working groups: the Green and Environmental Sustainability Group, the Social Advancement Group, and the Sustainable Governance Group, each led by a designated department head.

The execution teams are responsible for identifying ESG material issues related to the Company's operations, formulating management strategies and targets, and preparing the annual sustainability report. Team leaders regularly review implementation performance and target achievement and report quarterly to the Sustainability Development Committee. To ensure effective execution, an ESG Audit Group has also been established to conduct regular and ad hoc project audits.

The Sustainability Development Committee operates in accordance with its Organizational Charter, which has been approved by the Board of Directors. The Charter defines the Committee's roles and responsibilities, including the management, decision-making, and oversight of major ESG-related governance strategies, policy implementation effectiveness, and target achievement rates. The Committee reports implementation results to the Board of Directors on a regular annual basis. The Board is responsible for assessing the likelihood of success of these strategies, continuously reviewing their progress, and, where necessary, urging management to make appropriate adjustments.

Sustainability Development Task Force – Organizational Structure



S – Social Advancement Group

Focused on the Company's impact on employees, customers, suppliers, and local communities. The group promotes human rights protection, equal employment opportunities, and community development, while strengthening supply chain management and public welfare initiatives. It conducts regular performance reviews and provides recommendations for strategic adjustments.

G – Sustainable Governance Group

Responsible for enhancing governance structures and internal control systems, improving the efficiency and transparency of Board operations, and strengthening risk management mechanisms. The group regularly prepares governance performance reports, reviews policy effectiveness, and proposes optimization and improvement measures.

Description of Responsibilities of Each Working Group

E – Green and Environmental Sustainability Group

Responsible for identifying and assessing the environmental impacts of the Company's operations; formulating strategies for carbon reduction, energy conservation, waste reduction, and resource recycling; and supervising implementation effectiveness. The group ensures compliance with applicable laws and international standards, conducts regular reviews of performance outcomes, and proposes improvement recommendations.

2-5-2 Senior Management Oversight

The Sustainability Development Committee is led directly by the Vice President, who serves as the Chief Sustainability Officer (CSO). Committee members include senior executives and external professional experts. The Committee is responsible for formulating and reviewing the Company's overall sustainability strategies and objectives. It convenes regular meetings to review the progress and effectiveness of sustainability initiatives, ensuring close alignment with global sustainability trends and the United Nations Sustainable Development Goals (SDGs). The Committee regularly reports implementation status and performance outcomes to the Board of Directors.

2-5-3 Execution and Implementation: Cross-Departmental ESG Task Force

To effectively advance sustainability strategies, the Company has established a dedicated ESG Task Force comprising representatives from environmental protection, human resources, occupational health and safety, and other relevant departments. The Task Force is responsible for developing annual sustainability action plans and facilitating the implementation of ESG initiatives through cross-departmental coordination meetings. It regularly reports progress, outcomes, and challenges to the Sustainability Development Committee, enabling timely adjustments and continuous improvement to ensure effective execution.

2-5-4 Internal Control and Transparency: Robust Internal Audit and Information Disclosure

The Company has established rigorous internal control and information disclosure mechanisms. Through regular internal audits, it ensures the effective implementation of sustainability measures. In addition, the Company publishes an annual sustainability report in accordance with the Global Reporting Initiative (GRI) Standards, Sustainability Accounting Standards Board (SASB) indicators, and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). These disclosures enhance transparency and accountability, strengthening stakeholder trust and confidence.

2-5-5 Active Engagement: Stakeholder Participation and Feedback

The Company has established clear stakeholder communication channels. Through regular stakeholder forums, roundtable discussions, and survey questionnaires, it gathers feedback from internal and external stakeholders regarding its sustainability strategies. This valuable input serves as an important reference for adjusting sustainability policies and strategies, ensuring that the Company's sustainability governance remains closely aligned with stakeholder expectations and needs.

2-5-6 Talent Development: Cultivating New Drivers of Sustainability

Talent development is a key pillar of the Company's sustainability governance efforts. Through systematic training programs, the Company fosters sustainability awareness across all employee levels and enhances understanding and practical capabilities related to ESG issues. By offering diverse training courses, seminars, and workshops, the Company ensures that sustainability values are deeply embedded in its corporate culture and become an integral part of daily operations.

2-5-7 Looking Ahead: Collaborating to Create a Sustainable Future

Looking forward, the Company will continue to strengthen its sustainability governance framework and advance sustainability strategies through more proactive and innovative approaches. We firmly believe that only with a sound and efficient sustainability governance foundation can the Company effectively respond to global sustainability challenges, maintain a competitive edge in the market, and work collaboratively with stakeholders toward a sustainable future.



2-6 Operations and Implementation

2-6-1 Steering Sustainability: The Sustainability Development Committee

To proactively address global sustainability trends, the Company has established a Sustainability Development Committee responsible for formulating the Company's overall sustainability strategies, overseeing the achievement of ESG indicators, and developing related management systems and policies. In addition, the Committee conducts annual reviews of internal and external sustainability issues, analyzes stakeholder expectations and needs, and sets clear short-, mid-, and long-term sustainability objectives, ensuring a comprehensive approach to sustainability across all material topics.

2-6-2 Efficient Operations

The Committee convenes on a regular basis, holding monthly ESG meetings to conduct in-depth discussions and reviews of the progress of ESG strategies. Department heads report on implementation status and performance outcomes. Transparency is emphasized throughout the process, with all agenda items and decision-making processes fully documented to ensure that stakeholders clearly understand the Company's sustainability commitments and achievements.

2-6-3 Close Coordination: Committee and Departmental Collaboration

The Sustainability Development Committee works closely with internal departments, particularly the ESG Task Force, which is composed of professionals from environmental protection, human resources, and occupational health and safety functions. This Task Force is responsible for executing the sustainability action plans formulated by the Committee. Through cross-departmental meetings, progress and challenges related to sustainability initiatives are regularly tracked and reported, while the Committee provides timely guidance and resource allocation to enhance execution efficiency.

2-6-4 Performance Oversight: Rigorous Sustainability Performance Evaluation and Improvement

The Committee has established a comprehensive sustainability performance management system, utilizing clearly defined key performance indicators (KPIs) to regularly assess the Company's performance in environmental protection, social responsibility, and governance effectiveness. For initiatives that fall short of targets, the Committee promptly initiates corrective actions to ensure continuous improvement and ongoing enhancement of ESG performance.

2-6-5 Stakeholder Engagement: Extensive Internal and External Communication and Feedback Mechanisms

The Committee places strong emphasis on engagement with internal and external stakeholders. Through forums, roundtable discussions, and survey questionnaires, it actively gathers feedback and recommendations on the Company's sustainability direction and specific initiatives. This feedback serves as a critical reference for strategy adjustments, ensuring that the Company's sustainability development aligns more closely with social and environmental expectations while strengthening trust and collaboration with stakeholders.

2-6-6 Deepening Awareness: Promoting a Culture of Sustainability

Recognizing that people are a key asset in sustainable development, the Sustainability Development Committee places strong emphasis on cultivating sustainability awareness and culture within the organization. Through training programs, workshops, and internal communication initiatives, the Committee enhances employees' understanding of and participation in sustainability issues, embedding sustainability principles throughout the Company and reinforcing the foundation for long-term competitiveness.

2-7 Advancement of Material Sustainability Issues

In accordance with ESG strategy execution results, the Sustainability Development Committee conducts regular reviews and discussions. In the event of significant ESG-related incidents—such as major complaints or severe negative impact events—the Committee submits investigation findings and response measures from relevant departments to the Board of Directors for deliberation.

In 2024, the Sustainability Development Committee held a total of 12 meetings, with an average attendance rate of 100%. Among these, two matters involving material issues were communicated to the Board of Directors.

12 Meetings

Number of Committee Meetings Held in 2024

100%

Average Attendance Rate of Members

2 Items

Major Matters Communicated to the Board of Directors



Matters Communicated Between the Sustainability Development Committee and the Board of Directors in 2024

Meeting Date	Matters Discussed	Resolution
October 2023	Proposal of the Company's ESG Sustainability Development Plan	Approved
October 2023	Proposal of ESG Development Plans by Individual Departments	Approved
July 2024	Proposal of the Maximum Carbon Emission Reduction System Limit	Approved
July 2024	Proposal of ESG Development Plans by Individual Departments	Approved

2-8 Board of Directors and Functional Committees

Linkage Between Board Remuneration and Sustainability Performance

2-8-1 Board Oversight of Sustainability Project Implementation

The Board of Directors is responsible for providing strategic guidance and oversight of the Company's long-term management direction. Each year, the Sustainability Development Committee formulates sustainability strategic guidelines based on material issues and the Company's corporate vision, and reports them to the Board of Directors. Upon approval by the Board, the relevant sustainability policies are formally issued and implemented.

The working groups under the Sustainability Development Committee are responsible for developing sustainability project frameworks, conducting risk assessments, and formulating response measures. Each group convenes quarterly meetings to review changes in risk exposure and management status, and to report on the progress of sustainability project implementation. The Chair of the Sustainability Development Committee consolidates this information and reports it to the Board of Directors.

2-8-2 Role of the Highest Governance Body in Sustainability Reporting

Each year, the Sustainability Development Committee conducts a materiality assessment by distributing material issue questionnaires to senior management and stakeholders. The assessment evaluates the impacts of ESG issues on economic performance, environmental sustainability, and people. Based on the analysis, material ESG topics for the year are identified and formally reported to the Board of Directors for review and oversight.

Each year, the working groups under the Sustainability Development Committee collect relevant information and data. The data are first verified by each working group manager, after which the ESG Sustainability Development Committee consolidates the information. The compiled content is then submitted annually to the Board of Directors for review and approval, and is published upon confirmation.

Report Data Collection and Compilation	Report Preparation	Internal Review
Sustainability Development Committee working groups collect and compile relevant information and data.	ESG Sustainability Development Committee consolidates and prepares the sustainability report content.	Review and approval by the Board of Directors.

2-8-3 Performance Evaluation of Sustainability Governance Supervision

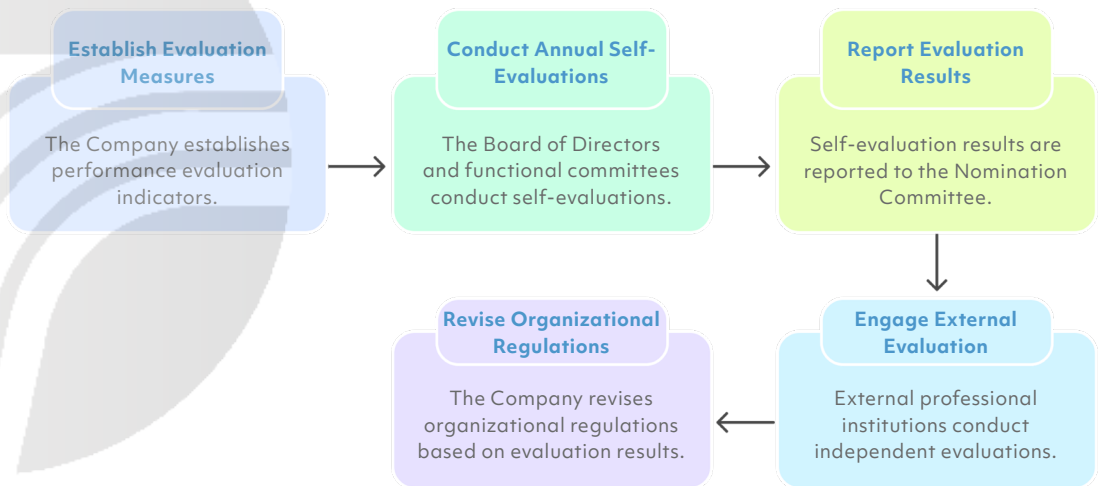
To strengthen corporate governance and enhance the effectiveness of the Board of Directors, the Company has established a Board Performance Evaluation Policy. The Company conducts annual evaluations of the Board of Directors, functional committees (including the Audit Committee, Remuneration Committee, and Nomination Committee), as well as individual directors through self-assessment.

The evaluation covers multiple aspects, including commitment to sustainable management, professional competencies, understanding of roles and responsibilities, participation in company operations, internal control, and continuing education.

In 2024, the overall self-evaluation results for both the Board and its functional committees were rated as “Excellent,” and the results were reported to the Nomination Committee and the Board of Directors.

In addition, the Company engages an external evaluation institution to conduct a Board performance assessment at least once every three years. The most recent evaluation was conducted in 2024, and the results have been used to revise organizational regulations to further enhance the Board's operational effectiveness.

Board Performance Evaluation Process



The performance evaluation covers the following three dimensions :

Professional Competence and Decision-Making Effectiveness :

The Board comprises three directors with diverse professional backgrounds, including taxation, law, core technologies, finance, and accounting, ensuring well-rounded expertise and effective decision-making.

Oversight of Internal Control Systems :

The Company has established an Audit Committee and a Risk Committee, which regularly review development strategies, operating conditions, and material matters. In addition, a Risk Management Committee has been established at the senior management level to oversee the Company's overall risk management policies. This structure enables the Board to more effectively monitor and assess the achievement of corporate objectives, while strengthening risk management and oversight functions.

Commitment to Sustainable Management :

A Sustainability Development Committee has been established, jointly led by the Chairman and senior management, to promote sustainability initiatives and regularly report implementation progress to the Board of Directors, ensuring effective execution and ongoing oversight. Furthermore, ESG audit indicators are incorporated into management performance evaluations, reinforcing the advancement and achievement of ESG objectives.



2-8-4 Ongoing Training on Sustainability for the Board of Directors

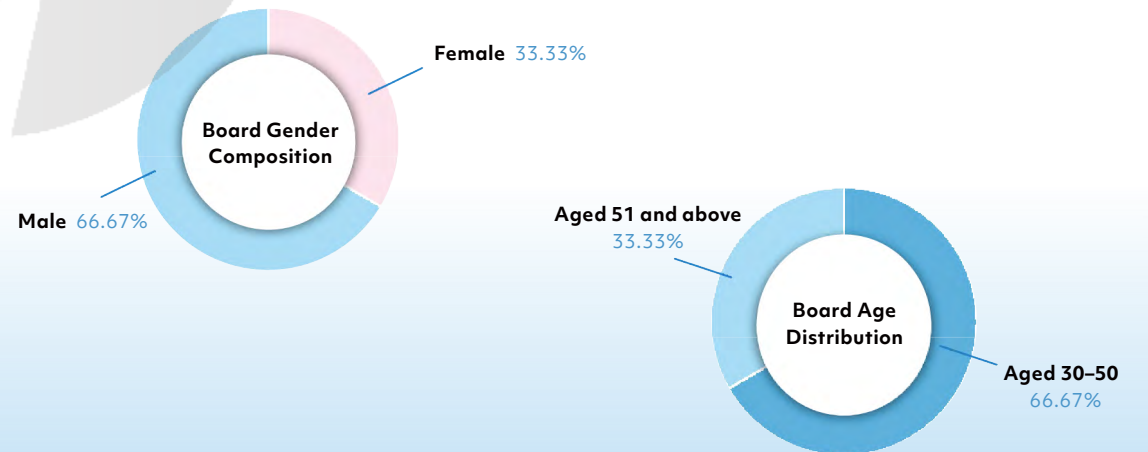
The Company arranges annual training programs for directors to enhance their knowledge of corporate governance as well as economic, environmental, and social issues, thereby strengthening the Board's ability to manage risks.

In 2024, all directors completed a total of 9 training hours, exceeding the 6 hours recommended by applicable regulations.

Sustainability-Related Training Courses and Seminars Attended by Directors in 2024

Type of Program	Date	Course / Seminar Title	Duration
In-person Course	April 2024	Promoting Corporate Sustainability through Risk Management	3 hours
In-person Course	July 2024	Corporate Sustainability Transformation from an ESG Perspective	3 hours
In-person Course	October 2024	Sustainability Policies and Corporate Governance	3 hours

2-8-5 Board Composition and Diversity



2-9 Board Operations

To strengthen corporate governance and enhance the effectiveness of the Board of Directors, Tienkang is committed to establishing performance objectives to improve Board operational efficiency. Through Board performance evaluations, a diversified Board composition, and the appointment of a corporate governance officer, the Company actively reinforces the Board's functions.

To enable directors to fully perform their duties, the Company has obtained directors' and officers' liability insurance, ensuring appropriate allocation of responsibilities and safeguarding shareholder interests. In addition, to maintain the independence of Board oversight, directors involved in matters where conflicts of interest arise are required to recuse themselves from related discussions and voting. Such directors do not participate in deliberations, do not vote on the matters concerned, and do not act as proxies for other directors.

The Board of Directors is primarily responsible for overseeing the management team's operations to ensure the Company is properly managed and continues to grow sustainably. In order to implement Tienkang's ESG policies and its corporate vision of “driving the sustainable development of the footwear industry through high value-added and innovative footwear manufacturing equipment, providing differentiated optimal solutions to brand customers, and jointly advancing industry transformation,” the Company revised its Corporate Governance Best Practice Principles and Insider Trading Prevention and Management Procedures in 2024 to further enhance corporate governance performance.

The Board of Directors convenes at least once per quarter. In 2024, a total of four Board meetings were held, with an actual attendance rate of 100%.

To strengthen corporate governance and enhance the effectiveness of the Board, Tienkang is committed to establishing performance objectives to improve Board operational efficiency. Through Board performance objectives to improve Board operational efficiency. Through Board performance evaluations, a diversified Board composition, and the appointment

of a corporate governance officer, the Company continuously strengthens the Board's functions.

To enable directors to fully perform their duties, the Company has obtained directors' and officers' liability insurance, ensuring appropriate allocation of responsibilities and safeguarding shareholder interests. In addition, to maintain the independence of Board oversight, directors involved in matters where conflicts of interest may arise are required to recuse themselves from related discussions and voting. Such directors neither participate in deliberations nor vote on the matters concerned, nor do they act as proxies for other directors.

2-9-1 Nomination and Selection

Director nominations at Tienkang are conducted in accordance with candidates' professional background and experience, the Company's director election procedures, and the Corporate Governance Code, while also considering diversity, independence, the ability to respond to organizational challenges, and stakeholder perspectives. Following review and approval by the Board of Directors, the list of candidates is submitted to the shareholders' meeting for election.

2-9-2 Conflict of Interest Avoidance

Directors of Tienkang exercise their duties in accordance with the Articles of Incorporation, the Rules of Procedure for Board Meetings, and applicable laws and regulations. Pursuant to conflict-of-interest provisions under the Rules of Procedure for Board Meetings, when a director, their spouse, relatives within the second degree of kinship, or any company under their control has an interest in a matter under discussion, the director must proactively disclose the material aspects of such interest at the relevant Board meeting.

If the conflict of interest may compromise the Company's interests, the director is required to recuse themselves from the discussion and voting and may not exercise voting rights on behalf of other directors.

In addition, details regarding directors' recusal—including the director's name, the nature of the conflict of interest, and the circumstances of recusal—are fully and accurately recorded in the meeting minutes to ensure transparency and regulatory compliance. According to the Board meeting records for 2024, none of the agenda items involved conflicts of interest among Board members, demonstrating Tienkang's professionalism and impartiality in Board operations.

2-9-3 Remuneration Policy

1. Remuneration Structure and Determination Process

Directors of Tienkang do not receive remuneration and are only reimbursed for transportation and meeting-related expenses.

The Company's remuneration system is proposed by the Remuneration Committee and submitted to the Board of Directors for approval. In addition to fixed salaries and retirement or severance benefits, performance bonuses are calculated based on the achievement of various performance indicators. The retirement and severance system for senior management follows the same framework applied to other employees.

The Remuneration Committee convenes at least twice per year, and additional meetings may be held as necessary. The Committee is responsible for reviewing directors' and management remuneration policies, systems, and implementation status, and for submitting recommendations to the Board of Directors. Its key responsibilities include:

1. Establishing and regularly reviewing policies, systems, standards, and structures for the performance evaluation and remuneration of directors and senior management.
2. Assessing and determining the remuneration of directors and senior management.

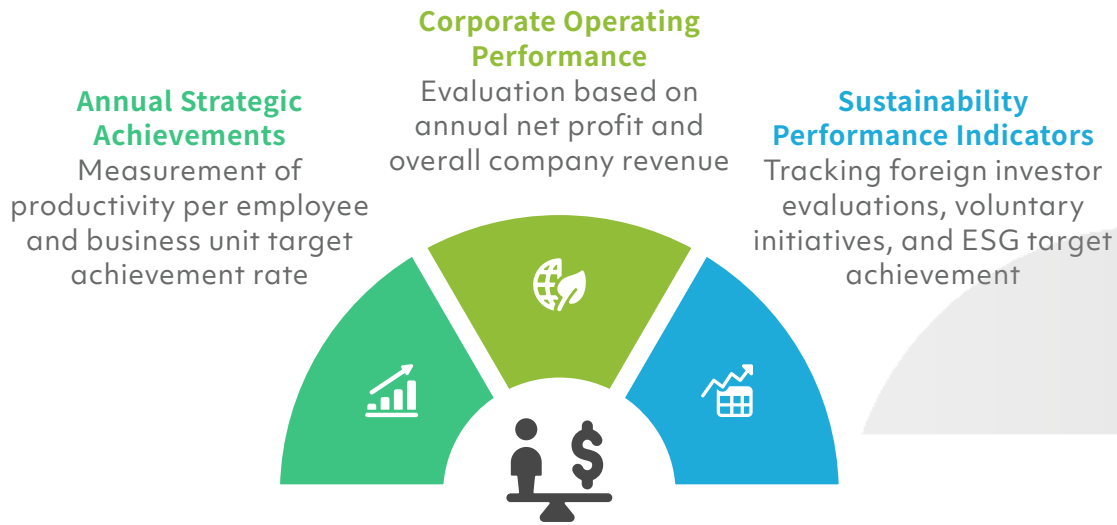
(1) Linkage Between Remuneration and Sustainability Performance
Tienkang incorporates sustainability performance into its remuneration framework, strengthening the alignment between compensation and ESG outcomes. Remuneration is structured around three key dimensions:

- **Annual Strategic Achievements :**
Improvement in productivity per employee and the achievement rate of business unit targets.
- **Corporate Operating Performance :**
Annual net profit and overall company revenue.
- **Sustainability Performance Indicators :**
External investor/third-party evaluations, voluntary sustainability initiatives, and the level of achievement of ESG targets across the three ESG pillars.

The weighting of these indicators varies according to the roles, responsibilities, and seniority of executive management, thereby incentivizing alignment with the Company's long-term strategic and sustainability objectives.



Compensation Structure



(2) Resignation and Retirement Policy for Directors and Senior Management

The notice period for resignation of the Company's directors and senior management is determined in accordance with applicable local government regulations. The required notice days and the calculation method for severance pay are the same as those for other employees. In addition, apart from statutory severance payments, the Company does not provide any other cash payments or in-kind benefits to departing directors or senior management.

2. Pay Ratio

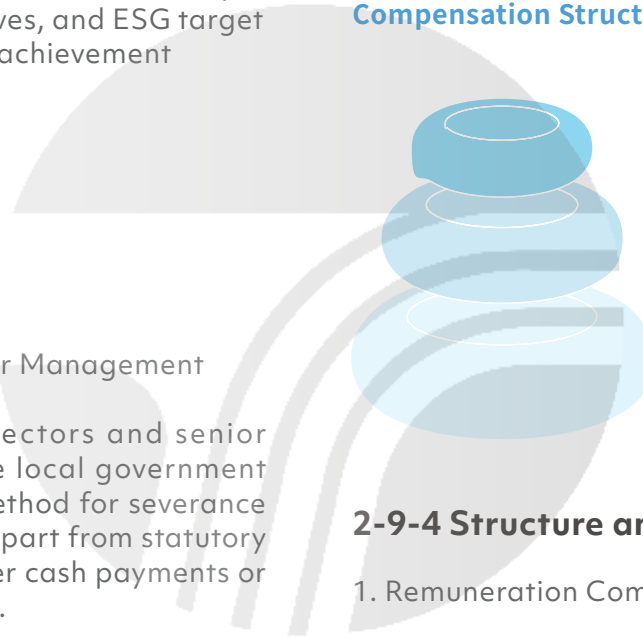
Employee compensation at Tienkang primarily includes the following components: base salary, year-end bonus, performance bonus, and profit-sharing.

Salaries are determined under a position-based responsibility system. Salary standards are set with reference to prevailing market compensation levels, the Company's financial condition, and organizational structure, while ensuring

gender equality. For employees of the same job grade and seniority, the base salary ratio between female and male employees is 1:1.

The year-end bonus averages approximately two to three months. In addition, the Company allocates 20% of operating performance bonuses, and the Chairman further contributes an additional 60% of personal dividend income for employee profit-sharing.

Compensation Structure



- Operating Performance Bonus : 20%**
Additional rewards based on overall company operating performance
- Chairman's Additional Share Allocation : 60%**
Additional employee profit-sharing funded by the Chairman's personal dividend allocation
- Average Year-End Bonus : 2-3 Months**
Standard incentive bonus designed to motivate and recognize employee contributions

2-9-4 Structure and Operation of Functional Committees

1. Remuneration Committee

The Remuneration Committee convenes semiannually and consists of three members responsible for evaluating remuneration-related policies, systems, standards, and structures. Through this Committee, the Company regularly reviews and assesses the performance evaluation mechanisms, salary structures, bonuses, and remuneration arrangements for employees, managers, and directors, and benchmarks them against industry standards. The Committee's recommendations are then submitted to the Board of Directors for deliberation.

In 2024, the Remuneration Committee held a total of two meetings, with an attendance rate of 100%.

2. Supervisory Audits

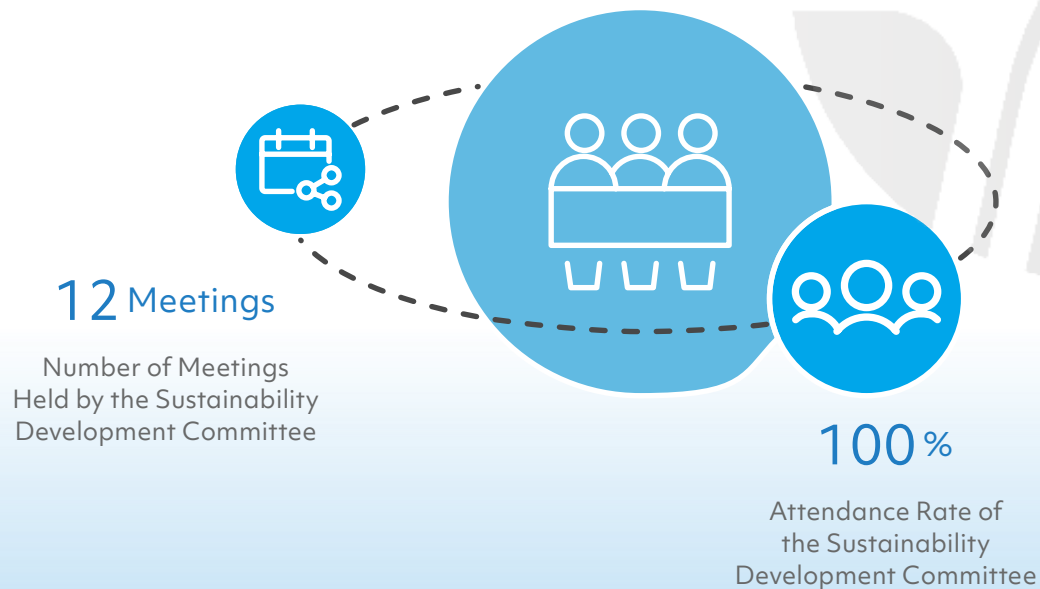
The Supervisors oversee the fair presentation of the Company's financial statements, the effective implementation of internal control systems, compliance with applicable laws and regulations, the Company's management of existing and potential risks, as well as the appointment or removal, independence, and performance of the certified public accountants.

3. Sustainability Development Committee

The ESG Sustainability Development Committee is convened by the Vice President and holds regular monthly meetings. Its responsibilities include promoting and strengthening corporate governance and ethical management systems, advancing and developing corporate sustainability initiatives, and supervising other sustainability-related matters as resolved by the Board of Directors.

In 2024, the Sustainability Development Committee held a total of 12 meetings, with a 100% attendance rate.

Attendance Rate of the Sustainability Development Committee





3

Material Topics Identification

- 3-1 Stakeholder Engagement
- 3-2 Process for Determining Material Topics
- 3-3 List of Material Topics
- 3-4 Material Topic Management Policy

3-1 Stakeholder Engagement

3-1-1 Identifying Stakeholders

TIEN KANG CO., LTD. refers to the AA1000 Stakeholder Engagement Standard (2015) (AA1000 SES 2015) and applies its five core principles—Dependency, Responsibility, Tension, Influence, and Diverse Perspectives—to identify groups or organizations that have an impact on the Company or are affected by the Company. Through this identification process, the stakeholders directly related to the Company include employees, shareholders/investors, competent

authorities, local communities and neighborhoods, suppliers, and customers.

In order to understand and respond to issues of concern to stakeholders, we provide various communication channels for engagement and dialogue, enabling stakeholders to express their opinions at any time. This allows the Company to understand the sustainability issues of concern to different stakeholder groups and to respond accordingly.

A summary of stakeholder communication mechanisms and key issues of concern for each stakeholder group in 2024 is presented in the table below.

Type	Relationship Description	Course/Seminar Name	Communication Frequency	Key Issues of Concern	Responsible Unit	Specific Communication Activities
Employees	Important assets for company operations	<ul style="list-style-type: none"> Employee assembly Internal mail Engagement survey Electronic bulletin board 	Quarterly	<ul style="list-style-type: none"> Compensation and benefits Talent development Employee evaluation Operating performance Labor relations 	Human Resources Department	<ul style="list-style-type: none"> Total annual training hours: 1333 hours Annual average per person: 9.5 times Monthly on-site medical and nursing services, interviewing employees about physical examination status and providing health consultation
Shareholders / Investors	Capital providers	<ul style="list-style-type: none"> Shareholders' meeting 	Quarterly	<ul style="list-style-type: none"> Financial performance Corporate governance Sustainable development 	-	<ul style="list-style-type: none"> Shareholders' meeting held once a year Quarterly and annual financial reports published Unscheduled answering of investor questions via telephone, email, and external communication mailbox
Competent Authorities	Regulatory compliance	<ul style="list-style-type: none"> Submission of reports Regulatory briefing 	As needed	<ul style="list-style-type: none"> Compliance requirements Regulatory changes 	Legal Department	<ul style="list-style-type: none"> Unscheduled participation in promotional sessions held by competent authorities related to environmental protection and occupational health Unscheduled participation in promotional seminars and public hearings held by relevant government departments
Local Communities	Surrounding communities	<ul style="list-style-type: none"> Social media Regular visits 	Quarterly	<ul style="list-style-type: none"> Environmental impact Community contribution 	Public Relations Department, Foundation	<ul style="list-style-type: none"> Timely handling of issues reflected by the neighborhood
Suppliers	Supply chain partners	<ul style="list-style-type: none"> Supplier assembly Supplier evaluation 	Quarterly	<ul style="list-style-type: none"> Terms of cooperation, Supply chain management 	Purchasing Department	<ul style="list-style-type: none"> Supplier evaluation at least once a year Quarterly meetings with key suppliers Key suppliers can check purchase orders on the supplier platform at any time Unscheduled contractor agreement meetings
Customers	Product / Service users	<ul style="list-style-type: none"> Customer satisfaction survey Regular visits 	Monthly	<ul style="list-style-type: none"> Product quality, Service experience 	Customer Service Department	<ul style="list-style-type: none"> Customer satisfaction survey; average satisfaction score in 2024 was 87.9 points Official website Unscheduled visits to customers or customer visits to the factory annually

3-2 Process for Determining Material Topics

3-2-1 Materiality Assessment

Tienkang references the four principles of AA1000 AccountAbility: Materiality, Inclusivity, Responsiveness, and Impact, and follows GRI 3: Material Topics to further evaluate the significance of the impact of material topics on the economy, environment, and human rights. The steps executed are as follows:

a. Understand the Organizational Context

Tienkang considers key operational elements, key operational resources, and essential business continuity points of the enterprise, as well as various links in the supply and value chains. At the same time, it focuses on international sustainability trends and issues of concern to the industry by foreign investment rating agencies. Ultimately, it compiles a total of 30 sustainability topics, covering 13 governance aspects, 9 social aspects, and 8 environmental aspects.

b. Identify Impacts and Assess Significance

Based on the list of sustainability topics identified in the previous step, Tienkang further assesses the actual and potential positive and negative impacts of each sustainability topic.

- ▶ Actual or potential positive impacts may occur when the company has relevant management policies for the sustainability topic and implements them, resulting in good or significant performance. These are the positive influences generated by sustainable development on the economy, environment, and society.
- ▶ Actual or potential negative impacts may occur when the company does not execute management or its execution is not sufficiently sound for the sustainability topic. These are the negative impacts generated by the overall business operation on the external economy, environment, and society.

c. Prioritize Impacts

Tienkang distributes questionnaires to stakeholders. After statistical analysis and integration of internal and external results, the likelihood and degree of the positive and negative impacts are statistically calculated. The average scores (Note) are calculated and ranked separately to effectively evaluate the importance of each topic to the company's operations.

(Note) Average score for Likelihood = Total Likelihood score from all valid questionnaires / Number of valid returned questionnaires; Average score for Degree of Impact = Total Degree of Impact score from all valid questionnaires / Number of valid returned questionnaires.

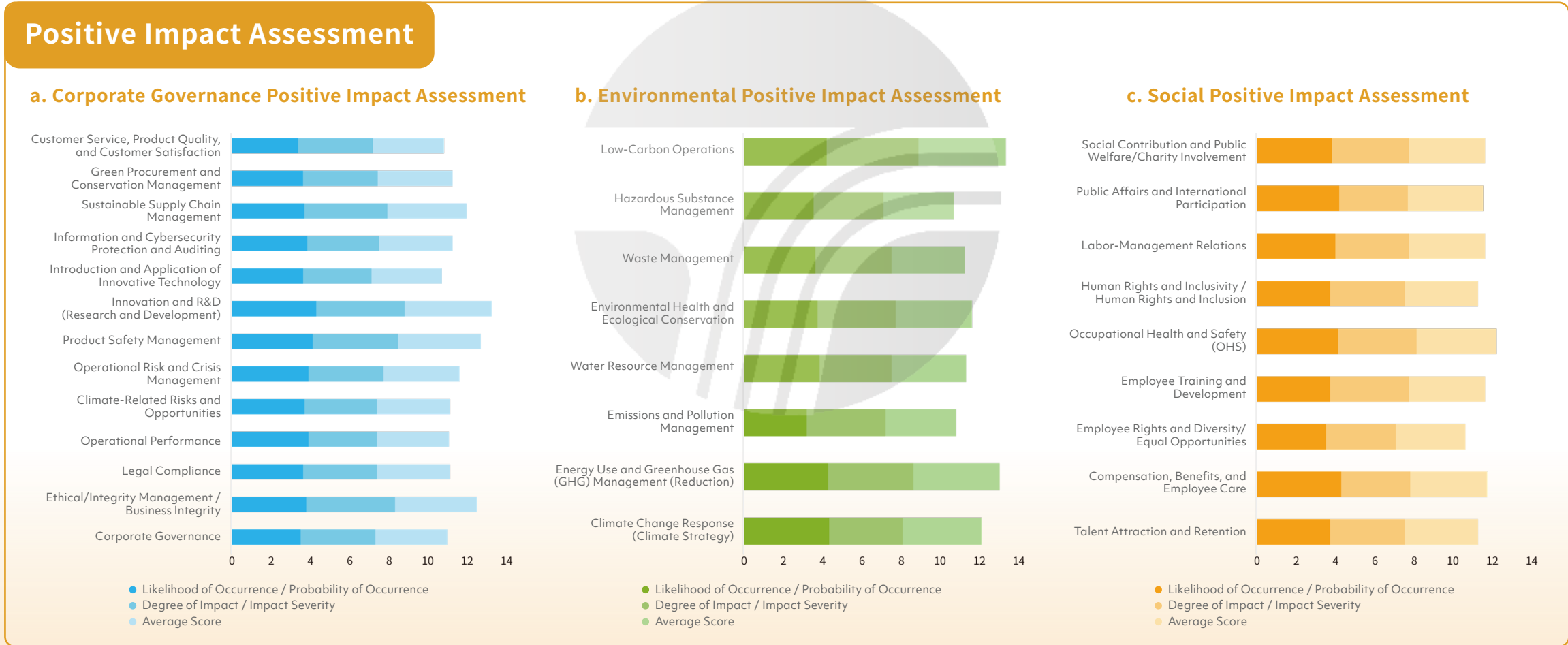


Positive Impact Assessment Results

Setting the Threshold for Positive Impact Risk (or Positive Risk Threshold Setting)

Both the likelihood of occurrence and the degree of impact are considered simultaneously.

A threshold is set if both factors score 4 points or higher. (or ...if both scores are 4 or above.)

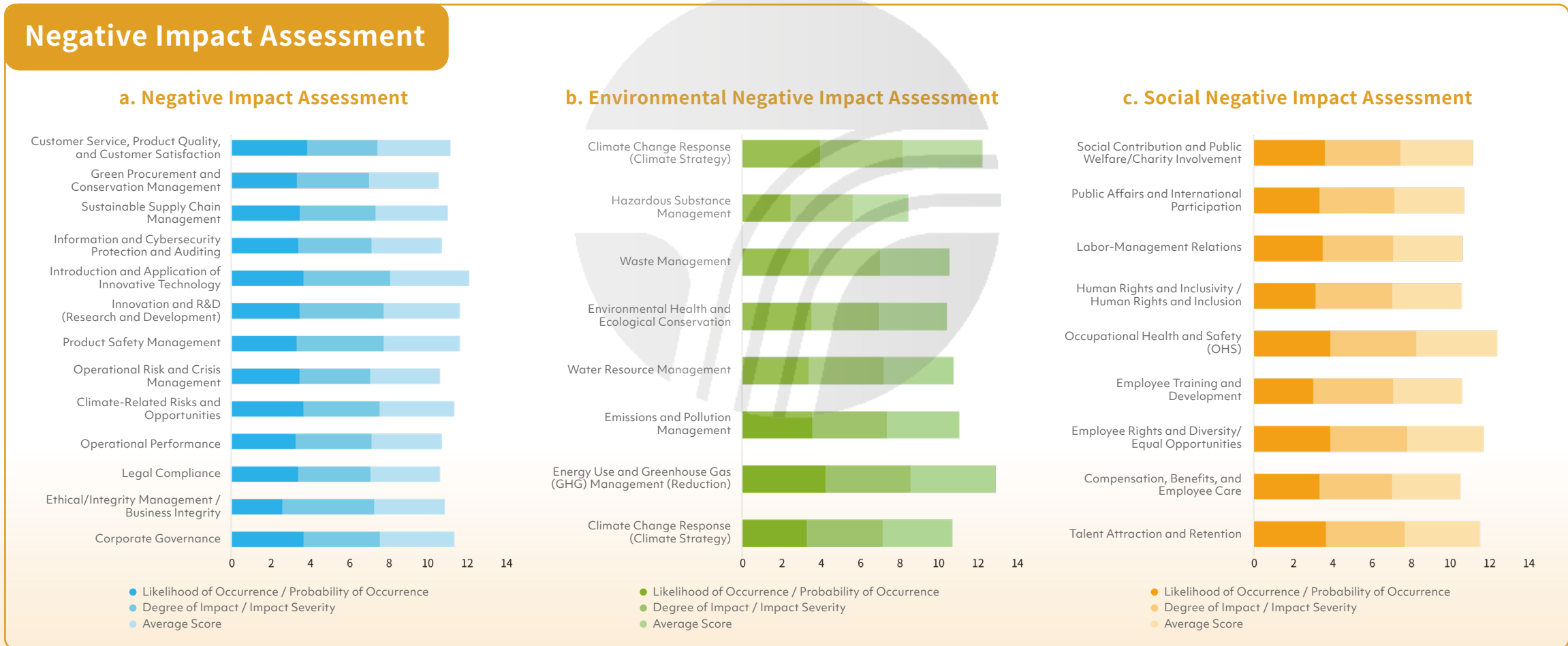


Negative Impact Assessment Results

Negative Impact Risk Threshold Setting

Enterprises should prioritize issues with a high degree of negative impact, even if their likelihood of occurrence is low. For example : Issues where the degree of impact is greater than 4.5 points.

Issues where both the likelihood of occurrence and the degree of impact are considered, and both are 4 points or above.



3-3 Material Topics List

Material Topics List

Based on the materiality assessment process, the Sustainability Task Force integrated the significance of the impact of sustainability issues and stakeholder concern to identify 10 Material Topics, including:

- a. Integrity Governance
- b. Product Innovation and R&D
- c. Product Quality and Safety
- d. Supply Chain Management
- e. Energy Management
- f. GHG Management and Decarbonization
- g. Circular Economy
- h. Occupational Health and Safety
- i. Talent Cultivation
- j. Human Rights Protection

The company's 2024 Material Topics were adjusted from the previous year with the addition of Supply Chain Management and Human Rights Protection, while all other existing material topics were retained. In addition to the increased concern from external stakeholders, the industry and labor unions also elevated their attention to these two issues. The impact assessment results accurately reflected this domestic and international emphasis, leading to an adjustment from the original 8 Material Topics to 10.

3-4 Management Approach for Material Topics

3-4-1 Policy and Commitment, Actions Taken, Performance Goals and Indicators, and Implementation Status

Policy and Commitment, Actions Taken, Performance Goals and Indicators, and Implementation Status

The company formulates corresponding policies and management actions based on the nature of the impact of each material topic. Dedicated units are responsible for tracking the effectiveness of policy and strategy execution, setting performance goals and indicators, and regularly reviewing the goal achievement rate. The management measures for each material topic are outlined separately below.



Performance Targets and KPI Execution Status

Topic Name	Scope of the Topic	Positive Impact	Negative Impact	Management Approach and Indicators	GRI Alignment	SDG Alignment
Employees	Corporate governance level, all department employees, suppliers, and partners	Establish transparent decision-making and accountability mechanisms to enhance stakeholder trust; reduce legal risks and commercial disputes, improve operational efficiency and brand reputation	Risk of fraud if internal audit and inspection systems are not continuously strengthened; employees' lack of understanding of the integrity policy may lead to potential non-compliance	Establish the "Code of Ethical Management" and "Anti-Corruption Policy" and conduct annual training establish an internal whistleblowing system and external lawyer hotline ▶ Indicator: Number of major integrity violations (Goal: 0 cases)	GRI 205、206	
Product Innovation and R&D	R&D unit, production department, strategic partners, clients	Increase product value-added and competitiveness; drive industry upgrading and technological advancement	High investment in R&D resources, which may not yield short-term returns; R&D not considering sustainability may generate additional environmental burden	Establish R&D Center and project management process; promote technology development geared towards smart and intelligent factories; integrate carbon emissions and circular design considerations into R&D ▶ Indicator: R&D expense ratio 9.37%, smart R&D ratio 2%	GRI 201、203	
Product Quality and Safety	Product department, production line, after-sales service, clients	Improve customer satisfaction and repurchase rate; avoid product liability risks, reduce maintenance and recall costs	Product defects or safety incidents may lead to brand damage and legal disputes, ultimately increasing quality control accident costs	Implement ISO 9001 product safety testing and certification mechanism; customer satisfaction monitoring ▶ Indicator: Return rate 0%, number of safety incidents 0	GRI 416	
Supply Chain Management	Procurement unit, suppliers, partners	Improve overall supply efficiency and cost optimization; promote sustainable procurement to strengthen corporate image	Supplier non-compliance may damage brand reputation; supply chain instability may interrupt production	Supplier sustainability assessment and audit; sign Code of Conduct and integrity contract; establish supplier database and risk system ▶ Indicator: Audit pass rate 99.5%, supplier corporate social responsibility commitment letter signing rate	GRI 204、308、414	
Energy Management	Factory facilities, process equipment, energy suppliers	Reduce energy costs and carbon emissions; improve energy efficiency and system resilience	High initial investment for improvements; long-term monitoring and behavior change required for results	Implement ISO 50001; replace high-efficiency equipment; establish electricity consumption monitoring system ▶ Indicator: Energy consumption per unit of production value 1826 (kWh/million revenue), annual energy saving target 7%	GRI 302	
GHG Management and Decarbonization	Manufacturing plants, transportation systems, supply chain partners	Reduce carbon emission intensity, help the company comply with regulations and international decarbonization trends; strengthen sustainable brand image, win favor from international major clients	High initial cost and significant human resource investment for carbon inventory and reduction work; risk of greenwashing controversy if data inventory is inaccurate	Conduct Scope 1-3 carbon inventory and obtain third-party verification; implement carbon reduction technologies such as green power purchasing, process optimization; set medium-to-long-term carbon reduction goals and track annually ▶ Indicator: (Missing detail in source)	GRI 305	
Circular Economy	Product design, production line, clients, suppliers, stakeholders	Extend product life cycle, enhance resource reuse rate; reduce waste generation, lower disposal costs	Smooth implementation of circular design affects production department and customer cooperation; unstable quality of recycled products may harm customer trust	Adopt modular design and detachable structure; promote green procurement and use of recycled materials; establish joint recycling mechanism with upstream and downstream partners ▶ Indicator: Recycled material usage, waste recycling rate 8.6%	GRI 301、306	
Occupational Health and Safety	All employees, production units, safety and medical units	Reduce occupational injury rate and operational interruption risk; strengthen employee well-being and corporate responsibility image	Lack of safety regulations or failure to implement systems may lead to occupational accidents; long working hours and high-risk exposure may lead to physical and mental health issues	Implement ISO 45001 Occupational Health and Safety Management System and content; conduct regular health checks and consulting services; implement emergency response and work-related injury recovery mechanism ▶ Indicator: Total injury hours ≤ 113 hours, occupational injury rate 95% completion	GRI 403	
Talent Cultivation	HR department, all levels of management, all employees	Enhance employee professional skills and knowledge coverage; strengthen corporate competitiveness and talent retention mechanism	Training plan failure to achieve substantial results may lead to wasted resources; employee indifference to training may result in investment loss	Determine training courses based on competency map; offer cross-departmental rotation and internship opportunities; encourage continuous learning and experience sharing between employees and managers ▶ Indicator: Average employee training hours 9.5 hours, internal promotion rate 100%	GRI 404	
Human Rights Protection	All employees, supply chain, human rights groups and shareholders	Ensure labor rights and equal treatment, strengthen corporate social responsibility image; reduce violations or labor disputes, maintain stable human resources	Failure to implement human rights protection may harm operations or brand image; supply chain violations of human rights labor standards may lead to operational interruption	Establish "Human Rights Policy" and include it in employee handbook and contracts; take corrective measures based on human rights due diligence results, Performance Goal: Number of human rights-related complaints 0 cases, Performance Indicator: Participation rate in human rights training	GRI 408、409、412	

3-4-2 Measures to Remediate Negative Impacts and Implementation Effectiveness

In the process of identifying material topics, the company not only grasped the positive benefits but also analyzed and planned for potential negative impacts. Through the establishment of systems and the tracking of effectiveness, we ensure that risks are effectively controlled and improved. The corresponding remedial strategies and assessment results of implementation effectiveness for each material topic are listed below :

Material Topic	Major Negative Impact	Remedial Measures	Assessment of Implementation Effectiveness
Integrity Governance	▶ Potential risk of fraud incidents and non-compliance	▶ Implement integrity education and training, internal audit, and whistleblowing system	▶ No major violations reported, employee training completion rate reached 100%
Product Innovation and R&D	▶ High resource investment, potential for additional environmental burden	▶ Evaluate carbon emissions of R&D projects, incorporate sustainability design principles	▶ Over 50% of recent projects have incorporated green design concepts
Product Quality and Safety	▶ Quality defects leading to recalls or customer complaints	▶ Establish product inspection SOP and QC process, launch rapid recall mechanism	▶ Customer complaint rate declines year-on-year, return rate is less than 0%
Supply Chain Management	▶ Environmental / Human Rights Compliance Risk of Suppliers	▶ Establish a Supplier Sustainability Audit System and Integrity Agreements	▶ Supplier audit pass rate reached 99.5%, with no major violations.
Energy Management	▶ High initial investment, low employee energy-saving awareness	▶ Implement Energy Management System, promote energy-saving awareness campaigns	▶ Energy consumption intensity decreases by 5% year-on-year, significant energy saving results
GHG Management and Decarbonization	▶ Inaccurate data inventory, greenwashing concerns	▶ Implement third-party verification, strengthen Scope 3 supply chain inventory	▶ GHG verification pass rate 100%
Circular Economy	▶ Volatile quality of recycled products, low customer acceptance	▶ Assessment and testing of materials before reuse, communication of quality specifications with customers	▶ Stable increase in recycled material adoption rate, good customer satisfaction
Occupational Health and Safety	▶ Workplace Safety Incidents and Physical/Mental Stress Issues	▶ Conduct annual occupational safety drills and establish psychological counseling and health check systems.	▶ No major occupational accidents; health check completion rate reached 95%

Talent Cultivation	▶ Waste of training resources, talent attrition	▶ Competency-oriented training, providing career development paths	▶ Internal promotion rate reached 90%, average training hours reached 9.5 hours
Human Rights Protection	▶ Violation incidents, damage to brand reputation	▶ Sign Human Rights Covenant, implement human rights due diligence, supply chain human rights audit	▶ Zero human rights-related complaints, human rights training completion rate reached 99%

3-4-3 Grievance Channels and Procedures

Our company places high importance on the opinions and suggestions from stakeholders regarding material topics. We have established diverse and systematic mechanisms and procedures for feedback and suggestions, ensuring that all opinions are effectively received, analyzed, responded to, and incorporated into management improvements. The main channels and execution procedures for our company's feedback and suggestion mechanisms are listed below:

a. Grievance Channels

Type of Suggesting Party	Channels for Submitting Suggestions	Method of Explanation and Recording
Internal Employees	Employee Suggestion Hotline Employee Monthly Meeting E-mail Feedback Mailbox	Regularly compiled and submitted to HR or unit managers for discussion and handling
Suppliers and Partners	Procurement Hotline Feedback Business Contact Window	Proposals and complaints are uniformly handled by the procurement unit
Customers and End Users	Customer Service Mailbox Satisfaction Questionnaire	Establish a CRM system to automatically record handling status and response records
General Public or Society	Company Official Website Suggestion Mailbox ESG Sustainability Questionnaire	Regularly review feedback and conduct special case review by the ESG Committee
Investors and Legal Representatives	Investor Relations Hotline	Designated window in the Finance Department is responsible for uniform compilation and handling

b. Processing Procedures

- Receipt and Recording: After receiving suggestions through various channels, a dedicated contact person records the case and categorizes it into types such as "General Suggestion / Operational Suggestion / ESG-related Suggestion / Complaint or Anomaly Report."
- Referral to Relevant Departments for Review: The content of the suggestion is initially classified by the Sustainability Committee or the corresponding unit and then forwarded to the relevant department for evaluation.
- Discussion and Response: Cross-departmental team meetings are convened to discuss the feasibility of improvements and formulate a preliminary improvement plan.
- Response and Implementation: The dedicated contact person or department head provides a formal response based on the suggestion type, and significant suggestions are incorporated into annual improvement action items.
- Tracking and Effectiveness Verification: The ESG Sustainability Committee tracks the implementation status of adopted suggestions quarterly, and, if necessary, lists them as ESG KPI tracking indicators.

Institutionalized and Transparent Management's

- All suggestions are recorded with unique numbers, responses are retained, and analyses are consolidated quarterly.
 - Statistical results of suggestions and progress on improvements are publicly disclosed annually in the Sustainability Report.
 - Significant or recurring suggestions are escalated by the ESG Sustainability Committee to the Board of Directors for deliberation on material issues.
- ▶ Corresponding GRI Indicators: GRI 2-16, GRI 2-29, GRI 3-3, GRI 3-4
 - ▶ Corresponding SDG Goals: SDG 16 (Peace, Justice and Strong Institutions), SDG 17 (Partnerships for the Goals)





4

Economic and Governance Aspects

- 4-1 Economic Performance
- 4-2 Taxation
- 4-3 Integrity Management / Ethical Operation
- 4-4 Communication Channels and Grievance Mechanism
- 4-5 Risk Management
- 4-6 Information Security Management
- 4-7 Participation in Various Associations and Organizations
- 4-8 Product Management and Product Innovation
- 4-9 Sustainable Supply Chain Management

4-1 Economic Performance

Tienkang believes that good financial performance is the foundation of sustainable business operations and ensures the smooth promotion of various sustainability projects. The company sets annual revenue targets and expenditure budgets each year, and the Finance Department explains the financial performance at the monthly departmental manager performance meetings, allowing the top management to fully grasp the operations and supervise the progress of budget achievement. By establishing a robust operating plan, the company aims to create long-term stable economic value and, while maintaining a sound financial structure, return annual profits to shareholders and employees. Furthermore, although the company is not a public company, it still chooses KPMG (KPMG Certified Public Accountants), one of the Big Four accounting firms, to regularly audit the company's financial status and internal controls and issue a certified financial report.

4-1-1 Operational Performance

In 2024, Tienkang's total revenue increased by 12.69% compared to 2023. For further explanation and analysis of other financial performance metrics, please refer to the company's financial reports.

4-1-2 Financial Subsidies

In 2024, Tienkang applied for the Ministry of Economic Affairs' Industrial Upgrading and Innovation Platform Guidance and Subsidy Program, which was approved in October of the same year. The core content of the project focuses on research and development, including low-carbon solutions and generative AI. This initiative provides an opportunity for Taiwan-made shoemaking machinery to enter the supply chain of global brands, thereby promoting exchanges between Taiwan and the brand market, extending more business opportunities and cooperation, and further enhancing Taiwan's international influence.

4-2 Taxation

GRI 207-1 Tax Policy

GRI 207-2 Tax Governance, Control, and Risk Management

GRI 207-3 Stakeholder Engagement and Management of Tax-Related Issues

GRI 207-4 Country-by-Country Reporting

4-2-1 Tax Policy

In response to the international trend of tax governance, Tienkang collaborated with KPMG Certified Public Accountants starting in 2022 to initiate a project for adjusting Tienkang's investment structure and operating model. The content covers regulatory compliance, risk control, and information transparency. All operating locations must comply with the tax laws of their respective countries and ensure that transactions between affiliated companies are conducted in accordance with transfer pricing regulations. The company does not use tax havens for the purpose of tax avoidance, nor does it transfer profits created by the company to low-tax-rate countries.

4-2-2 Tax Governance System

Tienkang possesses a sound tax governance system, with the Board of Directors serving as the highest management unit for tax matters. The Board reviews the tax compliance status and new tax regulations of domestic and overseas companies every six months to fully grasp risks and global tax trends, thereby enhancing the sophistication of global tax management. Concurrently, the company also uses internal professional exchange meetings to share practical tax law experience to improve employee expertise and establishes a succession mechanism to ensure the effective continuation of tax knowledge.

4-2-3 Communication and Management of Tax Issues with Stakeholders

Tienkang actively engages with stakeholders through multiple channels and responds to international tax initiatives, supporting tax system reform with concrete actions. The company is committed to collaboratively establishing a fair and sound tax environment.

Government Agencies

When facing gray areas in the application of tax laws, the company proactively seeks professional advice from tax authorities and KPMG Certified Public Accountants to ensure tax compliance and transparency. This approach helps reduce tax risks and maintain the company's reputation for integrity.

Investors

Tienkang's independent directors possess expertise in accounting and taxation, and they review the achievements of tax governance through the Board of Directors every six months. Furthermore, the company publicly discloses the reasons for changes in the effective tax rate and related tax information to investors via the shareholders' meeting, ensuring information transparency and continuously strengthening trust and communication with investors.

4-2-4 Annual Tax Payment Status

From 2022 to 2024, Tienkang has honestly paid all taxes globally in accordance with the tax laws and regulations of each respective country.

4-3 Integrity Management

4-3-1 Philosophy, Policies, and Code of Conduct for Integrity Management

a. Integrity Management

The Company establishes its policy and regulations for integrity management by referencing the "Reference Example for Establishing Ethical Conduct Codes for TWSE/TPEX Listed Companies." The Company formulates relevant preventive measures and post-event remedy systems for specific risks and establishes an independent supervisory unit to follow up on the subsequent handling of incidents. This ensures that the Company meets the requirements and goals of integrity management standards. The Code of Integrity Management formulated by the Company is implemented after being approved by the Board of Directors.

To ensure that stakeholders, such as employees and suppliers, understand the Company's integrity management policy, the Company implements a series of measures and management mechanisms. These include requiring relevant stakeholders to sign documents, utilizing channels such as email and communication meetings, and conducting educational training to promote the Code of Integrity Management. Furthermore, due diligence is performed on suppliers to review and select partners that meet the integrity management standards.

Identity	Timing	Documents Required for Signature	Signing Ratio
New Employees	Upon Onboarding	Conflict of Interest Declaration, Code of Conduct Statement and Commitment Letter, Undertaking of Confidentiality Obligation	100%
Current Employees	Annually	Review whether the content of the Commitment Letter has changed	100%
Governing Body and Management	Annually	Review whether the content of the Commitment Letter has changed	100%
New Suppliers	Before Signing Contract	Code of Conduct Statement and Commitment Letter, Anti-Corruption (Anti-Bribery) Rules, Respect for Intellectual Property Rights, Undertaking of Confidentiality Obligation, Fair Competition and Anti-Trust	100%
Existing Suppliers	Upon Signing Contract	Code of Conduct Statement and Commitment Letter, Anti-Corruption (Anti-Bribery) Rules, Respect for Intellectual Property Rights, Undertaking of Confidentiality Obligation, Fair Competition and Anti-Trust	100%

b. Independent Communication Channels

Tienkang has established independent communication channels, including a dedicated telephone line, a website, and a specific mailbox (hr@tienkang.com.tw). Employees, suppliers, or other stakeholders who suspect others of violating integrity management behaviors can anonymously report through the aforementioned channels. Furthermore, if there are any questions regarding Tienkang's Code of Integrity Management, inquiries can also be submitted through these channels. After receiving a complaint or inquiry, the designated unit must handle it according to the standard procedure and regularly report the handling status back to the complainant or questioner. If the matter involves a report (whistleblowing), an investigation into the content and relevant evidence must be conducted. If the reported matter involves a director or manager, it must be reported to the independent directors.

c. Standard Handling Procedure for Complaint Events :



4-3-2 Tax Governance System (Cont.)

Tienkang conducts regular anti-corruption risk assessments. In 2024, 100% of the operating locations executed corruption-related risk assessments and identified two items with significant corruption risk :

- a. Finance Department :** Employees may utilize their official positions to commit corruption through falsified invoices, fraudulent reimbursement, or unauthorized fund transfers.
- b. Procurement Department :** The procurement department engages in frequent transactions with external suppliers and contractors, and some procurement decisions lack transparency, making them susceptible to supplier bribery.

To address these risks, Tienkang decided to strengthen internal control measures, including implementing strict audit procedures, increasing transparency, enhancing employee training, and establishing an internal reporting mechanism, to prevent and reduce the occurrence of corrupt practices.

4-3-2-1 Establishment of Risk Assessment Framework

Item	Description
Assessment Target	All operating locations (including subsidiaries, branches, offices, factories, etc.)
Assessment Frequency	At least once a year, or when there are significant changes (e.g., entering a new market)
Assessment Method	Questionnaire surveys, interviews, internal audits, assistance from external consultants

4-3-2-2 Assessment Content (Recommended to proceed according to the following aspects)

Aspect	Example Questions
Country/Regional Risk	Is the location situated in a country with a high corruption index? (Refer to Transparency International's Corruption Perceptions Index)
Nature of Business Risk	Does the business involve high-risk industries (such as government tenders, procurement, mining, construction)?
Business Counterparty Risk	Is there frequent interaction with public sectors or politically exposed persons (PEPs)? Is there a high proportion of agents or intermediaries?
Internal System Risk	Is there a lack of control systems for internal audit, procurement bidding, conflicts of interest, etc.?

Cash Flow and Transaction Risk

Is there opaque cash flow, frequent cash transactions, or high, unexplained expenses?

4-3-2-3 Assessment Method

Method	Tools/Techniques	Remarks	Signing Ratio
Questionnaire Surveys	Anti-corruption risk self-assessment conducted for company executives	Risk levels can be scored from Level 0 to 5	100%
Document Review	Audit reports, contracts, supplier records, etc.	Cooperation with the management department is required	100%

4-3-2-4 Anti-Corruption Implementation Assessment and Investigation

Tienkang conducts a review of the appropriateness and effectiveness of the Code of Conduct regulations every six months in conjunction with regulatory compliance review processes. When necessary, relevant regulations will be amended, and compliance self-assessments will be conducted semi-annually to regularly analyze and evaluate the presence of dishonest behavior, risks, and hidden business activity hazards. In 2024, Tienkang conducted 100% legal compliance review and monitoring across all operating locations, strengthening internal control management mechanisms to ensure compliance and the effective implementation of integrity management.

Concurrently, in accordance with past practice, Tienkang implemented operational inspections covering company-wide adherence to operating rules and relevant laws. The company enhanced preventative measures against potential risks such as anti-corruption and insider trading, conducting regular on-site audits and performing audit operations. The audit results have been reported to the Board of Directors and Supervisors, ensuring that relevant activities comply with legal regulations and integrity management policies, and that improvement measures are taken in a timely manner.

4-3-2-5 Anti-Corruption Education and Training

Tienkang regularly deepens the concept of integrity management through public commitment, information dissemination, and educational training, shaping a corporate culture of integrity. The training audience includes members of the Board of Directors, all employees, suppliers, and contractors.

Board Members	Employees	Suppliers and Contractors
In June 2024, the Company's "Code of Integrity Management" was promoted to all Board members via email, along with an explanation of the status of relevant policy implementation. Directors were required to complete online integrity management education and training, with a completion rate of 100%.	Tienkang requires all employees to annually access and view the "Code of Integrity Management" on the internal system, with a 100% completion rate in 2024. Additionally, four integrity management-related training sessions were held in 2024, totaling 8 hours. The status of integrity management education and training is detailed in the table below.	Tienkang requires all suppliers and contractors to sign the Supplier Code of Conduct, which includes items related to integrity management. The signing rate for newly partnered suppliers in 2024 was 100%. Furthermore, integrity management and sustainability trends education and training are held annually through the Supplier Conference. In 2024, a total of 10 suppliers participated, accounting for 71.69% of the total.

4-3-3 Anti-Corruption Incident Management

In 2024, no anti-corruption incidents were identified throughout the year.

Anti-Competitive Behavior, Anti-Trust, and Monopoly Practices

In 2024, TIEN KANG CO., LTD. remained committed to maintaining a fair and competitive market environment and strictly complied with all applicable laws and regulations related to anti-competitive practices. The Company did not engage in any form of anti-competitive behavior, anti-trust violations, or monopolistic practices.

4-4 Communication Channels and Grievance Mechanisms

4-4-1 Measures to Remedy Negative Impacts and Effectiveness of Implementation

To promptly mitigate any negative impacts on stakeholders or the Company's operations, the Company has established grievance mechanisms for various issues. When stakeholders identify potential or actual negative impact incidents, they may report them to the responsible departments. Upon receiving a grievance, the responsible departments are required to respond promptly and develop appropriate corrective measures.

The grievance mechanisms for each material topic are described as follows :



4-4-2 Occupational Safety and Health

Occupational Safety and Health Grievance Mechanism

Grievance Channels

Employees : Occupational accident emergency hotline
 Non-employee workers : Occupational accident emergency hotline

Grievance Handling Process

Upon receiving an occupational safety or occupational accident grievance, safety personnel will immediately record the details of the grievance, confirm the safety of the complainant, and notify the relevant departments to initiate an investigation. The investigation will include the collection of evidence and relevant information.

Based on the investigation results, improvement measures will be developed and communicated to the complainant in a timely manner to ensure proper implementation. The Company will regularly monitor progress and maintain records of the handling process for review and verification purposes.

Remedial Measures

After a grievance case is confirmed, if the incident has caused injury to the complainant or other related personnel, medical staff will be notified immediately to provide adequate medical assistance. Leave arrangements and salary compensation will be provided in accordance with applicable laws and regulations.

Grievance Hotline and Reporting Email

(04)24938669 #1631
 Mr. Rock Yang — hr@tienkang.com.tw

4-4-3 Workplace Bullying

Workplace Bullying Grievance Mechanism

Grievance Channels

Any individual who witnesses or becomes aware of a workplace bullying incident is required to immediately report the matter to the Company's Human Resources Department or contact the employee consultation hotline.

Grievance Handling Process

TIEN KANG CO., LTD. has issued a written statement prohibiting workplace bullying. To ensure that all employees have fully read and understood its content, all employees are required to sign the statement in acknowledgment.

All employees share the responsibility to help maintain a workplace free from bullying. Any individual who witnesses or becomes aware of workplace bullying must promptly notify the Human Resources Department or contact the employee consultation hotline at (04) 2493-8669, extension 1631 (contact person: Mr. Rock Yang).

Upon receipt of a grievance, the Company will conduct an investigation in a confidential manner. If the allegations are substantiated, disciplinary actions will be taken against the perpetrator. The Company will also assist the affected employee in pursuing claims for damages against the perpetrator, where applicable.

In cases where the bullying behavior is deemed severe, it may constitute grounds under Article 12, Paragraph 1, Subparagraph 4 of the Labor Standards Act, under which the Company may terminate the employment contract without prior notice.

Remedial Measures

1. Seek advice and support from colleagues.
2. Communicate rationally with the alleged perpetrator and clearly express personal feelings.
3. Reflect on whether there are areas for self-improvement and request colleagues to provide honest feedback on personal conduct and work performance in order to identify potential issues.
4. Collect evidence of bullying behavior whenever possible, such as audio recordings or other forms of documentation.
5. File a formal grievance with the Company's Human Resources Department.

Grievance Hotline and Reporting Email

(04)24938669 #1631

Mr. Rock Yang hr@tienkang.com.tw

4-4-4 Sexual Harassment

Sexual Harassment Grievance Mechanism

Grievance Channels
All employees share the responsibility to help ensure a workplace free from sexual harassment. If an employee feels that they have been subjected to harassment, or if any individual witnesses or becomes aware of such incidents, the matter should be reported immediately to the Company's management representative, Mr. Rock Yang.

Grievance Handling Process
The Company will conduct a thorough and prompt investigation of all sexual harassment grievances and will make every effort to maintain confidentiality regarding the complainant, the details of the complaint, and the investigation results.

If sexual harassment is confirmed following the investigation (including cases of false accusations), the Company will take appropriate actions, which may include disciplinary measures against the perpetrator and, where necessary, immediate termination of employment.

Remedial Measures
To enhance employee awareness and understanding of sexual harassment prevention, the Company will regularly organize relevant training sessions and educational programs. Participation in such training is mandatory for all employees. Employees who fail to attend without valid reasons will be handled in accordance with the Company's absenteeism policies.

To ensure that all employees have fully read and understood the written statement titled Workplace Sexual Harassment Prevention Measures, Grievance, and Disciplinary Procedures issued by TIEN KANG CO., LTD., employees are required to personally sign the statement as acknowledgment.

Grievance Hotline and Reporting Email
(04)24938669 #1631
Mr. Rock Yang hr@tienkang.com.tw

(Example) Occupational Safety and Health

Grievance Channels	Employees : Occupational accident emergency hotline Non-employee workers : Occupational accident emergency hotline
Grievance Handling Process	<ol style="list-style-type: none"> 1. Upon receiving an occupational accident grievance, safety personnel will immediately record the details of the grievance, confirm the safety of the complainant, and notify the relevant departments to initiate an investigation, including the collection of evidence and relevant information. 2. Based on the investigation results, improvement measures will be formulated and communicated to the complainant in a timely manner. 3. The implementation of improvement measures will be ensured through regular follow-up, and the entire handling process will be documented for review and verification purposes.
Remedial Measures	After a grievance case is confirmed, if the incident has caused injury to the complainant or other related personnel, medical personnel will be notified immediately to provide adequate medical assistance. Leave arrangements and salary compensation will be provided in accordance with applicable laws and regulations.

To foster a culture of integrity and transparency and to promote sound corporate governance, the Company encourages employees and relevant stakeholders to report any illegal or improper conduct through the designated whistleblowing email mailbox or other reporting channels. Reports may be made against internal employees or external parties.

To ensure fairness and transparency throughout the investigation process, the Company has established an independent investigation unit. Relevant information is publicly disclosed on the Company's website to facilitate reporting by external parties.

- A. Grievance and Whistleblowing Email : hr@tienkang.com.tw
- B. Grievance and Whistleblowing Hotline : +886-4-2493-8669, Extension 1631

In 2024, TIEN KANG CO., LTD. received zero (0) whistleblowing cases. All reported matters were determined not to constitute material violations of the Company's internal regulations and were handled in accordance with Company policies. The handling results were reported to the Corporate Governance Committee and the Board of Directors to further strengthen corporate governance.

4-5 Risk Management

4-5-1 Risk Management Framework

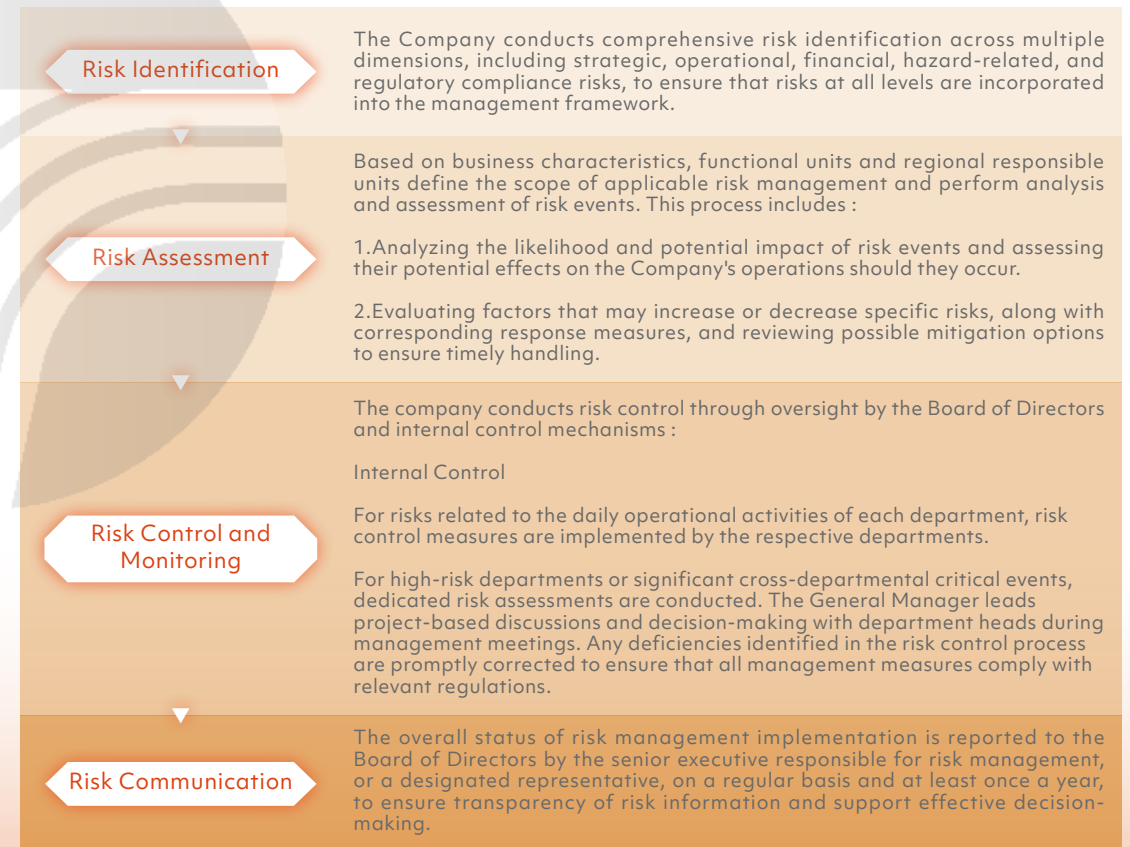
TIEN KANG CO., LTD. adopts a preventive approach to risk management. In addition to establishing a robust internal control system in compliance with applicable laws and regulations, the Company conducts regular and ad hoc audits through its internal audit function to ensure effective implementation and regulatory compliance. Furthermore, the Company has established various functional committees and crisis response teams dedicated to the execution of risk control and management activities.

In 2020, the Board of Directors approved the Risk Management Policy, which clearly defines the responsibilities of relevant departments for different risk factors. In accordance with the risk management procedures, each department carries out risk identification, risk assessment, risk control, risk monitoring, and

information communication to comprehensively manage risk exposure and implement appropriate response measures, thereby ensuring effective risk management.

For significant crisis events involving cross-departmental or cross-site operations, TIEN KANG CO., LTD. assigns the Chief Executive Officer or a designated representative to oversee overall coordination and command. This structure ensures timely and efficient response actions and helps minimize potential impacts on business operations.

Risk Management Process of TIEN KANG CO., LTD.



4-5-2 Major Risks in 2024

In response to global supply chain instability and fluctuations in energy prices, TIEN KANG CO., LTD. identified these factors as medium-term risks and adopted the following mitigation measures :

- ▶ Strengthening collaboration with key suppliers and establishing two-way communication mechanisms to enhance supply chain resilience.
- ▶ Introducing energy-efficient equipment and optimizing energy management strategies to reduce operating costs and risk exposure.
- ▶ Conducting dynamic analyses of market demand and flexibly adjusting production and sales plans accordingly.

In 2024, TIEN KANG CO., LTD. received zero (0) whistleblowing cases. All reported matters were assessed as not constituting material violations of internal policies and were handled in accordance with the Company's procedures. The handling results were reported to the Corporate Governance Committee and the Board of Directors to further strengthen corporate governance.

4-5-3 Regulatory Compliance

This disclosure covers incidents involving violations of, or non-compliance with, laws and regulations applicable to the organization. Information on legal and regulatory violations provides insight into management's ability to ensure compliance with defined performance standards. Applicable laws and regulations may be issued by various authorities, including local, regional, and national governments, regulatory agencies, and public institutions.

Laws and regulations include, but are not limited to :

- ▶ International declarations, conventions, and treaties
- ▶ National, sub-national, regional, and local laws and regulations
- ▶ Binding voluntary agreements entered into with competent authorities that have evolved into alternative regulatory mechanisms
- ▶ Voluntary agreements or contracts in which the organization directly

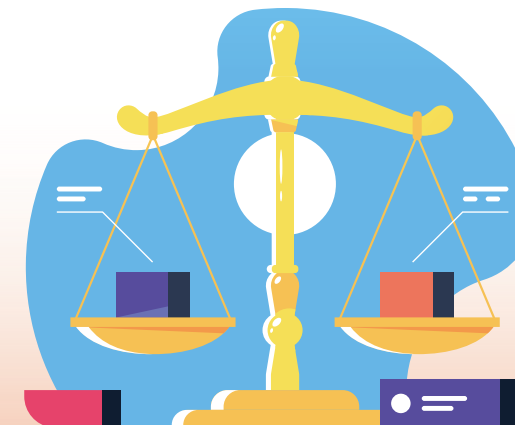
participates, or that are made applicable through legislation or regulation by public authorities

This disclosure includes material non-compliance cases that resulted in administrative or judicial sanctions or fines during the reporting period.

In 2024, the Company recorded zero (0) material violations of laws and regulations (materiality defined as incidents that significantly affect core operations or have a substantial impact on the Company's reputation or financial condition). Among these, one (1) case involved monetary penalties, and zero (0) cases involved non-monetary sanctions.

Item No.	Location	Violated Regulation	Description of Violation	Nature of Penalty	Penalty Details	Corrective Actions
1	In-plant facility	Article 16, Paragraph 1 of the Occupational Safety and Health Act	Failure to report resumption of operation and on-site equipment usage	Monetary penalty	Fine of NTD 60,000	Completed inspection reporting for the equipment and obtained the required operating permit

The Company has implemented stringent corrective measures in response to any identified violations to prevent the recurrence of similar incidents. In addition, the Company continues to strengthen its internal management systems and compliance monitoring mechanisms to further enhance overall regulatory compliance.



4-6 Information Security Management

4-6-1 Information Security Protection and Enhancement of Digital Resilience

To ensure the confidentiality, integrity, and availability of the Company's information assets and to enhance its ability to respond to potential threats, this report outlines a comprehensive information security protection framework. The framework is designed to comply with the requirements of the ISO 27001 Information Security Management System and to support the Company's business operations.

4-6-1-1 Analysis of the Current Information Environment

a. Data Center:

The Company operates six on-premises physical servers and utilizes selected cloud-based services.

b. IT Infrastructure:

All user computers are equipped with Trend Micro SMB antivirus software. USB usage is restricted in accordance with internal policies, and Data Loss Prevention (DLP) monitoring software is installed on each device.

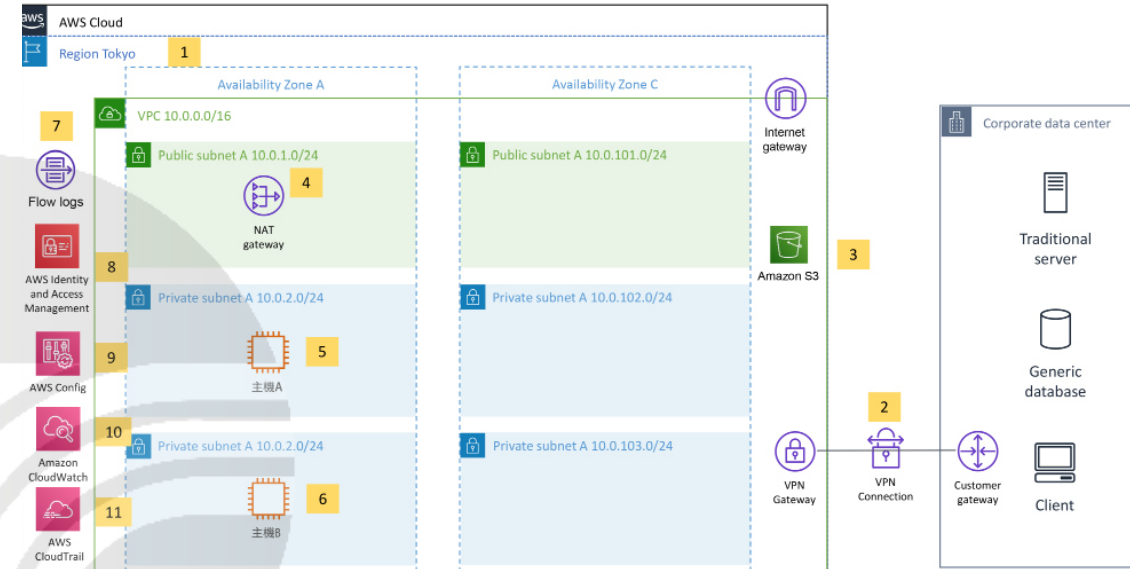
c. ERP System:

The ERP system is deployed on AWS cloud servers and operates within the Company's internal network to support daily business operations.

d. Workforce:

The Company employs a total of 150 employees, of whom approximately 95 are computer users. Remote work access requires VPN authentication.

TIEN KANG CO., LTD. Information Network Security Architecture Diagram



4-6-1-2 Potential Risks and Challenges

- a. External attack risks: malware, ransomware, malicious links, and email server attacks.
- b. Internal threats: insufficient cybersecurity awareness among employees, accidental clicking on phishing emails.
- c. Data leakage risks: lack of adequate encryption mechanisms for sensitive data.

4-6-1-3 Information Security Protection Objectives

- a. Establish standardized information security management practices in accordance with ISO 27001.
- b. Reduce the likelihood of security incidents, minimize operational disruption risks, and restore normal operations within 24 hours after an attack.
- c. Enhance employee cybersecurity awareness and foster an internal security-conscious culture.

4-6-1-4 Information Security Management Strategies

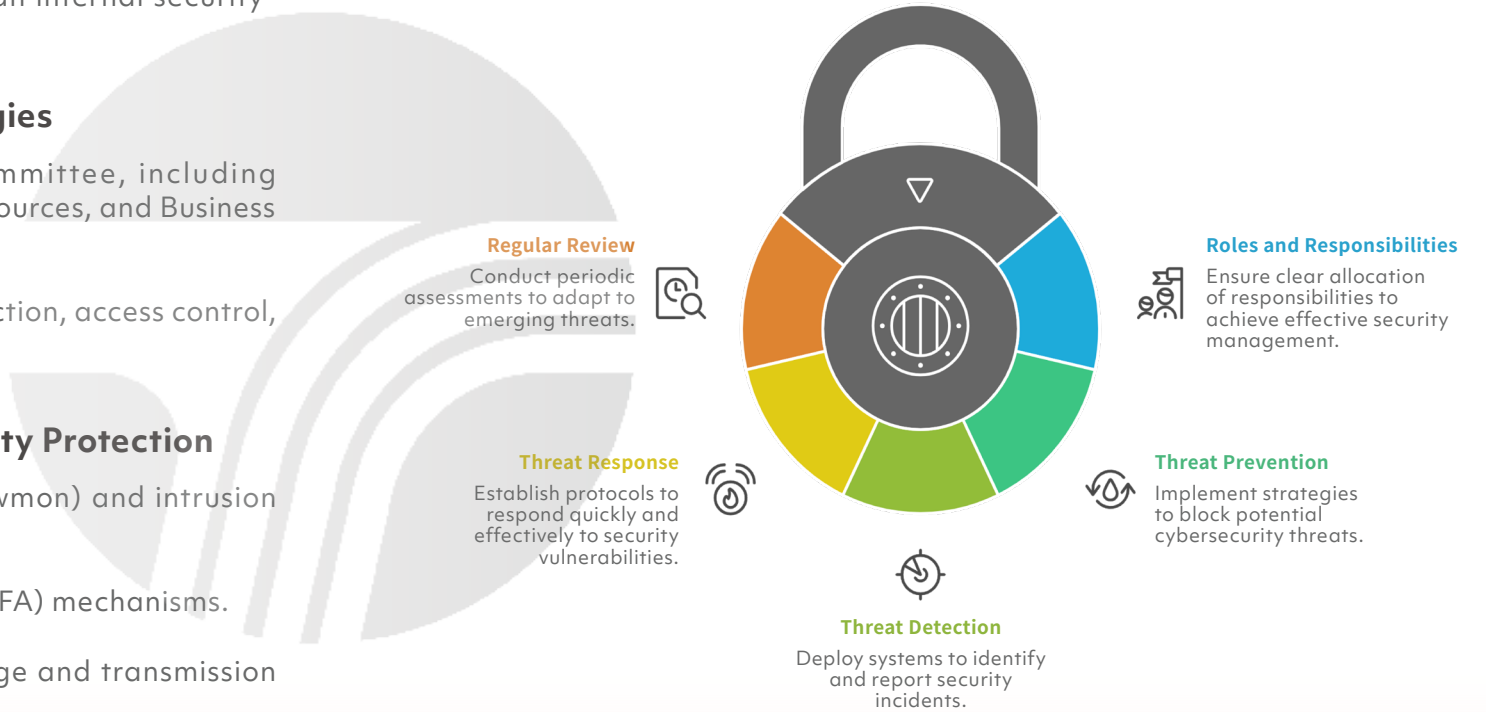
- a. Establish an Information Security Management Committee, including representatives from IT, General Administration, Human Resources, and Business Departments.
- b. Develop information security policies covering data protection, access control, and risk assessment procedures.

4-6-1-5 Technical Measures for Information Security Protection

- a. Network security: deploy network monitoring tools (Flowmon) and intrusion detection systems (IDS).
- b. Authentication: implement multi-factor authentication (MFA) mechanisms.
- c. Data encryption: encrypt all sensitive data during storage and transmission using AES-256.
- d. Endpoint protection: install DLP (Data Loss Prevention) systems to enhance interception of unauthorized data transfers.
- e. Active Directory: planned implementation by Q2 2025 to strengthen identity and access management.

Information and Network Security Architecture of TIEN KANG CO., LTD.

TIEN KANG CO., LTD. Information Security Framework



4-6-1-6 Employee Education and Training

Conduct cybersecurity awareness training every 3–6 months, covering topics such as identifying phishing emails and using strong passwords.

Hold cybersecurity simulation exercises once every 6 months.

4-6-1-7 Risk Assessment and Management

Establish a risk assessment matrix to identify and analyze high, medium, and low-risk assets.

Perform cybersecurity audits semi-annually to ensure systems and processes comply with company policies.

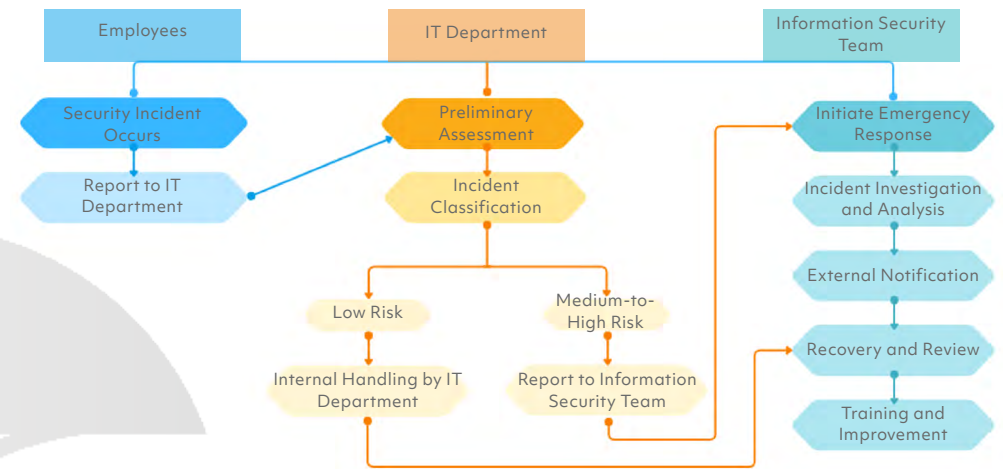
4-6-1-8 Cybersecurity Incident Response Plan

Develop an incident response workflow covering four main steps: detection, reporting, containment, and recovery.

Implement a SIEM (Security Information and Event Management) system to centrally manage and analyze cybersecurity incidents.



Information Security Process



4-6-1-9 Implementation Plan and Timeline

Time	Item	Responsible Department
2024 Q4	Establish Information Security Management Committee	IT Department
2025 Q1	Develop and implement Information Security Policy	IT / Finance & Administration
2025 Q2	Implement Active Directory	IT Department
2025 Q3	Deploy technical security measures	IT Department
2025 Q4	Conduct employee training and simulation exercises	IT / Human Resources & General Affairs
2026 Q1	Perform first cybersecurity audit and implement improvements	IT Department

4-6-1-10 Benefits of Information Security Protection

1. Comply with ISO 27001 standards, enhancing the company's market competitiveness.
2. Reduce direct and indirect losses caused by cybersecurity incidents.
3. Establish a culture of continuous improvement in information security management, strengthen employee cybersecurity awareness, and ensure asset protection.

04 Action

1. Continuously improve security vulnerabilities and risks based on threat intelligence and cybersecurity services.
2. Regularly conduct training sessions and distribute security awareness newsletters to keep employees informed of cybersecurity news and attack methods.

03 Check

1. Perform regular firewall log filtering.
2. Quantify and review information security performance indicators.
3. Conduct vulnerability scanning periodically in coordination with cybersecurity audits.



01 Plan

1. Conduct company-wide risk assessments.
2. Collaborate with department heads to develop information security management policies.
3. Plan security protection mechanisms for customer information.

02 Do

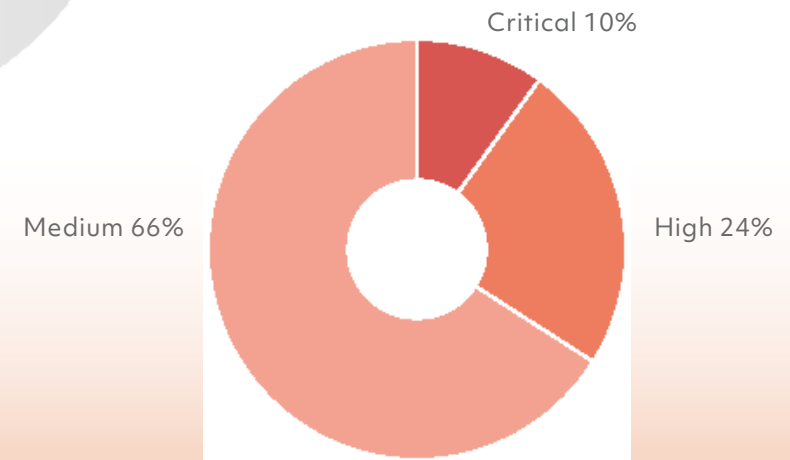
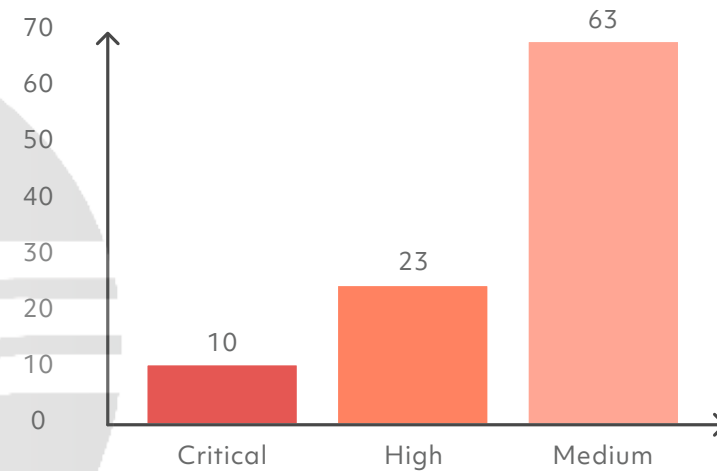
1. Maintain the proper operation of all cybersecurity equipment.
2. Strengthen web security measures.
3. Enhance protection of confidential data and email communications.
4. Implement forward-looking cybersecurity technologies.
5. Strengthen supply chain cybersecurity.
6. Enhance related mechanisms with vendors and formalize agreements.
7. Monitor all internal network browsing records and traffic.

4-6-1-11 Enterprise-Specific Management Plan

Management Measure	Frequency	Status in 2024
Cybersecurity training for IT system operators	Annual	Achieved
Professional cybersecurity training for responsible IT personnel	Annual	Achieved
Social engineering exercises for IT system operators	Annual	Achieved
Host vulnerability scanning, with high-risk vulnerabilities addressed within six months	Annual	Achieved
Host penetration testing, with high-risk vulnerabilities addressed within six months	Annual	Achieved
Cybersecurity risk assessment	Annual	Achieved
Disaster recovery drills	Annual	Achieved
Information Security Management Committee meetings	Annual	Achieved
Budget planning, continuous evaluation, and introduction of new cybersecurity technologies to improve management	Annual	Ongoing
Timely reporting, response, and recovery for any cybersecurity incidents	-	No incidents occurred in 2024
Staffing of information security personnel in accordance with operational scale and cybersecurity risks (1 CISO and 1 security staff)	-	Achieved

Host Vulnerability Analysis

The results of this scan identified 10 critical vulnerabilities, 23 high-risk vulnerabilities, and 63 medium-risk vulnerabilities. The estimated distribution is as follows: critical vulnerabilities account for 10%, high-risk vulnerabilities for 24%, and medium-risk vulnerabilities for 66%. Please refer to the chart below for details.



4-6-1-12 Information Security Risks and Countermeasures

The Company has been progressively implementing information security protection measures each year to mitigate emerging risks and attacks, including attempts to compromise core IT systems or disrupt company operations. Such attacks could potentially lead to operational interruptions and reputational damage.

To prevent and minimize the impact of these threats, the Company continuously updates and strengthens its countermeasures. This includes subscribing to security alerts from TWCERT/CC (Taiwan Computer Emergency Response Team / Coordination Center), enhancing cybersecurity systems, and patching system vulnerabilities.

Additionally, the Company reinforces network firewalls and network management controls, while promoting cybersecurity awareness among employees through regular security campaigns. Backup and redundancy mechanisms have been established for critical systems, and disaster recovery drills are conducted annually to ensure the availability of essential core IT systems.

4-6-1-13 Achievements in Information Security Protection

No cybersecurity incidents occurred in 2024.

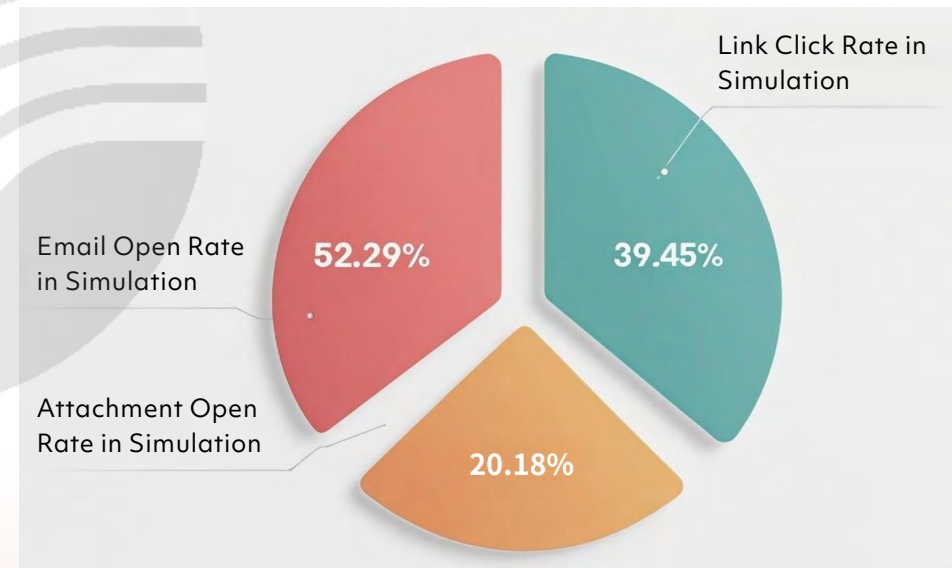
Results of the 2024 social engineering simulation :

A total of 109 participants were tested.

The outcomes of each action are summarized by number of participants and percentage :

Response Type	Number of Participants	Success Rate of Social Engineering
Opened email only	57	52.29%
Clicked link	42	39.45%
Opened attachment	23	20.18%

Overall Social Engineering Success Rate



4-6-2 Customer Privacy Protection

In 2024, the Company received zero complaints related to potential cybersecurity concerns, including those reported by regulatory authorities or third parties. Of these, zero cases were found to involve no personal data leakage or impact on company operations, and zero cases resulted in any customer personal data exposure (accounting for 0% of total cybersecurity incidents), or in the leakage, loss, or damage of other (non-personal) company information.

For each reported incident, the Company conducted thorough investigations and promptly addressed any vulnerabilities. Measures were strengthened in system security and employee training to prevent recurrence. The Company is committed to safeguarding customer privacy and data security and will continue to improve its information security management processes to ensure that cybersecurity incidents are addressed quickly and effectively.

No cybersecurity-related complaints were received in 2024, including from regulatory authorities or third parties.

To protect personal data and customer privacy, the Company continuously enhances system security measures and employee training programs. Upon onboarding, employees sign confidentiality agreements to clearly acknowledge their data protection responsibilities. For areas involving sensitive information, participating personnel and suppliers are also required to sign confidentiality agreements. These comprehensive policies and management practices ensure that company and customer confidential information is fully protected.

The Company remains committed to protecting customer privacy and data security, and will continue to refine information security management processes to guarantee timely and effective resolution of any cybersecurity incidents.

4-7 Participation in Associations and Organizations

TIEN KANG CO., LTD. maintains political neutrality and does not engage in political election campaigns or make any political donations in the name of the company. However, employees are encouraged to fulfill their civic duties. In 2024, the Company did not incur any expenditures related to political donations.

Given the Company's broad technical and product scope, it actively participates in relevant industry associations, technical alliances, and events. This engagement allows the Company to stay informed on industry and technological developments and to establish strong collaborative relationships with other enterprises and institutions in related fields, collectively promoting sustainable development within the industry.

In 2024, the Company joined six industry associations and organizations, with a total expenditure of NT\$150,000. The external organizations participated in are listed as follows :

Association / Organization	Membership Status
Taiwan External Trade Development Council (TAITRA)	Member
Taiwan Shoe Manufacturers' Association	President
Taiwan Rubber & Elastomer Industry Association	Member
Taiwan Machinery Industry Association	Member
Taiwan Machinery Industry Association – Footwear Machinery Committee	Member
Taichung Second-Generation Machinery Industry Association	Member



a. Strengthen Industry Connections and Monitor Market Trends

By participating in the Taiwan Shoe Manufacturers' Association and the Taiwan Rubber & Elastomer Industry Association, the Company stays up-to-date with market developments in footwear and rubber products as well as innovations in materials.

Maintaining technical and demand exchanges with upstream and downstream manufacturers enhances overall supply chain integration and strengthens the Company's focus on developing customized machinery and equipment.

b. Expand Overseas Markets and Enhance Brand Exposure

Through collaboration with the Taiwan External Trade Development Council (TAITRA), the Company participates in international machinery exhibitions (e.g., K Show in Germany, Simac in Italy), increasing product visibility in global markets and establishing long-term cooperation opportunities with international buyers.

TAITRA's buyer-matching services effectively reduce overseas marketing costs and enhance opportunities for international orders.

c. Monitor Policy Information and Enhance Competitive Advantage

By engaging with the Taiwan Machinery Industry Association and its Footwear Machinery Committee, the Company participates in drafting industry white papers and providing policy recommendations, effectively reflecting the needs of SMEs and supporting access to government subsidies and R&D resources.

This participation allows timely access to updates on new government initiatives (e.g., smart manufacturing incentives, carbon accounting standards), accelerating the alignment of company policies and operations.

d. Promote Generational Exchange and Innovative Thinking

Participation in the Taichung Second-Generation Machinery Industry Association helps successor teams establish cross-company learning mechanisms.

Through industry visits and innovation forums, the Company's next-generation management team enhances innovative management capabilities and global perspectives, supporting Tienkang Precision in digital transformation and talent development with a forward-looking approach.

e. Unify Industry Voice and Foster a Collaborative Ecosystem

The Company collaborates with associations to promote ESG initiatives, industry-academia partnerships, and green manufacturing projects, contributing to industrial upgrading and sustainable development.

Participation in technical committees supports standard setting, technology promotion, and overall brand image building, strengthening Tienkang Precision's professional reputation and influence within the industry.

4-8 Product Management and Product Innovation

4-8-1 Product Management Strategies under Sustainability Trends

With growing awareness of sustainability and environmental protection, these concepts have increasingly become key factors influencing consumer purchasing behavior. In response to this trend, more footwear manufacturers are adopting eco-friendly materials, such as recycled polyester fibers, organic cotton, and natural rubber, to minimize environmental impact.

At the same time, production processes are being continuously optimized to reduce water and energy consumption.

Adoption of Eco-Friendly Materials – Illustration

This shift is primarily driven by growing consumer demand for sustainable products and increasing attention to carbon emissions within the footwear industry. In response to this trend, we have integrated sustainability concepts into our R&D and product management processes. From the early design stage, we incorporate low-carbon and energy-efficient thinking, strengthen material selection, and implement lifecycle management to ensure that products meet ESG standards at every stage.

As a result, our strategic focus is on establishing partnerships with international brands that have publicly committed to sustainability, working together to promote environmental protection and social responsibility.



Integration of Sustainability into R&D – Illustration



4-8-2 Brand Client Introduction

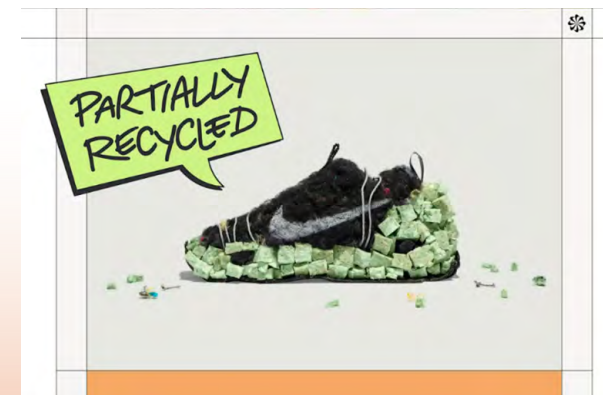
Brand LOGO	Brand	Brand Characteristics	Application of Eco-Friendly Materials	Representative Shoe Models
	NIKE	Globally recognized sports brand, emphasizing innovation and performance	Uses recycled polyester fibers and recycled outsole materials	Flyknit, Pegasus Turbo Next Nature
	On (Switzerland)	Swiss tech running shoe brand, specializing in Cloud cushioning	Upper made from recycled plastics; some models are recyclable	Cloudmonster, Cyclon
	DECATHLON	Affordable pricing, promotes mass participation in sports	Some models use recycled plastics and recycled cotton	Kalenji, Run Comfort
	HOKA	Thick, lightweight cushioning; preferred by long-distance runners	Outsole foam made from sugarcane (CMEVA); some recycled yarns	Clifton, Bondi
	FRASSON	Italian brand focused on functional shoe design	Uses recyclable materials and low environmental impact design	Trail Running Shoes series
	BROOKS	US professional running shoe brand, emphasizing comfort and stability	Upper made from recycled plastic bottles; developed Green Silence Eco line	Ghost 15, Green Silence Eco

Tienkang serves multiple international brands, each holding a market share of over 3%. According to the 2022 Statista Market Insight report, NIKE maintains a leading position with an 18% global market share. These global brands have actively implemented energy-saving and carbon-reduction policies and regard sustainability as a key indicator of corporate competitiveness.

DECATHLON Corporate Environmental Protection



NIKE's application of circular materials



4-8-3-1 Brand Client's ESG Vision Overview

Brand	ESG Vision
NIKE	Achieve a sustainable future through innovation, committed to carbon neutrality and use of circular materials.
On (Switzerland)	Promote fully recyclable sports shoe programs, implementing zero-carbon and environmentally friendly manufacturing.
DECATHLON	Popularize sports while protecting the environment, enhancing the use of recycled materials and sustainable product design.
HOKA	Reduce production footprint, increase material recyclability, and create lightweight, efficient, and eco-friendly shoes.
FRASSON	Focus on low-carbon design and recyclable materials, strengthening product lifecycle management and eco-innovation.
BROOKS	"Run Responsibly" program aims for carbon neutrality and expanded use of recycled materials.

From the perspective of our client collaborations, a common challenge is observed: international running shoe brands such as Nike, On, Decathlon, Hoka, Brooks, and Frasson have all set targets to reduce carbon emissions by at least 50% by 2030 as part of their ESG visions. They are actively promoting material circularity, transitioning their supply chains to green energy, and committing to carbon neutrality in order to fulfill their corporate sustainability responsibilities.

Thermoset Materials Bonded with Adhesive – Illustration

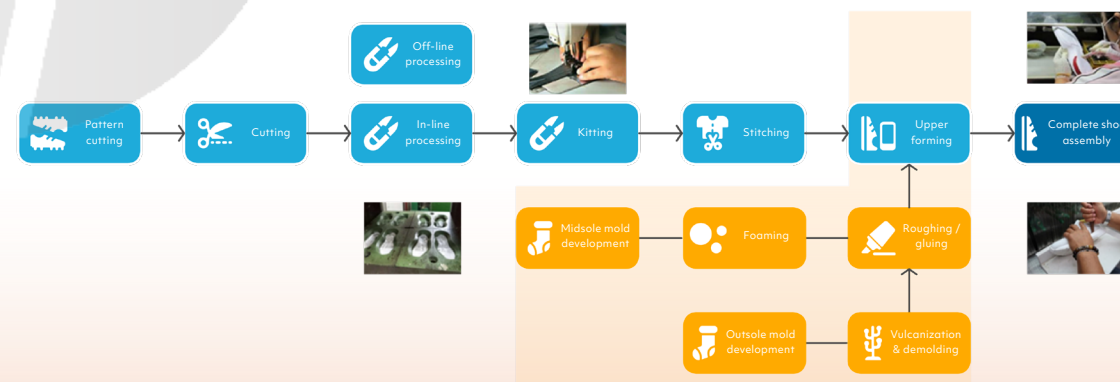


4-8-4 Common Sustainability Challenges Faced by Customers

Based on the analysis of key international clients, several common challenges have been identified:

- a. Higher Costs for Sustainability-Related Technologies
Investments in technologies related to sustainable development result in increased cost expenditures.
- b. Complex Traditional Shoe Manufacturing Processes
Conventional athletic shoes are composed of over 20 individual components and involve more than a hundred production steps to complete assembly. This results in high labor dependency and energy-intensive equipment/processes.
- c. Predominantly Non-Recyclable Materials
Shoe components are made from a variety of materials, most of which are thermoset and bonded with adhesives, making it difficult to disassemble and recycle discarded shoes. Notably, the midsole and outsole account for over 70% of the total shoe weight.

Process flow diagram



4-8-5 Advancing the Sustainable Development of the Footwear Industry Together

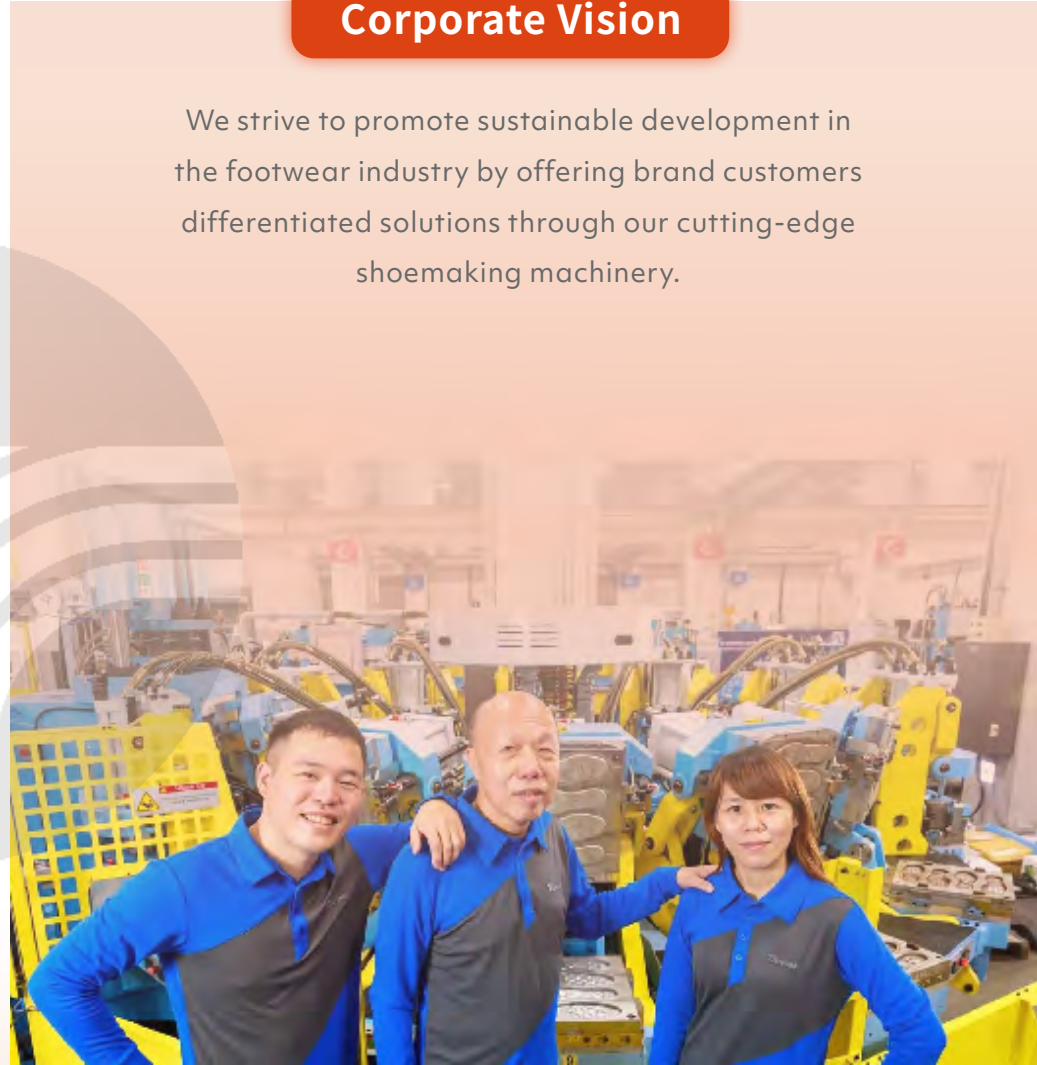
Driven by customer pain points, Tienkang's R&D team upholds the mission of “realizing a sustainable future through technology.” We are committed not only to creating value for our customers, but also to reducing resource waste and improving energy efficiency throughout the production process. Our R&D experts focus not only on enhancing product performance, but also actively participate in initiatives aimed at lowering production costs and reducing environmental impact.

We are dedicated to integrating environmental principles with cutting-edge technologies in product development. Through continuous technological innovation, we effectively mitigate environmental impacts. We firmly believe that long-term corporate success must go hand in hand with the harmonious development of the ecological environment.

In summary, the footwear industry is clearly facing significant macro-environmental challenges, including how to achieve product lightweighting, how to streamline manufacturing processes to reduce carbon emissions, and how to realize 100% recyclability. In response to these industry pain points, and with a commitment to contributing to the planet, Tienkang provides optimal solutions aligned with our customers' ESG visions.

Corporate Vision

We strive to promote sustainable development in the footwear industry by offering brand customers differentiated solutions through our cutting-edge shoemaking machinery.



4-8-6 Best solution (1)

In response to the sustainable strategies proposed by leading international brands to align with ESG trends and green energy-saving and carbon-reduction objectives, Tienkang has designed and developed the GENTREX physical foaming injection molding system, which features the following four key characteristics :

a. Sustainable Manufacturing :

The GENTREX system eliminates the use of harmful chemicals commonly found in traditional footwear manufacturing processes, such as adhesives and solvents, thereby enabling a more sustainable and environmentally responsible production process. This approach is aligned with the sustainability goals of global brands such as Nike and Adidas, which are committed to reducing their environmental impact.



b. Recyclable Material Compatibility :

GENTREX's Supercritical Fluid Injection (SCFI) technology is compatible with recyclable materials, enabling outsoles/midsoles to be produced using recycled content. This aligns with the current industry trend in which brands prioritize product sustainability and seek to maximize the use of recycled materials wherever possible.

c. Recyclable and reusable production :

The GENTREX system minimizes waste throughout the manufacturing process. Scrap generated from the SCFI process also has the potential to be recycled and reused. For example, these offcuts can be reprocessed into new feedstock, thereby reducing the environmental impact of production waste.

d. Reduced Energy Consumption :

GENTREX system significantly reduces energy consumption during production. This effectively lowers the carbon footprint of footwear manufacturing and supports long-term sustainability objectives.

Theoretical Data:

Traditional EVA processing (194.4 kWh) + hot and cold setting (209 kWh) results in a total energy consumption of 403.4 kWh. At 100% output, 24-hour energy consumption reaches 9,681.6 kWh, with daily carbon emissions of 5,150.6 kg. In comparison, the GENTREX physical foaming injection molding system operates at 125 kWh. At 100% output, 24-hour energy consumption is 3,000 kWh, with daily carbon emissions of 1,596 kg. Compared to traditional processes, GENTREX can reduce carbon emissions by 3,554.6 kg per day.

	 EVA INJECTION	 AUTO CLAVE	 GENTREX
Process	40 min	428 min	10 min
Power	407kw	430kw	82kw
Physical properties	0.16~0.25 g/cm ³	0.10~0.14 g/cm ³	0.12~0.25 g/cm ³
Operator			

TIENKANG x FCS powered by Tixel

Assumptions on Waste and Carbon Emissions

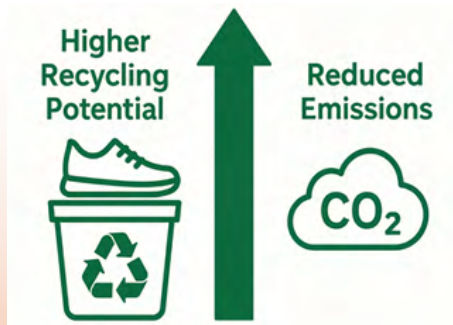
Annual Footwear Overview (Estimated) :

Discarded footwear volume: Approximately 30 billion pairs of shoes are discarded or scrapped each year, and many are not recycled.
 Footwear recycling rate: It is estimated that less than 5% of footwear is recycled or reused; the remainder ends up in landfills or is incinerated.

Estimated Waste Weight:
 Assuming the average weight of one pair of shoes is approximately 800 grams: 30 billion pairs × 800 g = approximately 24 million metric tons of footwear waste.

Based on an estimated annual production of 20 billion pairs of shoes, and an additional estimate of 30 billion pairs (new + old) being scrapped and discarded, with an average shoe (or outsole) weight of 800 grams per pair, the annual footwear waste is approximately 24 million metric tons, with a recycling rate of less than 5%.

- Assumptions (TPU Outsoles) :
- Global annual footwear production: 20 billion pairs
 - Assume 20% of these use TPU outsoles = 4 billion pairs
 - TPU usage per pair of outsoles: approximately 300 grams



If physical foaming technology is adopted and the design is optimized for recycling-friendly materials, TPU + physical foaming, the estimated recycling and environmental impact would be as follows :

TPU + Physical Foaming — Recycling Rate

Material	Conventional EVA Outsole	Conventional TPU Outsole	Physically Foamed TPU Outsole
Recycling Rate	5-10%	Approximately 20%	50-70% (It depends on a mono-material design)

Additional Recycling Potential :
 By increasing the recycling rate from 20% to 60%, the net gain in recycling is 40%. Additional recycled amount per pair: 300 g × 40% = 120 g.
 Annual reduction: 4 billion pairs × 120 g = 4.8 million metric tons of TPU waste.

Estimated Carbon Emissions Reduction :

- The carbon footprint of TPU is approximately 6–8 kg CO₂ per kg of TPU.
- 4.8 million metric tons × an average of 7 kg CO₂ /kg TPU = an estimated 33.6 million metric tons of CO₂ in potential emissions reduction.

TPU + Physical Foaming — Recycling Rate

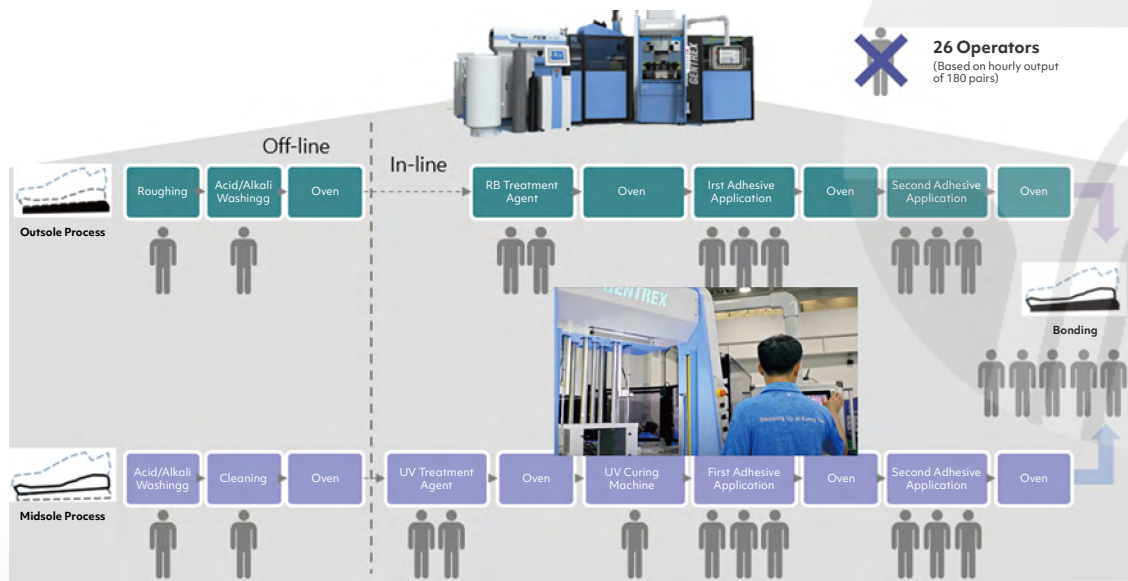
Annual number of pairs using TPU outsoles	approximately 4 billion pairs
Outsole weight per pair	approximately 300 g
Increase in recycling potential	from 20% → 60% (+40%)
Waste reduction	approximately 4.8 million metric tons per year
Carbon reduction potential	approximately 33.6 million metric tons of CO ₂ per year

The carbon reduction potential of approximately 33.6 million metric tons of CO₂ per year is equivalent to the annual carbon sequestration of approximately 258,461 Da'an Forest Parks (based on an absorption rate of 5 metric tons of CO₂ per hectare per year).

Significantly Shortened Processes and Reduced Labor Requirements

In conventional footwear manufacturing, the outsole and midsole are produced separately using traditional chemical processing equipment. They are then bonded through multiple steps—outsole-to-midsole bonding, followed by midsole-to-upper bonding—typically requiring at least 26 workers. With this system, the outsole and midsole can be completed in a single injection foaming cycle and simultaneously bonded to the upper, requiring only one operator and substantially reducing the number of process steps.

Schematic diagram of waste incineration



By reducing carbon emissions, we aim to fundamentally transform outsole production. Global market demand for outsoles—and the carbon emissions generated during their manufacturing—has a significant impact on the global environment.

The GENTREX system is a proprietary technology jointly developed by Tienkang and the FCS team, representing a key technical advantage. It incorporates MuCell supercritical microcellular foaming equipment from U.S.-based Trexel and can successfully mix liquid nitrogen (N₂), in its supercritical fluid state, into molten thermoplastic elastomers.

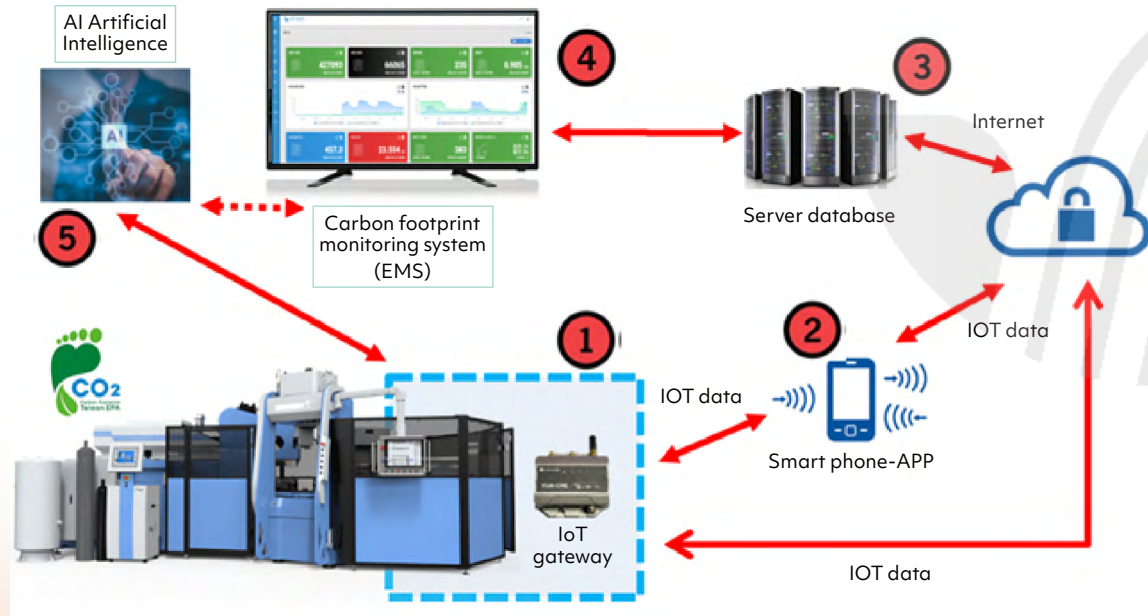


4-8-7 Best Solution (2)

Objective: Deepen the Application of Intelligent Technologies

Tienkang's injection molding equipment is integrated with an Internet of Things (IoT) solution. Through smart gateways, the system connects selected PLC data from the machines and integrates various external sensors, along with mobile applications (Android and iOS) and an IoT platform. This enables intelligent equipment sensing data to be transmitted to upper-level systems. In addition, we provide customers with integrated solutions that consolidate the MES process management system (APS), EnMS energy management system, and carbon footprint management, delivering a one-stop solution for customers.

Connected IoT solutions



Intelligent Monitoring System

1. Energy Saving and Cost Management

Real-time monitoring of energy consumption: Provides detailed energy usage data, helping identify high energy-consuming stages and enabling the development of energy-saving measures.

Reduced operating costs: Based on monitoring results, equipment operating parameters and/or production processes can be optimized to minimize unnecessary energy waste.

Real-Time Monitoring of Energy Consumption



2. Improved Production Efficiency

Predictive maintenance: Based on abnormal energy usage data, potential equipment issues can be identified early, reducing downtime.

Abnormality monitoring: Detects anomalies in energy consumption in real time, helping prevent energy waste or production interruptions caused by equipment failures or operational errors.

Predictive maintenance and tips



3. Enhanced Data Management and Decision Support

Data transparency: Provides clear energy consumption trend charts and reports, facilitating energy management analysis.

4. Green Manufacturing Certification

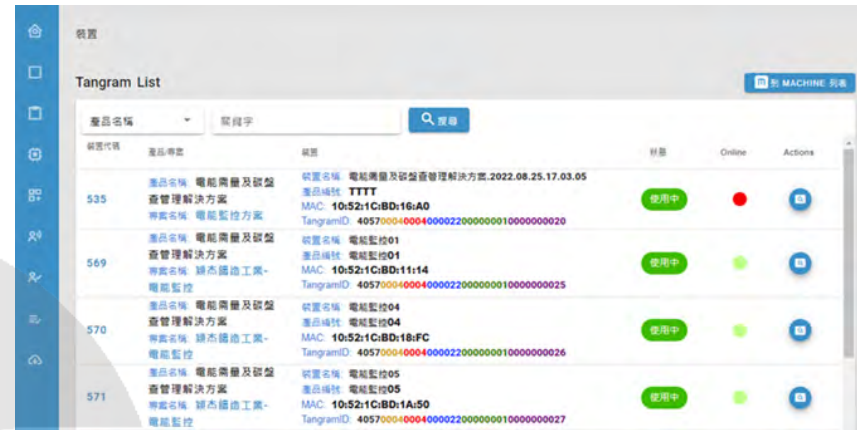
Support for green manufacturing certification: Enhances corporate image and provides strong support for applying for green manufacturing standards and environmental certifications.

Support for carbon footprint management: By recording energy consumption data, it becomes easier to calculate carbon emissions and meet environmental regulatory requirements.

5. Improved Competitiveness

Added value through smart manufacturing: An intelligent monitoring system increases equipment value and helps attract customers who prioritize energy savings and production efficiency.

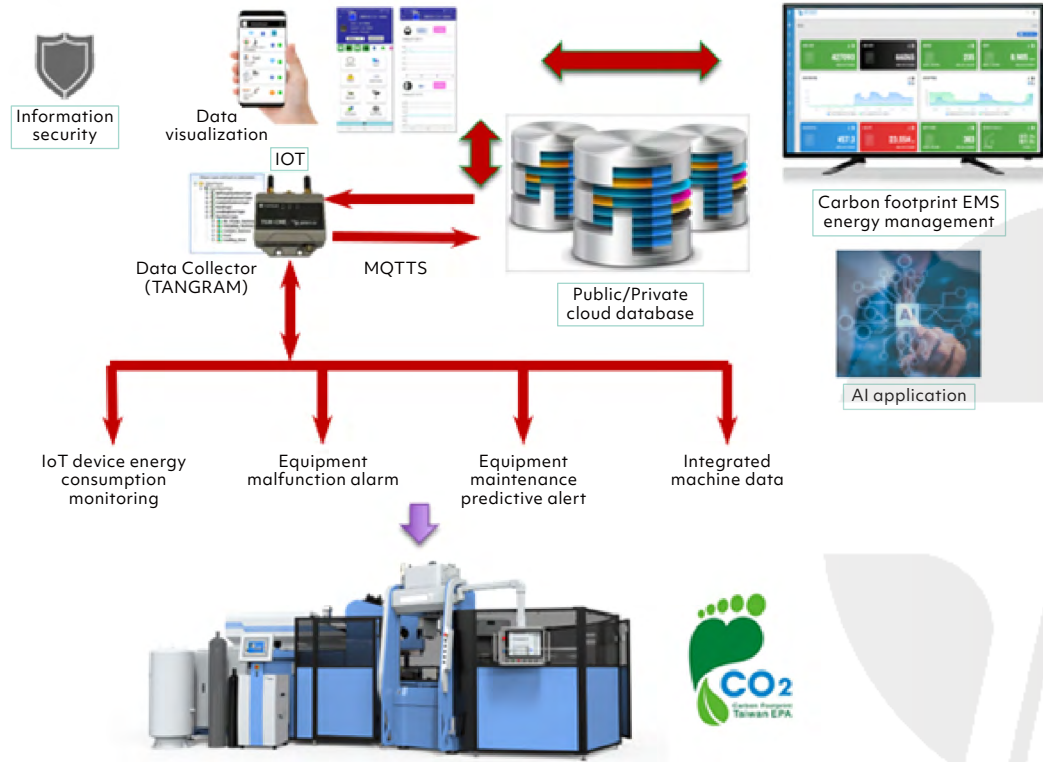
Intelligent monitoring system



6. Enabling Future Digital Transformation

Strong system integration: Can be integrated with MES (Manufacturing Execution System) or ERP (Enterprise Resource Planning) systems to enable plant-wide linkage between energy and production data.

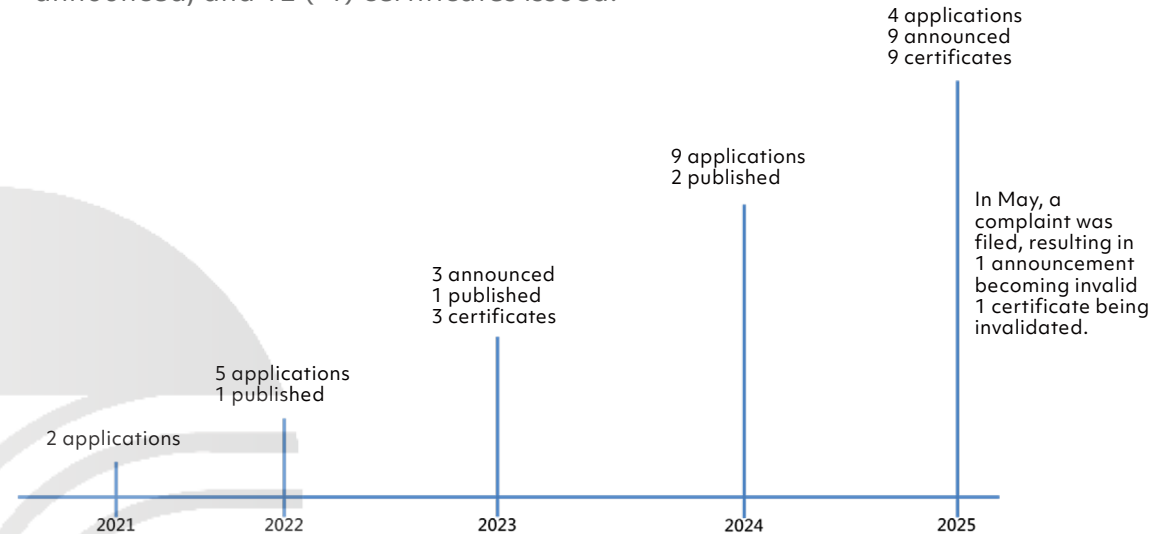
Digital transformation



An intelligent monitoring system not only helps customers reduce energy costs, but also enhances equipment performance, supports environmental compliance requirements, and accelerates digital transformation. Over the long term, it can effectively strengthen corporate competitiveness and enable sustainable development.

4-8-8 Patent

Recent Patent Overview: 20 applications filed, 4 published, 11 (-1) granted/announced, and 12 (-1) certificates issued.



Patent certificate



4-8-9 Short/Medium/Long-Term Development Blueprint

	Short term (113-115)	Mid term (116-120)	Long term (121-125)
Objectives	<ul style="list-style-type: none"> ▶ Establish foundational capabilities for sustainability Intelligent manufacturing Implement ESG-related technologies 	<ul style="list-style-type: none"> ▶ Deepen the application of intelligent technologies ▶ Further implement ESG strategies ▶ Technical team development 	<ul style="list-style-type: none"> ▶ Smart Factory ▶ Single-operator control and human-machine collaboration ▶ Production efficiency and energy management
Solutions	<ul style="list-style-type: none"> ▶ Clear definition of R&D directions ▶ Talent development and training ▶ Equipment upgrades and data digitalization ▶ Improvements in material and component manufacturing processes 	<ul style="list-style-type: none"> ▶ Comprehensive deployment of AI technologies ▶ Full lifecycle management ▶ Simulation and analysis of customer-side data ▶ Green technology innovation ▶ External technology partnerships 	<ul style="list-style-type: none"> ▶ Deployment of AI technologies at customer sites ▶ Collection, analysis, and validation of customer-side data ▶ Continuous green technology innovation ▶ Enhancement of sensing equipment
Deliverables	<ul style="list-style-type: none"> ▶ Begin preparing technology reports that meet ESG standards and obtaining environmental certifications for equipment products, establishing a solid foundation for the market. 	<ul style="list-style-type: none"> ▶ Achieve the transformation from a traditional manufacturing enterprise into a leading provider of green and intelligent technologies. 	<ul style="list-style-type: none"> ▶ Enable data-driven production decision-making ▶ Promote human-machine collaboration and intelligent control ▶ Implement AI technologies in product and process optimization to enhance production efficiency and energy management performance

4-8-10 Customer Health and Safety

4-8-10-1 Product Health and Safety

The Company is committed to ensuring that all products and services meet the highest health and safety standards. In 2024, we conducted health and safety impact assessments covering 100% of our major product lines, spanning every stage from design and development through to end use. These assessments are intended to identify and mitigate potential risks in order to safeguard customer health and safety.

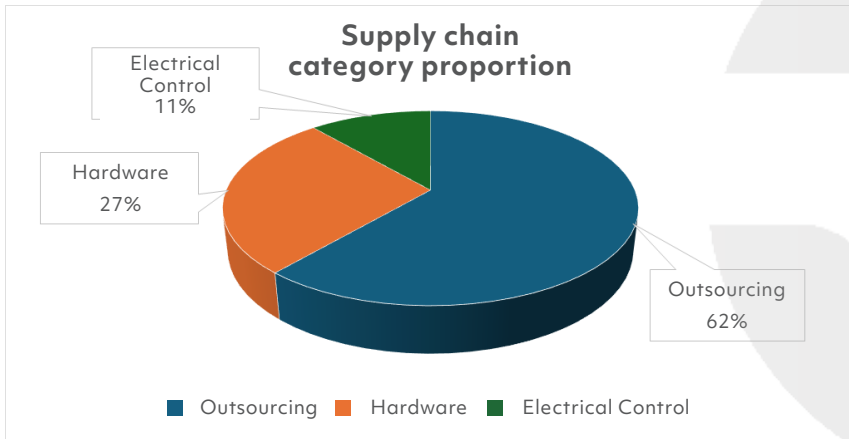
- ▶ We conducted testing and inspections in accordance with the EU CE safety requirements to ensure our products meet international safety standards.

4-8-10-2 Product Health and Safety

Product and Service Labeling

The Company remains committed to delivering high-quality products and excellent services, with the goal of meeting and exceeding applicable domestic and international regulatory standards. All products manufactured and sold comply with international regulations. We conduct product testing as required and ensure that product quality and labeling fully comply with national standards. In 2024, there were no cases of non-compliance with regulations related to product and service information and labeling, and no violations of regulations governing marketing communications.

Level	Outsourcing	Hardware	Electrical Control	Total
Quantity	92	41	17	150
Rate	61%	27%	11%	
DECATHLON	NIKE	NIKE	NIKE	NIKE



b. Supplier Tiering and Management

Tienkang classifies suppliers into three tiers—A, B, and C—based on a weighted scoring system that includes quality (40%), price (30%), delivery performance (20%), and level of cooperation (10%). This approach not only improves management efficiency, but also helps ensure stronger quality assurance and more stable delivery performance across the overall supply chain.

五金廠商評核表

2024年度廠商評核詳細列表

廠商/季度	品質 (40%)	價格 (30%)	交期 (20%)	配合度 (10%)	得分	等級	录入人
A001/佳祥/D_第...	40	19.18	10	10	87.18	B	A34/劉新濤
A007/啟亞/A_第...	40	15.52	13	10	78.52	B	A34/劉新濤
A011/亞利油罐/...	40	10.73	16	10	76.73	B	A34/劉新濤
A012/源達/A_第...	40	13.67	20	10	83.67	B	A34/劉新濤
A014/源立/A_第...	40	20	20	10	90	A	A34/劉新濤
A017/升山/A_第...	40	20	20	10	90	A	A34/劉新濤
A023/建榮/A_第...	40	19.37	20	10	89.37	B	A34/劉新濤
A026/源德(A_第...	40	20	20	10	90	A	A34/劉新濤
A030/克普興/A_...	40	13.94	20	10	83.94	B	A34/劉新濤
A032/網信/D_第...	40	16.67	19	10	85.67	B	A34/劉新濤
A034/亞德/A_第...	40	19.3	18	10	87.3	B	A34/劉新濤
A040/群策/A_第...	40	20	20	10	90	A	A34/劉新濤
A045/立益盛/A_...	40	20	20	10	90	A	A34/劉新濤
A046/春成行/D_...	40	19.5	5	10	74.5	C	A34/劉新濤

c. Outsourced Processing

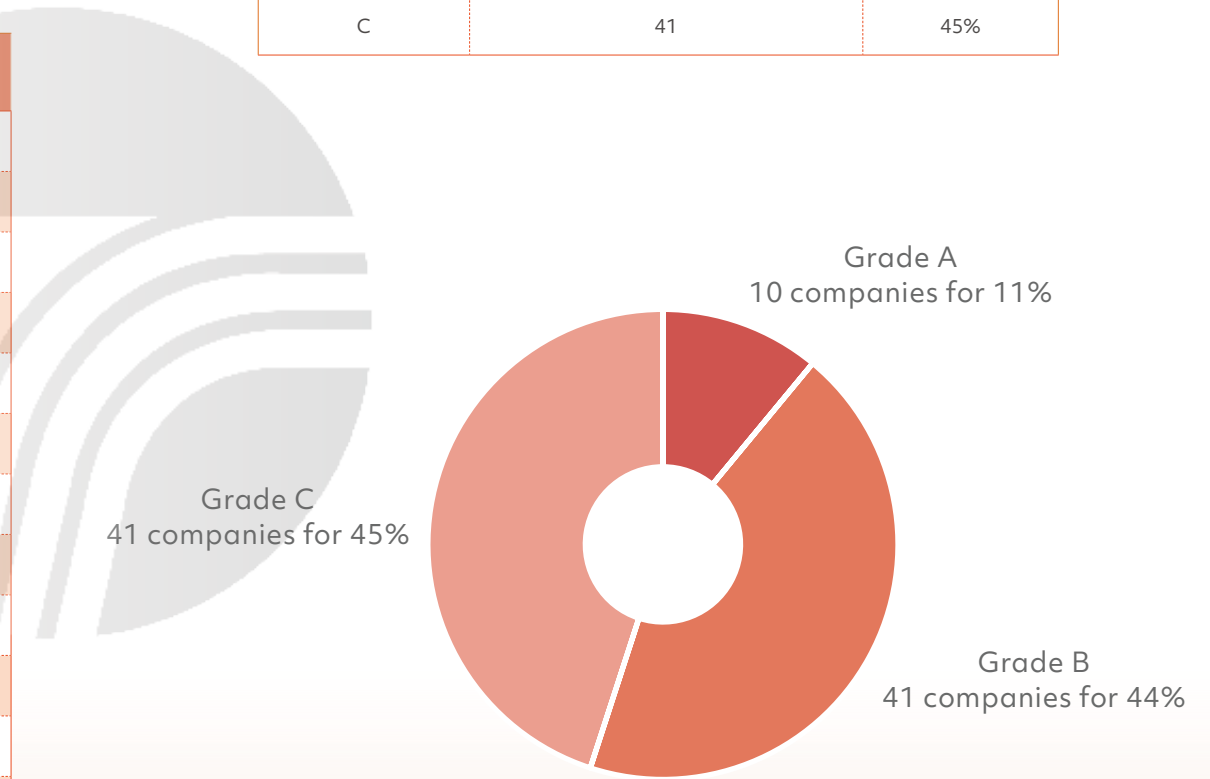
In 2024, the majority of outsourced suppliers were classified as Tier B and Tier C. To promote their improvement, we provided necessary guidance and support to help them progressively enhance quality management, delivery control, and cost optimization.

Annual Evaluation Form for Hardware Suppliers

Supplier Code	Quality (40%)	Price (30%)	Delivery (20%)	Cooperation (10%)	Total score	Tier
A001	40	19.18	18	10	87.18	B
A007	40	15.52	13	10	78.52	B
A010	40	20	16	10	86	B
A011	40	12.17	20	10	82.17	B
A012	40	13.67	20	10	83.67	B
A014	40	20	20	10	90	A
A073	40	20	20	10	90	A
A091	40	20	19	10	89	B
A099	40	20	20	10	90	A
A103	40	15.52	20	10	85.52	B
A117	40	20	17	10	87	B
A118	40	17.74	20	10	87.74	B
A129	40	20	10	10	68.33	C
A164	40	20	20	10	90	A

Number of Outsourced Suppliers

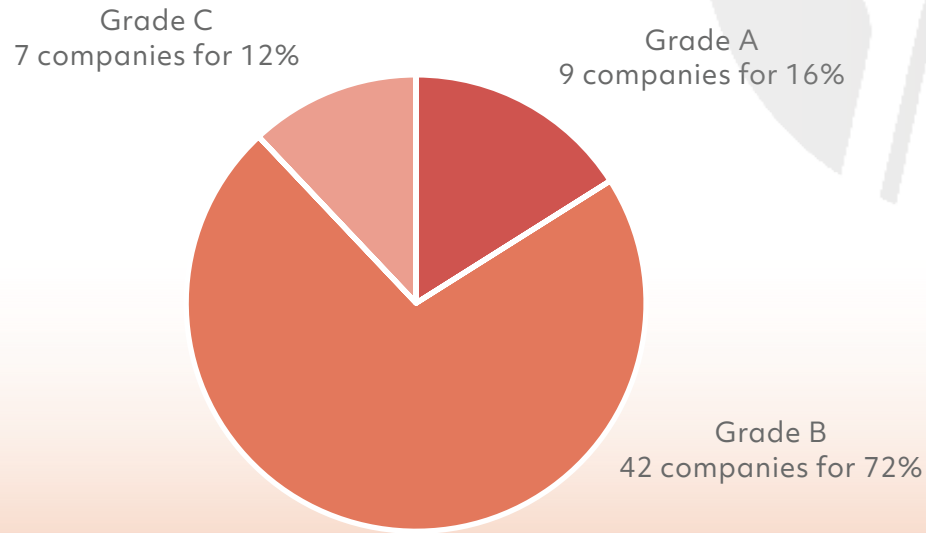
Level	Number of Outsourced Suppliers	Rate
A	10	11%
B	41	44%
C	41	45%



d. Hardware Suppliers:

In 2024, the majority of hardware suppliers were classified as Tier B. Tier A hardware suppliers generally have higher stakeholder relevance, and many of them have already implemented ESG net-zero carbon emission plans. These Tier A suppliers demonstrate strong performance in environmental protection, social responsibility, and good governance, and they serve as core partners in our long-term collaborations.

Level	Number of Outsourced Suppliers	Rate
A	9	16%
B	42	72%
C	7	12%



4-9-2 Supply Chain Status Overview

a. Delivery Performance Control :

Controlling inbound delivery lead times has become one of the core tasks in the Company's supply chain management. Tienkang strengthens communication and collaboration with suppliers and continuously drives internal optimization, resulting in steady improvements in delivery performance. In the coming years, we will continue enhancing the overall on-time delivery achievement rate across the supply chain.

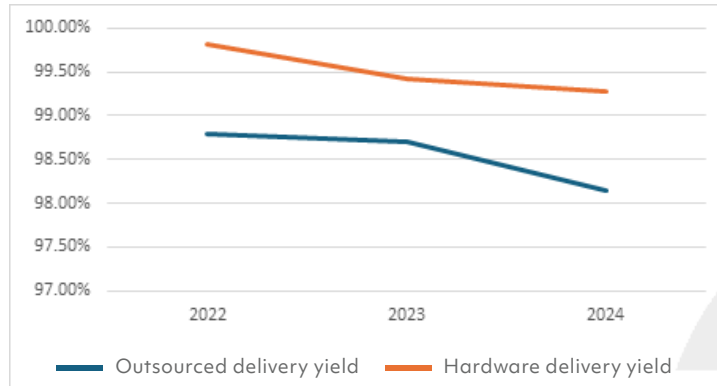
b. Annual Quality Program :

- ▶ 2022 : Tienkang implemented a tiered management and self-inspection program for critical components. This initiative not only improved inspection pass rates but also ensured stable and consistent product quality.
- ▶ 2023 : For suppliers with high rates of nonconformance, we conducted comprehensive audits and provided targeted guidance to help strengthen their overall quality control systems and enhance their quality management capabilities.
- ▶ 2024 : We further reinforced monitoring of supplier process characteristics. By leveraging big data and artificial intelligence technologies, we reduced process error rates and improved the stability of product quality.

Effectiveness of the Annual Quality Program :

Outsourced delivery yield : Maintained at above 98%, reflecting Tienkang's strengths in delivery management and the results of close collaboration with suppliers.
 Hardware delivery yield: Maintained at above 99.4%, providing customers with more stable and efficient delivery performance and further enhancing customer satisfaction.

Delivery Yield Over the Past Three Years



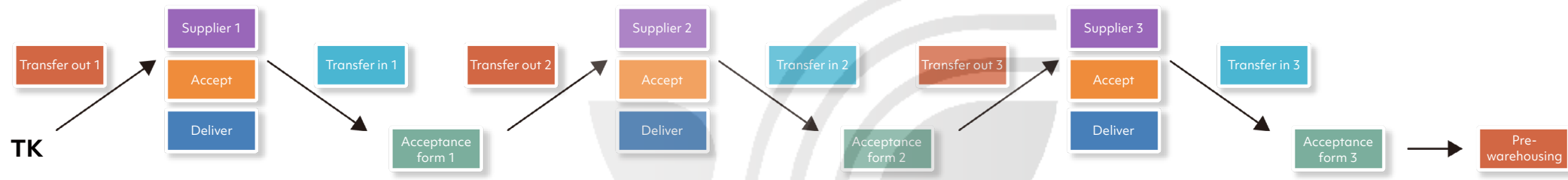
c. Supply Chain Web Information System

- ▶ 2022 : Launched an online vendor job release Web system, enabling digitalized management, reducing the use of paper-based orders, and improving the clarity and accuracy of procurement information.
- ▶ 2023 : Implemented a Web-based vendor reconciliation system, which significantly reduced invoice printing and reconciliation time, thereby enhancing overall supply chain efficiency.
- ▶ 2024 : Further optimized the supply chain Web information system and promoted improvements in supplier on-time delivery performance. Going forward, we will continue to strengthen data processing capabilities and the precision of supplier collaboration.

Implementation Results of the Supply Chain Web Information System :

With the rollout of online systems and the advancement of digital management, over the past three years our on-time delivery achievement rate for outsourced processing has increased by 10%, and the on-time delivery achievement rate for hardware procurement has increased by approximately 5%. These results demonstrate that our investments in digitalization and automation have delivered significant benefits.





First supplier appearance time : When the first purchase order is approved
 Upon receipt : Generate transfer out 1
 Enter shipment quantity Generate transfer in 1

Second supplier appearance timing : When Transfer In 1 is generated
 When receiving : Transfer Out 2 and Acceptance Slip 1 are generated
 Enter shipment quantity : Transfer In 2 is generated

The third supplier appears when : Transfer In 2 is generated.
 By receiving : Transfer Out 3 and Acceptance Slip 2 are generated.
 Enter the shipment quantity : Transfer In 3 is generated.

When the next process involves IM receiving goods, TK purchasing and QC will be notified to conduct pre-warehousing inspection.

4-9-3 Supply Chain ESG strategy for Shared and Sustainable Growth

Amid the global push for climate action and sustainable development, the Company fully recognizes the importance of ESG-driven sustainable operations. Guided by a corporate culture of “shared growth and mutual benefit,” we actively promote the coordinated development of environmental responsibility, social responsibility, and governance responsibility throughout the supply chain. In recent years, ESG assessment standards have increasingly expanded to cover multiple dimensions, including environmental, social, human, and corporate governance aspects, making ESG performance a key criterion in our supplier management framework.

Tienkang's ESG efforts extend beyond internal improvements to include guidance and support for suppliers and partners. As we continue to advance our ESG commitments, we will comprehensively promote initiatives across environmental, social, and governance responsibilities over the short-, mid-, and long-term, driving sustainable and collaborative growth across the supply chain.

	Short term (113-115)	Mid term (116-120)	Long term (121-125)
Advancing Supply Chain Management	<ul style="list-style-type: none"> ▶ Supply Chain Management Questionnaire ▶ Use existing supplier inspection reports. ▶ Conduct tiering and classification based on actual conditions. 	<ul style="list-style-type: none"> ▶ Confirm the terms and conditions agreement for existing suppliers. ▶ New suppliers must be reviewed and must sign the terms and conditions agreement. 	<ul style="list-style-type: none"> ▶ Re-audit and reconfirm the terms and conditions agreement for existing suppliers. ▶ New suppliers must have mandatory requirements reviewed and approved.
Implementation of Environmental Responsibility Initiatives	<ul style="list-style-type: none"> ▶ Avoid raw material waste ▶ Waste recycling ▶ Establish a digitalized supply chain management system 	<ul style="list-style-type: none"> ▶ Drive process improvement across the supply chain to maximize benefit ▶ Implement supply chain green product labeling (government-registered and certified labels) 	<ul style="list-style-type: none"> ▶ Use recycled and environmentally friendly materials ▶ Offset corporate carbon emissions through additional carbon reduction initiatives ▶ Strengthen collaborative mechanisms and commitments among suppliers on environmental issues
Implementation of Ethical Responsibility Initiatives	<ul style="list-style-type: none"> ▶ Begin preparing technology reports that meet ESG standards and obtaining environmental certifications for equipment products, establishing a solid foundation for the market. 	<ul style="list-style-type: none"> ▶ Achieve the transformation from a traditional manufacturing enterprise into a leading provider of green and intelligent technologies. 	<ul style="list-style-type: none"> ▶ Disclose corporate operations transparently and with integrity



4-9-3-1 Short-Term (2024 – 2026) Implementation Plan

Design and Promotion of the Supply Chain Management Questionnaire: Establish a clear and structured supply chain management questionnaire covering three major dimensions: environmental protection, social responsibility, and corporate governance.

Questionnaire



b. Existing Supplier Status Survey :

A questionnaire survey was conducted among our major existing suppliers, prioritizing strategic suppliers with high revenue contribution and critical component supply. Questionnaires were completed in paper or electronic form, and the purchasing department collected and compiled the data to establish a preliminary "Supplier ESG Database" as a basis for risk identification and follow-up.

Analysis Focus: Three main categories of issues: environmental protection, social responsibility, and corporate governance.

c. Status Assessment Classification and Grading :

Based on the supplier self-assessment questionnaire results, a standardized 0-5 point quantitative scoring system was used for analysis, classifying suppliers into three levels :

- ▶ Level A : Comprehensive sustainability measures, possessing a mature ESG management system and practical implementation.
- ▶ Level B : Initial sustainability awareness and practices, but some areas need improvement.
- ▶ Level C : Weak sustainability management foundation, high potential risks, requiring priority guidance.

Through a rating mechanism, companies are assisted in identifying potential ESG risk suppliers. This serves as a crucial basis for future mentoring programs, training, or replacement strategies, enhancing the overall resilience and sustainability of the supply chain.

d. Environmental Responsibility Implementation:

1. Avoiding Raw Material Waste: Promoting green processes at suppliers and collaborating with them to improve raw material utilization. Establishing a data-sharing platform allows suppliers to monitor and optimize their production processes in real time.
2. Reducing Pollution: Requiring suppliers to monitor and improve pollutant emissions, providing technical support to help them reduce waste gas and wastewater emissions, and conducting regular environmental monitoring. Setting specific annual targets and awarding prizes to suppliers who meet the standards.
3. Establishing an Electronic Supply Chain Management System: Establishing a unified supply chain management platform allows suppliers to view inventory status, order processing progress, etc., in real time, and enables suppliers to conduct self-monitoring of environmental and social responsibility.

e. Implementing Ethical Responsibility:

1. Treating All Customers Equally: Developing a customer service manual requires all suppliers to treat all customers equally in order acceptance, delivery, and after-sales service. A monitoring mechanism is established to ensure service quality and fairness.
2. Caring for Employees: Encouraging suppliers to provide safe and healthy working environments for employees in accordance with labor standards and international regulations. Regularly conducting surveys and improvements on employee benefits and compensation.
3. Strengthening Supplier Ethics: Enhancing cooperation with suppliers through regular training and audits to ensure their compliance with ethical standards and laws. A whistleblowing mechanism is established to penalize or terminate cooperation with suppliers who do not meet standards.

4-9-3-2 Mid-term (116~120) Promotion Program

a. Promote Co-Factory CSR Enforcement :

- ▶ Existing Collaboration System Evaluation Counseling Implementation : CSR performance assessment for short-term existing suppliers and regular counseling and training through the Supplier Development Program to help suppliers improve their ESG performance.
- ▶ Implement willingness assessment counseling for new cooperative plants : Require new suppliers to submit CSR self-evaluation reports and conduct interviews or field audits to understand their commitment to environmental protection, social responsibility and good governance.

b. Environmental Responsibility Promotion and Implementation :

- ▶ Promote supply chain carbon footprint measurement and management : As global attention to carbon emissions gradually strengthens, its suppliers are required to measure their carbon footprint and incorporate carbon emission data into annual reports accordingly.
- ▶ Start implementing Supplier Environmental Responsibility Management (Government-Registered Qualified Manufacturers) : Further strengthen the environmental responsibility management of suppliers and require suppliers to meet the standards of qualified manufacturers registered by the government.

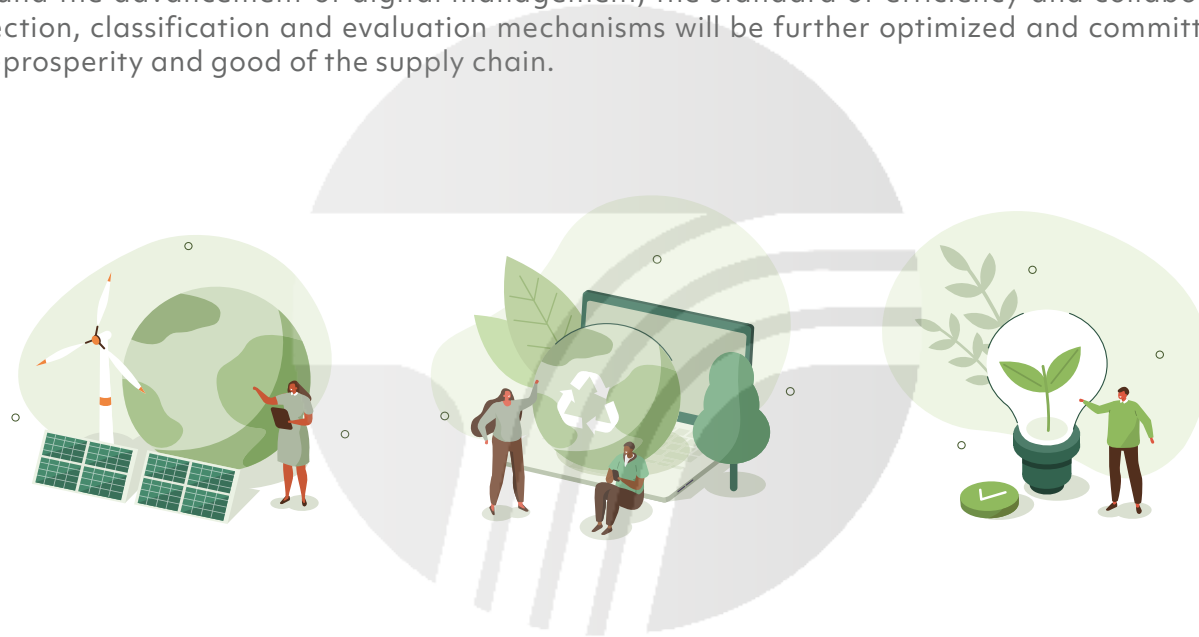
c. Ethical Responsibility Promotion and Implementation :

Improve the supplier's standards of ethical conduct (influence expansion and supply chain.): Develop a detailed code of ethical conduct covering anti-corruption, anti-discrimination, protection of workers' rights and other aspects, and incorporate these requirements into the supplier's contract terms. Driven by these requirements, companies conduct regular ethical compliance reviews and ethical conduct education to ensure that suppliers are able to adhere to the same ethical criteria throughout the supply chain, thereby enhancing the overall ethical level of the supply chain.

4-9-3 Challenges and results of advancing supply chain ESG sustainable operations

Although the promotion of sustainable operations is not achieved overnight and has some challenges for the implementation of the traditional supply chain collaboration system, our company always adheres to the spirit of “one step at a time” to promote the gradual upgrading and improvement of the supply chain. In this process, we draw on the experience of outstanding companies in the past industry and provide personalized guidance and support based on the actual situation of different suppliers.

Tienkang actively promotes ESG sustainability in its supply chain management and continuously improves quality management and delivery control of suppliers. With the promotion of online systems and the advancement of digital management, the standard of efficiency and collaboration in the supply chain has improved significantly. In the future, supplier selection, classification and evaluation mechanisms will be further optimized and committed to the practice of environmental and ethical responsibility to promote the co-prosperity and good of the supply chain.





5

Social Aspects

- 5-1 Human Resource Development
- 5-2 Occupational Safety and Health
- 5-3 Social Participation in Infrastructure Investment and Support Services



5-1 Human Resource Development (Recruitment, Development, and Retention)

5-1-1 Human Rights Policy and Commitments

TIEN KANG CO., LTD. firmly believes that respect for human rights is a core value for sustainable corporate development. To ensure that employees, suppliers, customers, and partners respect the basic human rights of community residents, including local indigenous people, the company not only strictly adheres to the laws and regulations of its operating locations but also supports international human rights conventions such as the UN Universal Declaration of Human Rights, the two covenants, the ILO Declaration on Basic Principles and Rights of the Working Party, the UN Guiding Principles on Business and Human Rights, the OECD Code of Conduct for Multinational Corporations, and the UN Ten Principles of the Global Covenant. The Board of Directors has adopted the "TIEN KANG CO., LTD. Human Rights Commitment," and reviews the policy content and implementation effectiveness annually to establish a human rights protection environment based on protection, respect, and compensation, prohibiting any infringement or violation of human rights, and ensuring that all personnel receive fair and dignified treatment.

TIEN KANG CO., LTD. plans to conduct human rights due diligence in 2024, initially covering its own company. By 2026, it plans to complete human rights due diligence on its supply chain and propose specific human rights mitigation and remedial measures.

a. Scope of application

TIEN KANG CO., LTD.'s Human Rights Commitment applies to all employees of the company and its subsidiaries, and, to a reasonable and practicable extent, includes customers, suppliers, contractors, and the local communities where its operations are located. TIEN KANG CO., LTD. regularly identifies high-risk operating sites involving forced labor, child labor, and potential violations of indigenous rights. The main risks are concentrated in manufacturing sites and upstream suppliers in the raw material supply chain, particularly in countries with weak labor law enforcement. Through irregular audits, the company eliminates forced labor and child labor practices in its manufacturing sites and upstream suppliers. Quarterly meetings are also held with communities and local indigenous people to understand potential violations of indigenous rights and to take action to protect them.

In 2024, no forced labor, child labor, or violations of indigenous rights occurred at the company's manufacturing sites or in its upstream supply chain.

b. Human Rights Education and Training

To raise awareness of human rights protection among all employees, TIEN KANG CO., LTD. conducts annual human rights protection education and training sessions, extending these to all business partners to reduce the frequency of human rights incidents. Furthermore, TIEN KANG CO., LTD. incorporates human rights policies into supplier management and signs documentation to ensure policy implementation.

c. Communication Platforms (Communication Channels) Mailbox, EIP (Employee Information Program), Monthly Employee Meetings, Announcements

To ensure the full implementation of its human rights commitments, TIEN KANG CO., LTD. has also established the "Employee Grievance Appeal and Handling Guidelines," the "Illegal Infringement Reporting Management Regulations," and the "Gender Equality Incident Appeal and Disciplinary Regulations." These clearly define the appeal process and handling procedures, and propose corresponding mitigation and compensation measures for potential human rights incidents faced by employees. No human rights violations occurred in 2024.

Human resources data for the past three years

	Total number of employees - A (End of December)	Number of managers (end of December)	Number of R&D personnel (end of December)	Production line employee count (end of December)	Number of other staff members (end of December)	Number of new employees hired in the current year - B	Number of employees leaving the company in the current year - C	Entry Rate (B/A)	Exit Rate (C/A)
2024	144	24	22	31	67	22	14	15%	9%
2023	138	21	21	37	59	15	23	10%	16%
2022	147	22	24	38	63	23	19	15%	12%

Analysis of the reasons for departures in 2024 revealed that personal family factors and career planning changes (such as retirement or job transfers) were the main causes, indicating that most departures were due to natural turnover.

To reduce employee turnover, when employees submit their resignation applications, the company employs a dual-track mechanism involving the department head and the HR department to conduct interviews.

This not only helps understand the motivation for leaving but also provides necessary internal and external resource support to assist employees in smoothly transitioning to the new phase, while mitigating organizational adaptation shocks and ensuring overall workforce stability.

5-1-3 Employee Diversity, Inclusion, and Equality

TIEN KANG CO., LTD. is committed to fostering a spirit of harmony and mutual benefit, creating a diverse and inclusive workplace environment for all employees. With Taiwan as its primary operating base, it employs nearly 95% of its staff who are Taiwanese. As of the end of 2024, TIEN KANG CO., LTD. had 141 full-time employees and 5 contract employees.

a. Number of employees categorized by employment type and gender

Year	Gender	Employment Type Statistics					Total Employees
		Regular Employees	Temporary Employees (Contract)	Hourly/No Guaranteed Hours Employees	Full-Time Employees	Part-Time Employees	
2024	Female				36	1	37
	Male				105	4	109
	Total				141	5	146
2023	Female				36	1	37
	Male				99	6	105
	Total				135	7	142
2022	Female				33	1	34
	Male				108	8	116
	Total				141	9	150

Note : "Generally contracted employees" : Employees with formal employment contracts.

"Temporary employees (contract employees)" : Employees hired for temporary, short-term, or project-based needs.

"Employees without guaranteed hours" : Employees whose minimum weekly or monthly working hours are not guaranteed; they are often provided on a temporary or flexible schedule, and their wages are calculated based on actual working hours.

"Full-time employees" : Employees with formal employment contracts and clearly defined responsibilities and compensation/benefits.

"Part-time employees" : Employees paid on an hourly basis, with wages paid based on actual working hours.

b. Number of employees categorized by employment type and region

Year	Gender	Employment Type Statistics					Total Employees
		Regular Employees	Temporary Employees (Contract)	Hourly/No Guaranteed Hours Employees	Full-Time Employees	Part-Time Employees	
2024	Taiwan				131	5	136
	Vietnam				9	0	9
	Other				1	0	1
	Total				141	5	146
2023	Taiwan				126	7	133
	Vietnam				8	0	8
	Other				1	0	1
	Total				135	7	142
2022	Taiwan				129	9	138
	Vietnam				11	0	11
	Other				1	0	1
	Total				141	9	150

TIEN KANG CO., LTD. respects the needs of ethnic minorities and their diverse backgrounds. In 2024, it employed one person with a disability, accounting for 2% of its total workforce; and encourages employees to embody multiculturalism. In recruiting sales personnel, TIEN KANG CO., LTD. emphasizes diversity and caters to the aging population trend, encouraging women re-entering the workforce and retirees to join, while providing professional technical training and flexible working hours.

c. Employee Headcount by Job Level and Gender

Year	Employee Category	Female		Male		Total	
		Headcount	Percentage	Headcount	Percentage	Headcount	Percentage
2024	Management	4	2.84%	20	17.02%	24	19.86%
	Non-management	33	23.40%	84	59.57%	117	82.97%
2023	Management	3	2.22%	20	14.82%	23	17.04%
	Non-management	31	22.96%	81	60%	112	82.96%
2022	Management	2	1.42%	20	14.18%	22	15.6%
	Non-management	33	23.4%	86	60.99%	119	84.4%

Number of newly recruited full-time employees in Taiwan

Year Hired	Gender		Total
	Female	Male	
2024	3	17	20
2023	8	8	16
2022	4	20	24
2024	15%	85%	100
2023	50%	50%	100
2022	16%	84%	100

Number of full-time employees who left the company in Taiwan

Year Hired	Gender		Total
	Female	Male	
2024	0	4	4
2023	2	2	4
2022	1	3	4
2024	0	2.83%	2.83%
2023	1.48%	1.48%	2.96%
2022	0.7%	2.13%	2.83%

Note : The calculation of departing employees includes those who leave the company voluntarily or due to dismissal or retirement.

TIEN KANG CO., LTD., together with all its employees, strives to create a friendly and inclusive work environment. The company rigorously reviews all potential discrimination and inequality, has established a reporting channel, and set up an investigative task force. Related incidents are addressed and managed during management meetings.

In 2024, there were 0 incidents of employee conflict or discrimination.



Proportion of Local Employees

2024	Headcount
Number of Non-Local Employees	
Number of Local Employees	
Percentage	100%

Proportion of Local Employees in Senior Management

2024	Headcount
Number of Senior Executives	9
Number of Local Senior Executives	8
Percentage	88.9%

Note : "Senior management level" refers to supervisors at the assistant manager level or above.

To ensure that TIEN KANG CO., LTD.'s compensation and benefits policies comply with relevant regulations and fully protect employee rights, the company offers competitive compensation and benefits packages at all major operating locations. The company's base salary is based on the industry-specific PR50, plus an annual bonus, 20% of operating performance net profit sharing, and a 60% personal dividend award from the Chairman. Therefore, the overall total compensation is significantly higher than the PR50. Furthermore, the company adheres to gender equality in pay to ensure that salaries are not differentiated by gender. This ensures that employees can maintain a stable economic situation and focus on their personal development and outstanding performance.

5-1-4 Happy Workplace — Employee Rights and Benefits

Health and Well-being Goals and Commitments

Tienkang firmly believes that employees are the core driving force of sustainable corporate development. Upholding the management philosophy of Professionalism, Collaboration, Innovation, and Excellence, the Company is committed to creating a stable, fulfilling, diverse, inclusive, safe, and healthy working environment where talent can thrive.

The Company provides market-competitive compensation and benefits, comprehensive training and career development programs, fair and transparent performance evaluation and promotion mechanisms, as well as open and effective labor-management communication channels. Through clearly defined human rights policies, rigorous occupational safety measures, and a wide range of employee activities, Tienkang ensures that employees can achieve a healthy work-life balance and gain fulfillment in both professional growth and personal life.

Tienkang aims to achieve a 100% employee satisfaction rate by fostering a happy employment environment. Each year, the Company carefully plans various activities and continuously enhances employee welfare facilities, enabling employees to work with peace of mind and enjoyment, boosting morale, strengthening their sense of belonging, and realizing harmony between work and life.

Tienkang is dedicated to promoting the physical and mental well-being of employees and stakeholders by providing a safe and friendly workplace. We firmly believe that healthy employees are a vital cornerstone of long-term corporate success; therefore, health and well-being are deeply integrated into our corporate culture and operational strategies.

In compliance with all provisions of the Labor Standards Act, the Company safeguards employee rights and interests through the following initiatives :

- Every Tuesday is Yoga Club Day; every Wednesday is Badminton Club coaching day; every Thursday is Badminton Club practice day. The Company also hosts the annual Tienkang Badminton Cup and periodically invites external teams for friendly exchanges.
- An annual New Year's Day mountain hiking and sunrise-viewing activity is held on the well-known No. 4 trail in Dakeng, with the destination at Touke Mountain.
- A comprehensive health check-up is provided every two years, with examination items exceeding the minimum legal requirements.
- In 2020, the Company completed the construction of a new factory. In addition to production areas and offices, dedicated employee leisure spaces were established, including a karaoke room, health walking trail, gym, badminton court, basketball court, golf simulation room, library, yoga studio, separate male and female shower facilities, and an employee cafeteria.
- In 2022, the Company established formal club management guidelines, organized various sports-related activities, and obtained Certified Sports Enterprise recognition.

Comprehensive employee benefits



Company trips, Family Day events, employee birthday gifts, team-building and social activities, year-end & Lunar New Year parties



Employee bonus system, project-based bonuses, special contribution awards



Scholarships for employee continuing education, scholarships for employees' children, comprehensive training programs



Employee-exclusive parking



Health check-ups, access to employee cafeteria, mental health support, lactation rooms/facilities



Employee uniforms, affiliated store discounts



Health and Well-being Goals and Commitments

- ▶ Provide healthy dining options, such as nutritionally balanced lunches.
- ▶ Organize nutrition seminars to help employees understand the importance of healthy eating.



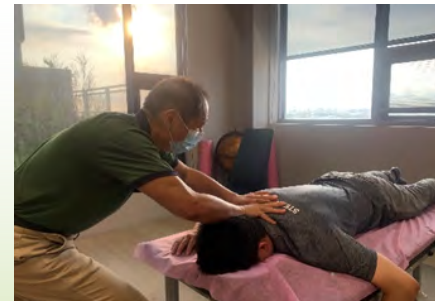
Mental Health Support

- ▶ Offer mental health counseling services and support hotlines to assist employees in managing stress and mental health issues.
- ▶ Conduct stress management and mental health seminars to enhance employees' awareness of psychological well-being.



Stress Management

- ▶ Establish stress management programs, including activities such as meditation and yoga, to help employees relax and unwind.
- ▶ Encourage employees to utilize the stress management resources provided by the company during periods of high work pressure.



Flexible Work Arrangements

- ▶ Offer flexible working hours and remote work options to help employees better balance work and life.
- ▶ Implement additional leave policies, such as paid leave, to allow employees more time with family and for personal interests.

Family-Friendly Policies

- ▶ Support employees in balancing work and family responsibilities by providing childcare subsidies or on-site childcare services to reduce family-related stress.



Social and Team Activities

- ▶ Regularly organize team-building activities, such as team competitions, sports events, and outdoor activities, to strengthen team cohesion.
- ▶ Hold regular employee gatherings or leisure activities to promote communication and collaboration among colleagues.



Benefit Category	Details
Life Insurance	Term life insurance, accident insurance, occupational hazard insurance
Health Insurance	Labor insurance, National Health Insurance
Bonus & Incentives	Holiday bonuses, birthday gifts for employees
Recreation & Leisure	Domestic and overseas travel subsidies, cultural events, family day activities
Allowances & Subsidies	Marriage allowance, childcare allowance for ages 0-6, maternity allowance, children's education subsidies, childcare subsidies, children's scholarships, on-the-job education & training, funeral allowances for employees and dependents
Health Promotion	Advanced health check-ups, blood donation programs, health lectures and wellness initiatives
Club & Association Subsidies	Support for weddings, funerals, childbirth, hospitalization, health check-ups, May Day and festival gift vouchers, year-end party raffles
Other Benefits	Maternity allowance, free employee cafeteria, last Friday of each month off

Comprehensive Employee Benefits

TIEN KANG CO., LTD. encourages employees to start families and actively supports national family and childbirth policies. Within its employee benefits framework, the Company places particular emphasis on subsidies and allowances related to childbirth, childcare, and family support. TIEN KANG CO., LTD. offers benefits that exceed industry standards, including marriage bonuses, childcare allowances for children aged 0-6, educational subsidies for employees' children, and student scholarships.

In addition, TIEN KANG CO., LTD. provides a parental leave without pay program that applies to all full-time employees regardless of seniority. In alignment with government policies, the Company further allocates additional incentive bonuses to encourage employees to raise children. In 2024, a total of 102 male employees and 36 female employees were eligible for parental leave, among whom one female employee applied for parental leave.



Gender-Based Analysis of Average Annual Compensation Differences by Job Level

TIEN KANG CO., LTD. is committed to promoting workforce equality. Although certain compensation differences exist across job levels, in 2024 the average compensation of non-managerial female employees continued to narrow the gap with that of male employees, demonstrating the Company's tangible progress toward pay equity.

By Employee Category	2024				2023			
	Annual Remuneration		Monthly Base Salary		Annual Remuneration		Monthly Base Salary	
	Male	Female	Male	Female	Male	Female	Male	Female
Executive Management	1	1.10	1	0.89	1	1.13	1	0.99
Senior & Middle Management	1	0.84	1	0.87	1	0.85	1	0.87
Junior Management	1	0.84	1	0.88	1	0.85	1	0.93
Non-management	1	0.98	1	0.99	1	0.97	1	0.98

Guided by a people-oriented philosophy, TIEN KANG CO., LTD. places corporate culture at the core of its operations and has developed a high-quality digital integration platform. The Company provides employees with a safe, stable, agile, and diversified learning environment, enabling continuous growth and personal development.

Through these efforts, Tienkang empowers its employees to become the best versions of themselves while fostering a happy workplace and advancing its vision of sustainable business operations.

5-1-5 Collective Bargaining Agreements

At present, TIEN KANG CO., LTD. has not established a labor union nor a formal employee representative system; therefore, no collective bargaining agreement has been signed. However, in accordance with the Labor Standards Act and relevant regulations, the Company has formulated and publicly announced an Employee Handbook, which clearly defines employee rights and working conditions. These include wage and salary adjustment mechanisms, working hours and leave systems, occupational safety and health provisions, various employee benefits (such as insurance, allowances, and training programs), principles for dismissal and severance compensation, labor-management dispute resolution mechanisms, as well as workplace equality and diversity and inclusion policies.

To ensure that employee opinions are fully heard, the Company has established multiple communication and grievance channels, including direct meetings with supervisors, a designated contact window within the Human Resources Department, and suggestion mailboxes. The Employee Handbook is also reviewed regularly to ensure compliance with the latest laws and operational needs. This system has effectively safeguarded employee rights and promoted harmonious labor-management relations.

5-1-6 Talent Development and Growth

TIEN KANG CO., LTD. firmly believes that only by being people-oriented, continuously innovating, and proactively embracing sustainability can a resilient and fulfilling enterprise be built.

Looking back on 2024, Tienkang achieved systematic progress and tangible results across talent recruitment, development and retention, competency framework construction, and employee care initiatives. Through the integration of human-centered management and sustainable development strategies, the Company was honored with the “Talent Sustainability Award” by Commonwealth Magazine, symbolizing strong external recognition of our efforts in talent cultivation, employee well-being, and organizational governance.

Looking ahead, Tienkang will continue to deepen its talent sustainability initiatives, focusing on three strategic pillars: upgrading people-centered culture, strengthening ESG governance, and accelerating digital transformation. We will further optimize our talent recruitment, development, and retention mechanisms, while proactively aligning with the United Nations Sustainable Development Goals (SDGs).

Over the next five years, Tienkang is committed to establishing a more comprehensive competency development roadmap, promoting workforce transformation under smart manufacturing, and continuously enhancing employee health and well-being indicators—ultimately realizing a dual-track model of shared growth for both the organization and its people.



Looking ahead, TIEN KANG CO., LTD. will continue to take talent sustainability as its core driving force, formulating concrete short-, mid-, and long-term action roadmaps to further strengthen organizational resilience and foster a happy workplace culture :

Short-term (within 1 year) :

Fully implement the newly upgraded career development framework and complete the deployment of competency-based learning maps. Through intelligent recruitment systems and international talent channels, the Company will strengthen its global talent. At the same time, Tienkang will continue to enhance onboarding care programs, conduct regular employee interviews, and track employee satisfaction to further improve well-being and organizational cohesion.

Mid-term (within 2–3 years) :

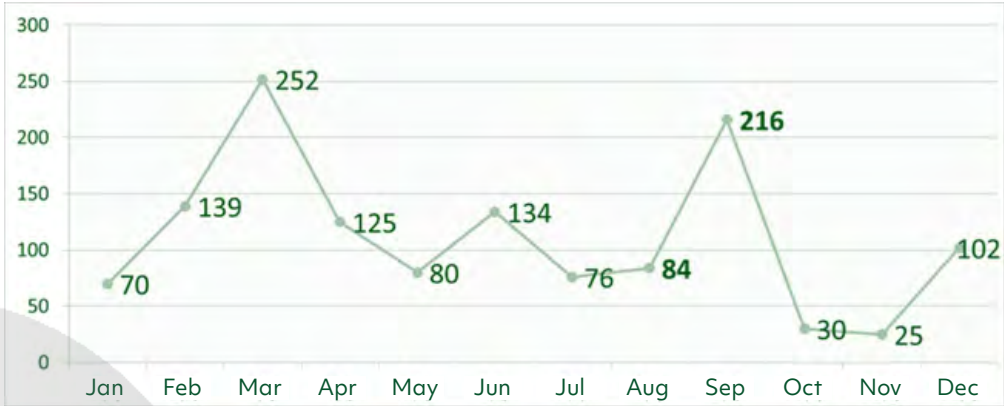
Accelerate talent development aligned with smart manufacturing transformation by broadly introducing AI-driven digital literacy and cross-disciplinary skills. ESG principles will be formally embedded into the talent development blueprint, with talent indicators and internal certification pathways designed to comprehensively cover environmental, social, and governance dimensions.

Long-term (over 5 years) :

With smart manufacturing, global talent mobility, and sustainable governance resilience as its key development pillars, Tienkang will continue to build a cross-border, cross-industry, and cross-generational talent ecosystem. By linking individual growth with organizational sustainability, the Company aims to become a benchmark enterprise leading the dual-track development of smart manufacturing and people-centric sustainability within the industry.

Tienkang firmly believes that corporate success stems from the realization of each employee's value, and that the power of sustainability arises from shared commitment and collective action. Moving forward, the Company will work hand in hand with all employees to turn commitments into action, continuously contributing to industrial advancement and social progress, and moving toward a new future of happiness, resilience, and sustainable coexistence.

imeline	Core Focus	Specific Actions (Highlights from Report)
Short-term (within 1 year)	Talent System Consolidation	▶ Complete job development map and planning
Short-term (within 1 year)	Organizational Resilience Enhancement	▶ Deepen use of intelligent recruitment systems (resume screening, personality assessment) ▶ Expand international talent deployment (LinkedIn, etc.)
Short-term (within 1 year)	Employee Well-being Advancement	▶ Continue implementing five key retention mechanisms (3-month onboarding check-ins, regular interviews) ▶ Strengthen health promotion and mental support resources
Mid-term (2–3 years)	Accelerate Digital Transformation	▶ Promote digital talent transformation under smart manufacturing ▶ Expand scale of AI and ESG internal training courses
Mid-term (2–3 years)	Deepen Sustainable Talent Development	▶ Integrate ESG talent cultivation as a required training program ▶ Gradually design ESG competency indicators and certification paths



TIEN KANG CO., LTD. places great emphasis on cultivating a learning-oriented environment, fostering a friendly corporate culture, and actively participating in social welfare initiatives.

The company prioritizes transformation in human resource management by building learning-oriented teams, motivating employees, and enhancing rapid learning capabilities to effectively respond to the fast-changing market landscape.

Rooted in traditional manufacturing, Tienkang has evolved over decades from a small and medium-sized enterprise by identifying niche markets and continuously pursuing organizational learning and growth. Through this journey, the company has successfully transformed into a high value-added and highly profitable “technology star within traditional industries” in Taiwan.

Its development path serves as a model worthy of emulation by Taiwanese SMEs, and this successful experience has been effectively replicated across its new business divisions.

TIEN KANG CO., LTD. continues to deepen its internal talent development mechanisms by following the ISO 9001 international quality standards, systematically promoting training management to ensure consistency and high quality in the planning and execution of talent development. With "sustainable talent development" as the core principle, the company not only focuses on strengthening professional skills and functional training but also actively cultivates employees' soft skills in cross-department communication, leadership, problem-solving, and organizational change, thereby enhancing overall organizational competitiveness.

Training sessions/number of times

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Average per Employee per Year	
													Headcount	Frequency	
Company-wide	70	139	252	125	80	134	76	84	216	30	25	102	1333	140	9.5

Training Participation Overview

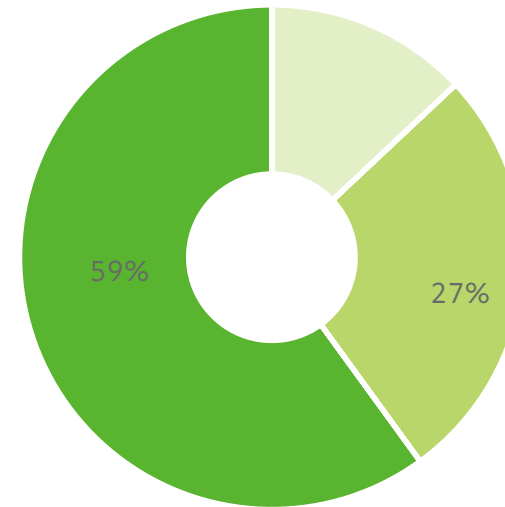
Training Type	Total Sessions	Percentage of Total
A. Management Competency Training	363	27%
B. Functional/Professional Training	791	59%
C. General/Common Knowledge Training	179	13%
Total	1333	100%

2. Actively expand employees' international perspectives by arranging participation in domestic and overseas exhibitions, technical exchanges, and benchmarking activities. This enables staff to grasp global industry trends and best practices, cultivating a talent pool equipped with both professional skills and an international outlook.

3. To address organizational growth and future leadership pipeline needs, TIEN KANG CO., LTD. systematically designs training modules for management positions, high-potential talents, and emerging leaders. These modules cover management knowledge, practical leadership skills, problem analysis and decision-making, and change management, helping personnel develop the ability to integrate resources and lead teams across different stages of organizational development.



Percentage of participants by training type



■ Functional professional training ■ Management function training ■ General common training

Course Type	Target Participants	Number of Participants	Key Benefits	
Project & Goal Management Training	Section-level supervisors & high-potential talents	33	Enhance project management skills and improve task delegation efficiency	
MOT Customer Moment Workshop	Sales / R&D / Production / Admin staff	108	Strengthen customer insight and response capabilities	
Creative Thinking Workshop	Overseen by international sales	8	Apply creative thinking to business development	
Joint Executive Training	Mainly department-level supervisors	27	Enhance cross-department collaboration and leadership	
AI Application Seminar	All employees	66	Promote AI awareness and foundational skills	
ISO14064-1 Greenhouse Gas Internal Auditor Training	Department representatives	19	Environment (E)	Achieve certified internal audit for GHG inventory
ISO50001 Energy Management Core Staff Training	Department representatives	19	Environment (E)	Complete internal audit certification for energy management system
Enterprise Process Optimization Course	Department representatives	7	Governance (G)	Promote process lean management and digital workflow optimization

In addition to continuously deepening internal professional skills training, TIEN KANG CO., LTD. actively promotes ESG-related talent development, enhancing employees' capabilities in environmental responsibility, social value, and governance innovation, thereby laying a solid foundation for the company's sustainable development.

5. In promoting autonomous learning, the company has established a diverse and flexible training and learning reward system, encouraging employees to select courses independently, participate in professional certifications, and earn learning points as incentives. In 2024, 86 employees participated in the AI self-learning points system, achieving a participation rate of 64%.

6. TIEN KANG CO., LTD. has set up a library with diverse books and learning resources, supporting employees' self-directed learning and fostering a lifelong learning organizational culture. The company will continue to deepen talent development in a systematic, digitalized, and diversified manner, cultivating a workforce with high adaptability and leadership skills, promoting synchronized growth of both employees and the enterprise, and co-creating a sustainable future.

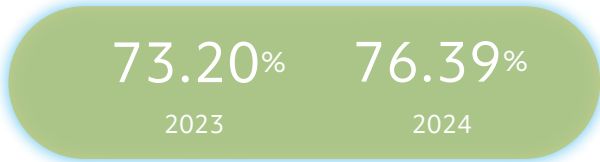
Talent Development – Retention

TIEN KANG CO., LTD. places great importance on employees' physical and mental well-being and work-life balance, considering this as a core foundation for sustainable corporate development. To enhance employee retention, the company continuously implements human-centered policy optimizations and care initiatives, actively building a supportive workplace environment that fosters a strong sense of belonging.

Over the past three years, TIEN KANG CO., LTD. has maintained a stable overall turnover rate, averaging 12.3%, demonstrating the effectiveness of its talent retention strategies. The company strengthens employee retention through the following five key mechanisms:

1. Onboarding Care – Three-Month Interview System: For new employees, Tienkang implements a “three-month care interview system,” conducted jointly by direct supervisors and the HR department. This dual-track approach proactively assesses adaptation and identifies potential issues, providing timely support to reduce early-stage turnover risk.
2. Regular Care for High-Performing and Senior Employees: The company arranges periodic one-on-one interviews with high-performing and experienced staff to understand their career development needs and work dynamics, offering appropriate resources or growth opportunities as needed.
3. Monthly All-Staff Meetings and Weekly Department Meetings: The company holds monthly all-staff meetings where management shares company updates, progress toward goals, and strategic directions, promoting transparency and cultural alignment. Weekly department meetings allow supervisors to monitor team members' work status and address issues promptly.
4. Quarterly One-on-One Supervisory Meetings: At least once per quarter, department or section-level supervisors conduct one-on-one meetings with employees to facilitate smoother workflow, address work-related or personal concerns, and provide necessary support. Implementation rate is 100%.
5. Employee Satisfaction Surveys: Tienkang regularly conducts employee satisfaction surveys to systematically collect feedback and suggestions. The results are used to develop improvement action plans, continuously optimizing the work environment and management systems, and reinforcing a people-centered management philosophy.

Employee satisfaction data



Performance Evaluation

Performance evaluation at TIEN KANG CO., LTD. serves not only as a key basis for management to adjust employee compensation but also as an essential tool for creating an outstanding career development environment and supporting employees in achieving personal goals. Employees with excellent performance are offered promotion opportunities, encouraging them not only to demonstrate individual talent but also to take on responsibilities for leading teams and enhancing overall performance, thereby maximizing their impact.

According to the company's internal "Performance Evaluation Management Policy," Tienkang conducts performance evaluations twice a year, totaling two evaluations annually. These evaluations apply to both new employees who have completed their probation period and existing staff. During each evaluation, the company engages in in-depth discussions with employees regarding goal achievement and reviews specific behavioral examples to identify areas for improvement, ensuring alignment with the company's vision. In 2024, all full-time employees completed their annual performance evaluations, achieving a coverage rate of 98.6%.

Employee Rights

TIEN KANG CO., LTD. firmly believes that employees are key partners in business operations. Continuously providing a safe, healthy, and secure working environment is essential for promoting sustainable organizational growth.

To this end, the company fully complies with domestic labor-related regulations, including the Labor Standards Act and the Act of Gender Equality in Employment, actively safeguarding the fundamental rights of every employee.

Item / Year	2022	2023	2024
Number of applicants for parental leave	1	4	3
Maternity leave / Prenatal check-up leave / Paternity leave	5	4	5

Beyond legal compliance, Tienkang proactively implements diverse welfare and care measures, including annual health check-ups, subsidies for marriage, bereavement, and celebrations, as well as condolence payments. The company also regularly organizes health promotion activities and mental wellness seminars to support employees in achieving balanced development across physical, mental, and emotional well-being.

Competency Development

Tienkang Machinery is committed to establishing a fair, open, and transparent career development framework to ensure that every employee has clear and predictable opportunities for career advancement.

1. Career Development System

Since 2023, the Company has launched a new job development framework initiative, completing the definition of job grades, roles, and responsibilities across four major functional domains. In parallel, the Company has progressively designed, piloted, and optimized competency-based learning maps. This framework will be fully implemented across all departments in the future, enabling employees to clearly plan their individual career paths in accordance with competency growth trajectories. The initiative also enhances internal mobility and ensures appropriate placement of talent.

Through the continuous advancement of its talent development systems, the Company leveraged the newly established job grade and competency mechanisms in 2024, with 70% of departments submitting promotion proposals. A total of 17 employees were nominated for promotion, demonstrating increasing openness and transparency in talent development and advancement opportunities.

2. Integration with Compensation and Performance Systems

The overall talent development framework is closely integrated with the Company's structured compensation system, ensuring that job grades, salary adjustments, and performance evaluation criteria adhere to principles of openness and transparency. This integration not only strengthens fairness in internal promotion and job transfer mechanisms but also provides employees with clear guidance, support, and incentives throughout their career development journey.

Percentage of Employees Receiving Salary Adjustments (2022–2024)

Item / Year	2022	2023	2024
Number of Salary Adjustments and Percentage	125 2.81%	117 2.47%	110 3.03%

In addition, Tienkang continues to encourage employees to demonstrate innovative thinking and strong execution capabilities. The Company provides resource support and bonus incentives to those who make proactive contributions, further fostering a positive, growth-oriented organizational culture that promotes co-creation and shared success.

5-2 Occupational Safety and Health

5-2-1 Occupational Safety and Health Policy

Tienkang Co., Ltd. clearly stipulates employees' rights and obligations related to safety, hygiene, and health within its labor contracts and occupational safety and health work rules. The Company manages its occupational safety and health practices with reference to the ISO 45001 standard.

Tienkang Co., Ltd. places a high priority on occupational safety and health (OSH) management performance and is committed to providing employees, customers, communities, and business partners with safe, comfortable, low environmental impact, and high-efficiency operational services. The Company regards occupational safety and health management as one of its differentiated competitive advantages and has embedded OSH principles into its organizational and operational management systems.

In addition, Tienkang Co., Ltd. establishes strategic operational objectives and closely monitors potential impacts arising from its operations, including environmental protection and occupational safety and health. The Company not only oversees the achievement and implementation of these objectives, but also regularly reports to the General Manager on the progress and results of environmental and occupational safety and health objective attainment.

Occupational Safety and Health Management System

To safeguard employees' workplace safety, the Company has established an Occupational Safety and Health (OSH) Management Policy, under which designated OSH personnel manage operations in accordance with the ISO 45001 international standard. As of 2024, the management system covered all employees, achieving a 100% coverage rate.

The responsible occupational safety unit conducts company-wide OSH inspections on a monthly basis to assess the effectiveness of environmental, safety, and health implementation. The Company applies the Plan-Do-Check-Act (PDCA) management cycle to execute all work plans, with the objective of continuous improvement and the reduction of occupational accidents.

Occupational safety and health management has become an integral component of Tienkang Co., Ltd.'s corporate value system, reflecting its management philosophy of “Professionalism, Collaboration, Innovation, and Excellence.” The Company will continue to pay close attention to stakeholder needs and, through the ongoing promotion of environmental, safety, and health management, strives to create a safe, healthy, and comfortable working environment.

Tienkang Co., Ltd.'s occupational safety and health management covers the following categories of workers :

C. Employees

Individuals employed by the Company who perform work and receive wages.

D. Other Workers Not Classified as Employees

Individuals who do not have an employment relationship with the Company but perform labor under the direction or supervision of a responsible person at the workplace. This category includes, for example, dispatched workers or individuals engaged in labor for the purpose of skill development or vocational training.

E. Contractors

Individuals or groups that have no employment or subordinate relationship with Tienkang Co., Ltd. and are employed by external companies to perform specific tasks for the Company in exchange for remuneration upon completion. Examples include providers of equipment maintenance, catering, cleaning, and security services.

F. Customer Equipment Trial Personnel

After the Company's equipment has been manufactured, customers are notified to visit the Company for equipment functionality testing. Customer representatives are required to comply with the Company's occupational safety and health management procedures during such trials.

To ensure the safety and health of non-employee workers, contractors, and customer equipment trial personnel, Tienkang Co., Ltd. provides necessary occupational safety and health education and training, as well as medical assistance, and allows these individuals to use the Company's shared facilities under appropriate safety management. For specialized and high-risk operations, the Company engages qualified professional contractors and strictly requires compliance with applicable occupational safety and health regulations and the Company's implemented safety and health management measures.

Hazard Identification, Risk Assessment, and Incident Investigation



Tienkang Co., Ltd. places a high priority on the safety and health of all workers and adheres to the principles of prevention in advance, zero accidents, and zero injuries. In addition to applying to the Company's internal operations, these principles also extend to other individuals present at Tienkang Co., Ltd.'s worksites, such as contractors and visitors. Hazard identification and risk assessment activities are reviewed and approved by the Occupational Safety and Health (OSH) Management Representative, and are implemented by the safety and health unit in coordination with the supervisors of each department.

The Company classifies risk levels based on severity and frequency of occurrence and applies focused management measures to high-risk operations. These measures include strengthening protective equipment, conducting specialized safety inspections, and implementing regular education and training programs. Mid- to senior-level management is assigned oversight responsibilities, with risk management outcomes linked to performance evaluation, and related matters are regularly reported at monthly operational meetings.

For medium- and low-risk items, periodic reviews are conducted, and employees are encouraged to submit improvement proposals. Risk mitigation measures are jointly developed to promote continuous improvement.

In addition, to further enhance workplace safety, the Company has established a comprehensive incident investigation process to ensure that every incident is properly addressed and improved upon. The investigation process includes:



The Company convenes occupational safety and health-related meetings on a regular basis in accordance with applicable regulations. Through internal and external audits, the applicability of hazard identification and risk assessment processes is reviewed, and discussions and revisions are conducted in a timely manner as needed. In compliance with regulatory requirements and ISO 45001 standards, the Company implements risk assessment procedures with the objective of achieving zero accidents and zero injuries.

During new employee orientation and training programs, the Company emphasizes employees' obligations regarding occupational safety and health, as well as the importance of self-protection. Tienkang Co., Ltd. complies with relevant occupational safety and health regulations and informs all employees that, if they identify an imminent danger during work, they may not only report the situation immediately but also evacuate to a safe location on their own initiative.

In 2024, the Company recorded no instances of disciplinary action against employees for reporting safety concerns or for evacuating to a safe location due to safety-related concerns.

Health Promotion Programs – Focusing on Employees' Workplace Safety and Physical and Mental Well-being

Upon the recruitment of new employees, the Company requires pre-employment health examinations, and conducts regular health check-ups for employees during their employment. To respond to emergency situations, the Company assigns dedicated personnel on-site to ensure the timely provision of necessary first-aid measures.

In addition, the Company employs full-time or contracted nursing staff and assigns first-aid personnel in accordance with workforce size. The Company also engages professional physicians to provide on-site medical services, offering employees access to professional medical assistance. During new employee orientation and training, the Company communicates information related to health services, medical assistance, and the prevention of occupational diseases.

Health Promotion Program Highlights

The Company introduced on-site occupational health medical services in 2022. In 2024, employee participation in health promotion programs reached 124 instances (health consultation sessions).

- The Company regularly provides health examinations for employees to enable the early identification and management of health issues.

- Occupational health examinations tailored to different job functions are provided, such as hearing tests and vision examinations.
- Weekly on-site occupational health consultations are conducted to address employees' physical and mental well-being, provide medical referrals when necessary, and perform regular follow-ups. In addition, health-related seminars are organized once per quarter.
- Annual workplace inspections are conducted by occupational health specialist physicians to verify compliance with standards related to hazardous substances, harmful risks, dust exposure, and noise levels.



Occupational Safety and Health Initiatives

a. Work Processes and Procedures

- Safe Operating Procedures: Safety operating procedures are established and implemented to ensure that all operations comply with safety standards.
- Risk Assessment: Risk assessments are conducted to identify potential hazards and to implement preventive measures.

b. Workplace Safety

- Safety Facilities : Workplace facilities are maintained to ensure safety, including anti-slip flooring and adequate lighting and ventilation systems.
- Emergency Exits : All emergency exits are clearly marked, kept unobstructed, and inspected on a regular basis.
- Emergency Plans : Emergency evacuation plans and fire emergency response plans are established and regularly drilled.



c. Equipment and Tool Safety

- Equipment Inspection : Work equipment is inspected and maintained on a regular basis to ensure safe and reliable operation.
- Usage Guidance : Employees are provided with training on the proper use of tools and equipment to prevent accidents caused by improper operation.

d. Workplace Environmental Hygiene

- Air Quality : The Company ensures good air quality in the workplace and prevents the accumulation of harmful gases and dust.
- Noise Control : Workplace noise levels are controlled, and hearing protection equipment is provided where necessary.

e. Chemical Safety Management

- Chemical Storage : Chemicals are properly stored and clearly labeled to prevent incidents caused by improper storage.
- Safe Use : Training on chemical handling is provided to ensure employees understand chemical hazards and appropriate handling methods.

f. Ergonomics

- Work Posture : Ergonomically designed work environments are implemented to prevent health issues caused by prolonged poor posture.
- Rest Arrangements: Employees are encouraged to take regular breaks to reduce fatigue associated with repetitive motions or extended working hours.

g. Health Education

- Health Education and Training : Health education and training programs are provided to enhance employees' awareness of personal health and safety.

- Healthy Lifestyle Promotion : The Company promotes healthy lifestyles, including balanced nutrition, appropriate exercise, and adequate sleep.



Worker Participation, Consultation, and Communication on Occupational Safety and Health

Tienkang Co., Ltd.'s primary operating sites are located in Taiwan. In accordance with applicable regulations, the Company has appointed occupational safety and health (OSH) management personnel responsible for the overall planning and coordination of OSH-related matters. These management personnel convene regular meetings to discuss and develop initiatives covering occupational safety and health management, education and training programs, health management, occupational disease prevention and health promotion, automatic equipment inspections and OSH audits, preventive measures for hazards related to machinery and raw materials, as well as occupational accident investigation reports.

In 2023, in compliance with the Occupational Safety and Health Management Regulations, the Company established an Occupational Safety and Health Committee, with the highest-level executive serving as the management representative. The Committee convenes meetings on a quarterly basis.

The Committee's responsibilities include providing recommendations on the Company's occupational safety and health policies, as well as reviewing,

coordinating, and advising on various OSH-related matters. Relevant departments implement necessary operational and process improvements based on the outcomes of committee meetings.

Occupational Safety and Health Training

The Company strictly complies with government regulations and provides required occupational safety and health training for new employees. In addition, relevant training courses are held on a regular basis, including electrical safety, the use and management of hazardous chemicals, and first-aid training. In 2024, a total of 124 participant attendances were recorded, with 248 total training hours delivered.

Furthermore, to enhance fire safety awareness and emergency response capabilities, Tienkang Co., Ltd. conducts regular fire drills, helping employees strengthen essential fire prevention knowledge and response skills.



For workers who are not classified as employees, hazard communication and occupational safety and health training are provided prior to entry into the workplace. Through job safety analysis (JSA) and safety briefings, the Company reinforces awareness of occupational safety and health.

In addition, during operational activities, the Company delivers occupational safety and health knowledge and concepts on an ongoing and non-periodic basis through safety supervision, fostering a workplace culture with a strong emphasis on safety and health.

Prevention and Mitigation of Occupational Safety and Health Impacts Directly Linked to Business Relationships

Tienkang Co., Ltd. applies necessary management measures in accordance with applicable regulations to workers who are not direct employees of the Company, ensuring that contractors and other non-employee workers maintain a safe and healthy working environment while operating within the Company's premises. These measures include incorporating safety requirements into contracts, conducting hazard communication and safety briefings prior to contractors' entry into the site, and implementing safety supervision and related training.

In addition, the Company conducts non-periodic safety inspections and reports identified deficiencies to the contracting or responsible units, prompting timely corrective actions and safety improvements.

5-2-2 Occupational Injuries

Occupational Injuries and Occupational Diseases

Tienkang Co., Ltd. regularly compiles and analyzes occupational accident data across all plant sites. In 2024, total working hours amounted to 1,960 hours. During the reporting period, no fatal occupational injury incidents occurred. A total of two occupational injury cases were recorded, primarily involving entanglement, impact, or crushing injuries.

In addition, there were no records of major penalties related to occupational safety incidents caused by machinery or equipment.

* If applicable, occupational health issues caused by workplace safety or environmental factors should be disclosed in this report.

To further enhance the occupational safety environment, the Company conducts comprehensive internal reviews of these incidents and formulates corrective and preventive actions, improves equipment operating procedures, and continuously strengthens safety communication and awareness programs to enhance employees' safe operating practices.

In recent years, no occupational injury incidents or lost workdays have occurred among workers other than employees.



Year	Total Working Hours	Occupational Injuries			Fatality Rate Due to Occupational Injuries	High-Consequence Work-Related Injury Rate (excluding fatalities)	Recordable Work-Related Injury Rate (TRIR)
		Number of Fatalities	Number of High-Consequence Work-Related Injuries (Note 4)	Base Salary			
2024	1960	0	0	2			
2023	1984	0	0	4			
2022	1992	0	1	8			

Note 1 : The Recordable Work-Related Injury Rate is calculated as:
 Number of recordable work-related injuries ÷ Total working hours × 1,000,000 hours worked.

Note 2 : The High-Consequence Work-Related Injury Rate is calculated as:
 Number of high-consequence work-related injuries ÷ Total working hours × 1,000,000 hours worked.

Note 3 : The Company does not currently record total working hours for non-employee workers. In 2024, no work-related injury incidents involving non-employee workers occurred. The Company plans to establish a contractor management program in the future to record the number of workers at its plant sites, working hours, and the number of occupational injury cases.

Note 4 : A high-consequence work-related injury is defined as an injury that results in irreversible harm (e.g., amputation), or an injury that prevents, or is unlikely to allow, recovery to the pre-injury health condition within six months (e.g., complicated fractures).

5-3 Social Participation in Infrastructure Investment and Support Services

5-3-1 Social Participation, Inclusion, and Shared Prosperity

Tienkang Co., Ltd. actively responds to the United Nations Sustainable Development Goals (SDGs) and the Taiwan Sustainable Development Goals formulated by the National Council for Sustainable Development of the Executive Yuan through clearly defined objectives and concrete actions.

By identifying, prioritizing, and selecting appropriate goals and implementing corresponding initiatives, Tienkang Co., Ltd. approaches sustainability from multiple perspectives, including corporate strategy and core business operations. The Company has identified two SDGs that are most relevant to its business operations—SDG 4: Quality Education and SDG 3: Good Health and Well-being—to support national sustainable development and actively fulfill its corporate social responsibility.

5-3-2 Participation in Charity Fundraising Activities

From 2022 to the present, the Company has invited the Shifang Empowerment Center (Center for Persons with Disabilities) to hold a Happiness Train performance at the Company each December. One month prior to the performance, the Company organizes charity sales and fundraising activities to support the Center's mission and operations.



5-3-3 Support for Disadvantaged Families and Child Sponsorship through the Child Welfare Center

To fulfill its corporate social responsibility and demonstrate care for vulnerable groups, the Company has continuously participated in public welfare programs organized by the Child Welfare Center, with long-term commitment to supporting disadvantaged families and children.

Through child sponsorship programs, the Company provides stable financial support to help sponsored children obtain continuous access to education and essential living resources, thereby alleviating the economic burden on their families.

The Company firmly believes that every child deserves equal opportunities for development and a dignified living environment. Accordingly, in addition to financial donations that support children's learning and growth, the Company encourages employee participation and caring initiatives to extend compassion and warmth to communities in need.

Looking ahead, the Company will continue to establish long-term partnerships with public welfare organizations, expand its positive social impact, and contribute to the development of a more inclusive and equitable society.

5-3-4 Responding to International Arbor Day : Company-wide Employee

In support of environmental sustainability and biodiversity conservation, the Company has participated in Arbor Day activities since 2022, encouraging employees to take part in seedling replanting initiatives under the Dadu Mountain Natural Forest Restoration Project at Taichung Metropolitan Park.

Located on the Dadu Mountain plateau, Taichung Metropolitan Park is characterized by dry and nutrient-poor soil. Despite these conditions, long-term management has transformed the area into an important recreational green space in Taichung.

However, some tree species planted in earlier years were not well suited to the local environment and have weakened or fallen, creating an urgent need for the replanting of native tree species to restore forest ecosystems.

On the day of the event, employees personally planted native Dadu Mountain tree species, not only increasing green coverage within the park but also helping to improve habitat conditions and promote biodiversity.

This initiative enabled the forest's recreational and ecological conservation functions to develop in parallel.

Through hands-on participation, employees gained a deeper appreciation of the importance of land stewardship and demonstrated their commitment to local ecological restoration through concrete action.

The Company is committed to continuing its investment in environmental public welfare initiatives.

By harnessing employee engagement, the Company will promote tree planting and reforestation, carbon reduction and sequestration, and habitat conservation programs, contributing to the protection of Earth's resources and the advancement of social sustainability.





6

Environmental Aspect

- 6-1 Climate Change
- 6-2 Greenhouse Gas Management
- 6-3 Energy Management
- 6-4 Water Resource Management
- 6-5 Waste Management

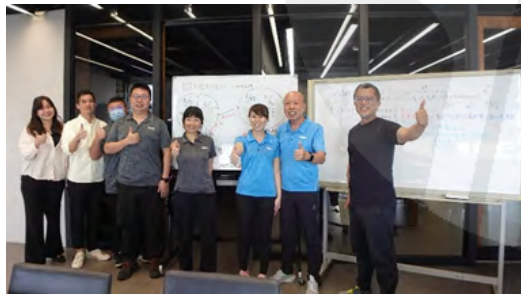
6-1 Climate Change

6-1-1 Risks and Opportunities Presented by Climate Change and Response Measures

1. Climate Oversight and Governance Structure

Tienkang has established an ESG Sustainability Development Committee, responsible for formulating sustainability strategies and promoting ESG-related initiatives. The committee regularly executes climate risk and opportunity assessments under the TCFD (Task Force on Climate-related Financial Disclosures) framework.

For identified risks and opportunities, the committee reports progress to the Board of Directors on a quarterly basis. The Board is responsible for supervising execution and coordinating relevant departments to conduct operational risk assessments in accordance with the "Paris Agreement," the "2050 Net Zero Emissions Goal," and the competent authority's "Climate Change Response Act."

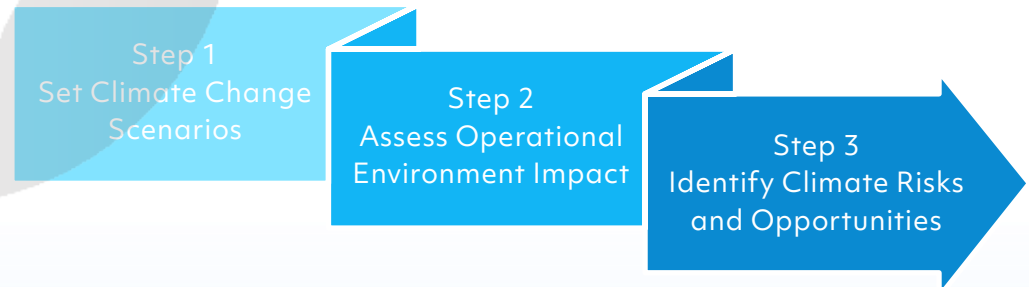


2. Identification and Evaluation Process of Climate-related Risks and Opportunities

To effectively manage climate-related risks and opportunities, Tienkang's ESG Sustainability Development Committee incorporates climate change risks into its assessment and tracking scope. We continuously monitor climate risks that could impact the Company's operations, including international regulations and extreme weather events.

By adopting the TCFD framework, we analyze Tienkang's climate change risks and opportunities. We commission external organizations to conduct educational training, explaining global risk trends, the status of TCFD development, TCFD-recommended assessment frameworks, and climate change scenario settings. This enhances our colleagues' understanding of global risks. Subsequently, each department assesses the climate risks and opportunities faced during operations. For high-risk and high-impact items, we further discuss response strategies and set targets/indicators to serve as concrete climate management measures.

Evaluation Process



3.Scenario Analysis

Tienkang references the five climate scenarios from the IPCC AR6 report. We have established two scenarios: SSP5-8.5 (warming to 6 ° C) and SSP1-2.6 (warming to 2 ° C), to examine potential physical risks and transition risks respectively.

Climate Change Risk Identification Summary Table

Risk Rank	ID	Risk Type	Risk Factor	Time Horizon
1	001	Transition Risk - Policy & Legal	Establishment of GHG reduction and energy management laws and regulations.	Short-term
2	002	Physical Risk - Chronic	Climate change affecting upstream and downstream supply chains.	Medium-term
3	003	Physical Risk - Chronic	Changes in precipitation patterns and extreme variability in weather patterns.	Long-term

Note : Definition of Time Horizons

Short-term : 2024-2026, Medium-term : 2027-2032, Long-term : 2033-2050

Climate Change Opportunity Identification Summary Table

Risk Rank	ID	Opportunity Type	Opportunity Factor	Time Horizon
1	001	Products and Services	R&D and Innovation: Developing new products and services that meet decarbonization needs.	Short-term
2	002	Resource Efficiency	R&D and Innovation: Development of renewable materials.	Short-term
3	003	Resource Efficiency	Construction of self-use solar photovoltaic systems.	Short-term
4	004	Resource Efficiency	R&D and Innovation: Developing energy-saving smart monitoring systems to improve equipment energy efficiency.	Medium-term
5	005	Resource Efficiency	Leading the supply chain to introduce ESG supply chain management.	Long-term

Note : Definition of Time Horizons

Short-term : 2023-2025, Medium-term : 2026-2030, Long-term : 2031-2050

Detailed Analysis of Major Risks and Opportunities

Risk 001 : Establishment of GHG reduction and energy management laws and regulations		
<p>Impact Scenario</p> <p>Domestic and international regulations on GHG emissions and energy are becoming increasingly stringent (e.g., carbon taxes/fees, disclosure requirements).</p> <p>If Tienkang and its supply chain fail to set clear reduction targets or effectively lower emissions, we may face increased carbon fees/taxes and misalignment with clients' supply chain decarbonization goals.</p> <p>This could affect our ability to secure orders, leading to revenue decline. Additionally, compliance management costs will rise.</p> <p>Without proper management, this could negatively impact investment/financing activities and capital availability.</p>	<p>Impact Dimensions</p> <ul style="list-style-type: none"> ▶ Rising Raw Material Costs : Suppliers may pass on carbon tax costs, increasing procurement costs. Choosing low-carbon alternatives may also be more expensive. ▶ Management & R&D Costs : Establishing GHG inventory systems and designing energy-efficient plants/offices will increase management and R&D expenses. <p>Financial Impact</p> <ul style="list-style-type: none"> ▶ Increased operating costs and expenses; potential setbacks in investment/financing and capital reduction if unmanaged. 	<p>Response Strategy</p> <ul style="list-style-type: none"> ▶ Adopt sustainable building standards and circular economy models for new plants/offices. ▶ Continuously improve energy efficiency during operations and introduce ISO 50001 Energy Management System. <p>Associated Costs</p> <ul style="list-style-type: none"> ▶ Capital Expenditures (CAPEX) ▶ Operating Costs (OPEX)

Climate-Related Risk and Opportunity Management Strategies

Opportunity 001 : R&D and Innovation in New Products and Services		
<p>Impact Scenario</p> <p>By providing high heat-resistant and freeze-resistant products, Tienkang helps clients cope with potential extreme weather caused by future climate change, thereby enhancing product competitiveness in the market.</p>	<p>Impact Dimensions</p> <ul style="list-style-type: none"> ▶ Enhance Eco-efficiency of Developed Equipment : Developing equipment that is more energy-efficient per unit of production and creating recyclable/reusable eco-friendly materials. This meets market demand for energy saving and carbon reduction, enhancing product appeal. ▶ Expand Market Share : Opening up new market segments, especially in industries highly sensitive to climate risks. ▶ Promote Brand Value : Consolidating Tienkang's leadership position through innovation and promoting a sustainable brand image to attract environmentally conscious clients. <p>Financial Impact</p> <p>Revenue increase:increased sales volume due to product performance. increased investment opportunities:green products attract external investors.</p>	<p>Response Strategy</p> <ul style="list-style-type: none"> ▶ Increase R&D Investment : Focus on low-energy equipment and eco-friendly recyclable materials. ▶ Collaboration & Alliances : Partner with suppliers or research institutions to upgrade technology. ▶ Market Promotion : Target high climate-risk regions to highlight product environmental advantages. <p>Associated Costs</p> <ul style="list-style-type: none"> ▶ R&D Costs ▶ Marketing and Promotion Expenses

4. Metrics and Targets: Climate Change Related Metrics and Targets

Climate Change Risk Indicators

- ▶ Reduce the number and scope of assets or business activities vulnerable to climate change impact.
- ▶ Formulate ESG supply chain management plans to enhance supply chain resilience.
- ▶ Reduce absolute Scope 1 and Scope 2 GHG emissions through energy management and energy-saving plant designs.
- ▶ Integrate concepts of energy saving, electricity conservation, and low-carbon into daily operations and production behaviors; promote energy-saving schemes and energy management systems to improve operational efficiency.
- ▶ Develop equipment with better energy efficiency per unit of production and develop recyclable/reusable eco-friendly materials to meet market demands for energy saving and carbon reduction.

Climate Change Opportunity Indicators

- ▶ Increase the proportion of renewable energy usage in total energy consumption.
- ▶ Develop recyclable green materials and processes to enhance resource recycling rates.
- ▶ Increase the revenue share from applications of renewable materials and low-carbon equipment.
- ▶ Increase R&D budgets for green products and energy-saving products to support business growth and environmental sustainability.

5. Metrics and Targets

Tienkang introduced an Internal Carbon Pricing (Shadow Price) mechanism in 2024.

This mechanism internalizes carbon emission costs into the decision-making process to comprehensively promote low-carbon transition. Based on internal and external carbon costs of global manufacturing sites (covering regulatory fines, emission trading prices, benchmark cases, and solar investments), the internal carbon price is set at NT\$500 per metric ton.

Starting from 2024, carbon fees are charged to each department based on electricity consumption at this rate and deposited into a dedicated Carbon Fee Fund.

This fund makes internal carbon costs transparent in monthly management reports and links them to the performance indicators (KPIs) of top executives in each business unit, creating an incentive mechanism for carbon reduction actions.

In response to Earth Hour, a one-hour lights-out activity



Install solar panels



ISO project kickoff



6-2 Greenhouse Gas Management

6-2-1 GHG Management Strategy, Methodology, and Targets

Tienkang is dedicated to promoting the effective management and reduction of greenhouse gases and has formulated concrete strategies and targets. We conducted our inaugural carbon inventory in 2022, establishing the results as our base year for carbon reduction.

Concurrently, we have invested funds to improve energy efficiency, introduce renewable energy, and optimize production processes. We aim to gradually lower greenhouse gas emissions to achieve the goal of reducing Scope 1 and Scope 2 emissions by 10% by 2025 compared to the base year.

Regarding Scope 1 reduction, Tienkang references the government's energy-saving and carbon reduction policy of "using high-efficiency power equipment and accelerating the replacement of old equipment.

" Considering the future implementation of domestic carbon fee regulations and the maturing trend of carbon credit trading markets, we prioritize the adoption of low-carbon equipment when expanding new plants and spaces. We are also comprehensively replacing old equipment to reduce greenhouse gases emitted during product manufacturing processes.

In addition to reducing GHG output related to capital goods, Tienkang also emphasizes carbon reduction measures in products and processes. For example, in our major intelligent device products, Tienkang has adopted various technological improvements aimed at reducing the overall carbon footprint and increasing energy efficiency.

In 2024, the energy types used by Tienkang and its various plant sites mainly included purchased electricity, fuel for company vehicles, and fuel for forklifts; these energy sources all belong to non-renewable energy. Tienkang sets an annual emission reduction target of 10% for Scope 1 and Scope 2.

Emission Scopes	Scope 1	Scope 2
Emissions (metric tons CO2e)	63.9870	397.0562
Total share	13.88%	86.12%

2024 The annual emissions data are calculated in accordance with ISO 14064-1.

Tienkang adopts the ISO 14064-1:2018 standard and the GHG Protocol to quantify its greenhouse gas emissions. We define our organizational boundary using the operational control approach and have established 2022 as the base year for calculating emissions and conducting verification.

In 2022, Tienkang's Scope 1 (Direct GHG Emissions) were 78.9715 tCO2e, Scope 2 (Energy Indirect GHG Emissions, market-based) were 489.9702 tCO2e, and Scope 3 (Other Indirect Emissions) were 5,080.9636 tCO2e. The 2022 GHG inventory data has been verified by a third-party organization, and a verification statement has been obtained.

GHG Emissions and Intensity (Unit : tCO2e)

Year	Scope 1	Scope 2	Total	Emission Intensity
2024	63.9870	397.0562	461.0432	3.07 tCO2e / person
2023	55.2313	342.8032	398.0345	2.65 tCO2e / person
2022	78.9715	489.9702	568.9417	3.79 tCO2e / person

Note 1 : Data Sources: Gasoline and diesel for company vehicles and forklifts are calculated based on fueling records; LPG and CO2 usage are based on purchase records; electricity usage is based on utility bills.

Note 2 : Calculation Method: GHG Emissions = Activity Data × Emission Factor × GWP. The inventory uses the operational control approach. Emission factors and GWP references include the EPA's GHG Emission Factor Management Table (Ver. 6.0.4) and the IPCC Fifth Assessment Report (2013). The electricity emission factor is based on data published by the Bureau of Energy.

Note 3 : Gases Included: CO2, N2O, CH4. Scope 2 is calculated using the location-based method.

Note 4 : Unit Conversion: LPG conversion is based on the Bureau of Energy's Energy Product Unit Heating Value Table (1 kg = 1.818 liters).

Greenhouse gas emissions and intensity (unit: metric tons CO2e)

Category / Item	Emissions (tCO2e)
1. Upstream Transportation and Distribution GHG emissions generated from the transportation of raw materials and consumables purchased during the inventory year, including waste removal transportation.	22.9917
2. Downstream Transportation and Distribution GHG emissions generated from the transportation of products sold during the inventory year.	351.5376
3. Employee Commuting Emissions from employees commuting via cars, motorcycles, or public transport.	56.3597
4. Customer and Visitor Transport Emissions from customers and visitors traveling via cars, motorcycles, or public transport.	
5. Business Travel Emissions from employee business travel via land, sea, or air (e.g., domestic high-speed rail).	99.7319
4.1 Purchased Goods and Services Emissions associated with raw materials and consumables purchased for in-plant production.	4,427.2505
4.1 Purchased Goods and Services (Fuel- and Energy-Related Activities) Lifecycle emissions from purchased energy (electricity, fuel) not included in Scope 1 or 2.	105.6452

4.2 Capital Goods Emissions from machinery and equipment purchased during the inventory year.	
4.3 Upstream Leased Assets Emissions generated from assets leased from other entities during the inventory year (Scope 1 & 2 of the leased assets).	
4.4 Waste Generated in Operations Carbon emissions from the treatment process of waste generated within the plant.	12.2400
4.5 Other Services Emissions from the use of services such as consulting, cleaning, maintenance, mail delivery, and banking.	
5.1 Use of Sold Products (Processing) Emissions caused by downstream manufacturers during the processing of products.	
5.1 Use of Sold Products (End Use) Emissions caused during the sales and usage phase of the products.	
5.2 End-of-Life Treatment of Sold Products Emissions from the waste treatment and disposal process of products after their end-of-life.	
5.3 Downstream Leased Assets Carbon emissions generated from assets owned by the Company but leased to external units.	
5.4 Investments Carbon emissions generated from investments in private or public financial institutions.	

Air Pollution Control – Zero ODS Emissions

The Company's manufacturing processes and operational activities do not use or emit any Ozone Depleting Substances (ODS), such as Chlorofluorocarbons (CFCs), Halons, or Carbon Tetrachloride (CCl4).

In accordance with the requirements of the Montreal Protocol and the domestic Air Pollution Control Act, the Company regularly reviews raw materials and process formulas to ensure that all chemicals used are not listed as regulated ODS substances.

6-3 Energy Management

6-3-1 Energy Usage Policy

TIEN KANG CO., LTD. is continuously committed to improving energy efficiency. Through equipment upgrades and various energy-saving measures, we have successfully increased production output while saving energy, effectively enhancing overall production efficiency. The Company has obtained the ISO 50001 Energy Management System certification. By integrating energy-saving plans, we strive to reduce electricity consumption in production and improve efficiency.

Furthermore, Tienkang has established an energy monitoring system and introduced power analysis tools to manage electricity usage across all company sites digitally. We have built power models for utilities and process systems and analyzed power usage in production processes, significantly improving energy efficiency.

2024 In the year, TIEN KANG CO., LTD. implemented

5 Items
Energy-saving measures

61.68 thousand kWh
Compared with the previous year, savings of about

7.08%
Electricity-saving rate

Energy-saving performance of TIEN KANG CO., LTD.

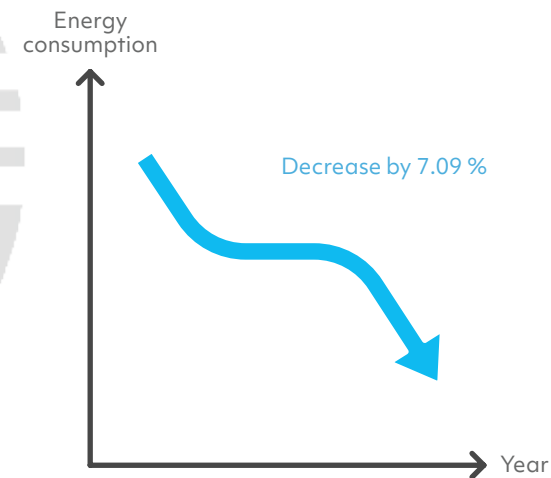
Item	Savings	Reduce energy consumption (billion joules)	Unit energy calorific value	Calorific value coefficient
electric power	61,680kWh	222.048GJ	5.30TOE	221.9004 GJ

Note 1 : 1 gigajoule (GJ) = 10⁹ joules (J); 1 kilocalorie (kcal) = 4,184 joules (J); 1 kilowatt-hour (kWh) = 3.6 × 10⁶ joules (J).

6-3-2 Energy Usage Performance

In 2024, TIEN KANG CO., LTD.'s overall energy consumption decreased by 7.09% compared to 2023. This occurred against a backdrop of expanded market demand, which led to an increased operational scale in major production lines. To respond to market needs for low-carbon and low-energy consumption, the Company actively introduced the latest energy-saving equipment. As a result, the energy intensity per million of revenue significantly decreased by 19.82% compared to the previous year, realizing expanded production while effectively controlling the environmental burden.

2024 Annual total energy consumption relative to 2023



The main reason is market demand expansion, leading to the scaling up of main production lines. To meet the market demand for low-carbon and low energy consumption, the company actively introduced the latest energy-saving equipment, with energy intensity per million yuan of revenue significantly reduced by 19.82% from the previous year. While achieving expanded production, effectively controlling the environmental burden.

Energy Consumption Statistics

Energy Item	2024	2023	2022
Gasoline (L)	2,281.19	2,455.34	3507.75
Diesel (L)	2,661.88	2,863.72	4092.98
LPG (kg)	3,888.98	4,186.78	5981.22
Electricity - Renewable (kWh)	136.20	0	0
Electricity - Non-renewable (kWh)	0	0	0

Energy Item (Unit: GJ)	2024	2023	2022
Gasoline	78.01 GJ	84.97GJ	120.77GJ
Diesel	102.83 GJ	110.17GJ	157.99GJ
LPG	179.29 GJ	193.00GJ	275.76GJ
Electricity - Renewable	0.49GJ	0	0
Electricity - Non-renewable	0	0	0
Total Energy Consumption	360.62 GJ	388.14 GJ	554.52 GJ
Energy Intensity	2.40 GJ / person	2.59 GJ / person	3.70 GJ / person

Note 1 : Acetylene usage is negligible and therefore not included.

Note 2 : Energy Consumption = Fuel Consumption × Fuel Heating Value. Heating value factors are based on the Bureau of Energy's Energy Product Unit Heating Value Table.

Note 3 : Energy Intensity unit: GJ / person (or GJ / thousand tonnes of production, please confirm based on 2024 total production of 236.83 thousand tonnes).

Note 4 : LPG unit conversion: 1 kg = 1.818 liters.

Note 5 : Electricity usage accounts for approximately 47.37% of total energy consumption.

6-4 Water Resource Management

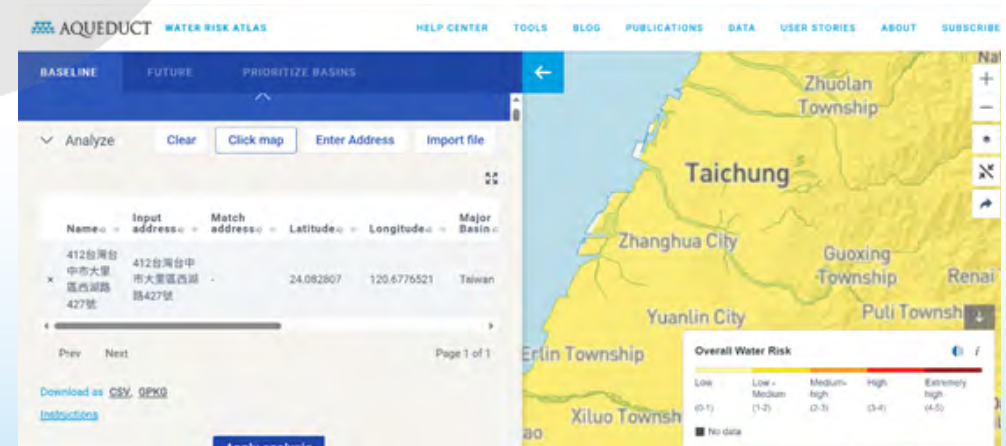
6-4-1 Water Management & Reduction Targets

Water Resources Management

Under the impact of global extreme weather, water resources are becoming increasingly scarce. Tienkang uses the WRI Aqueduct Water Risk Atlas as a risk assessment tool to conduct a preliminary water risk assessment for our Dali Plant in Taichung City. This serves as a reference for our water resource management and ESG strategic planning.

a. Water Risk Assessment Scope

- Target : TIEN KANG CO., LTD. - Taichung Dali Plant
- Address : No. 118-2, Xihu Rd., Dali Dist., Taichung City
- Coordinates : 24.0842679° N, 120.5795657° E
- Scope : Industrial water risk, flood risk, seasonal variability, water quality risk.



6-5 Waste Management

6-5-1 Waste Management and Reduction Targets

Waste Management

To reduce waste generated from manufacturing processes and end products, Tienkang actively collaborates with suppliers to adopt biodegradable packaging materials and establish circular usage models, replacing traditional plastics and disposable packaging materials. This initiative reduces over 2 tons of packaging waste annually.

Additionally, for materials tested during the process (shoe materials), the Company has established a recycling mechanism with subcontractors. Subcontractors re-manufacture the tested shoe materials into resin pellets, which are then sent back to the plant for reuse, achieving maximization of resource utilization.

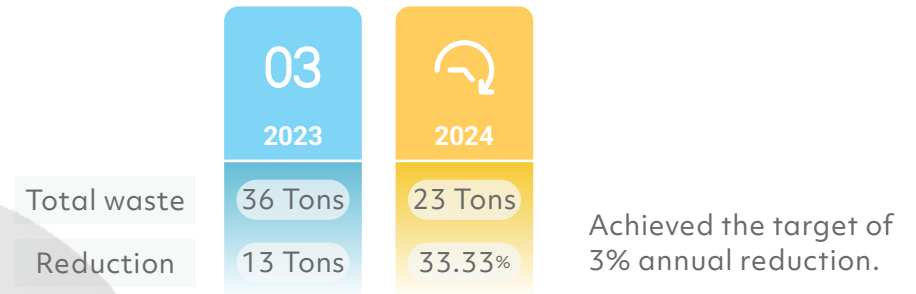
100% Legal Disposal of Waste

The Company has established storage sites in accordance with regulations to classify and store waste. We entrust legal and professional recycling and clearance operators to handle recycling and disposal operations according to announced categories for recycling, reuse, and industrial waste. There is no transboundary movement of hazardous waste.

To prevent negative environmental impacts caused by improper waste disposal, Tienkang's main operating bases in Taiwan assign responsible departments to manage the clearance of various types of waste and conduct regular follow-up audits to ensure the legality and safety of final disposal.

6-5-2 Waste Generation Situation

Waste generation



Major sources of waste generation are as follows

- ▶ **Factory Waste Rubber/Materials** : Upholding the spirit of circular regeneration and resource maximization, Tienkang sells all residual materials and waste rubber generated within the plant to signed legal operating vendors for recycling and treatment.
- ▶ **Factory Domestic Waste and General Industrial Waste** : In accordance with the Waste Cleanup Act, Tienkang hands over domestic waste and general industrial waste to contractors who comply with environmental regulations and possess professional disposal qualifications.
- ▶ The plant is equipped with 3 garbage collection containers of 50 liters each, with a collection frequency of 3 times per week.

General industrial waste is collected by partner waste disposal vendors upon notification by on-site management personnel due to the difficulty of accumulating it in fixed quantities.

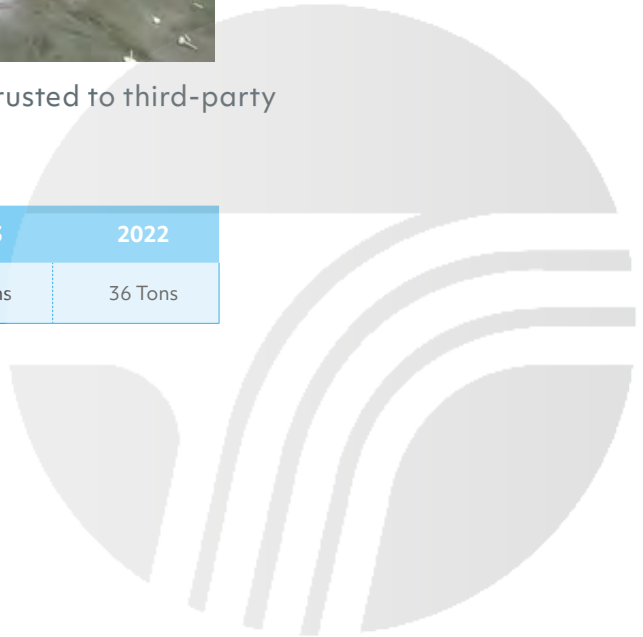
Since 2020, certain categories of industrial waste have been included in the mandatory reporting list and statistical scope.



► Office Domestic Waste and General Industrial Waste: Entrusted to third-party legally established waste disposal vendors for disposal.

Item	Type	2024	2023	2022
Generation Amount	Industrial Waste	24 Tons	36 Tons	36 Tons

Note 1 : Waste unit is metric tons.



A photograph of a modern building facade with a grid of windows and a curved concrete structure. The 'TIENKANG' logo is visible on the upper part of the building. A large, semi-transparent purple vertical bar is overlaid on the right side of the image, containing the page number and title.

7

Appendix

Appendix 1: GRI Content Index

Appendix 2: GRI × SASB × TCFD × SDGs

Cross-Reference Index

Appendix 1 : GRI Content Index

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