



# ETERNAL MATERIALS

# 2024 Sustainability Report





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Elements of Infinite Possibilities



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## Overview

Full Name of Company : Eternal Materials Co., Ltd.  
Stock Symbol : Listed on Taiwan Stock Exchange ; 1717  
Core Businesses : Manufacturing, Processing, and Sales of Materials  
Founding : December 3, 1964  
Headquarters : No. 578, Jiangong Rd., Sanmin Dist., Kaohsiung City 807, Taiwan

## Corporate Culture

Since it was founded in 1964, Eternal has always upheld its values for compliance with laws, integrity, and moral values (civility, ethics, and morality) and make contribution to society. The Company also pays close attention to employee ethics and creates a clean and appealing work environment to establish a positive image for the Company.

## Business Philosophy

Eternal has always upheld its values for providing the best quality and service to customers, and we also care about the employee's welfare, respect the rights of shareholders, strive to ensure the stakeholders' rights, enhance all corporate governance systems, and fulfill corporate social responsibility.



For more information on important code of conduct or the Company's Ethical Corporate Management Best Practice Principles, please refer to the Company's website : <https://www.eternal-group.com/WebData/Director02>

## Products and Services

Please refer to the operational overview in our company's annual report.

## Product Production Information

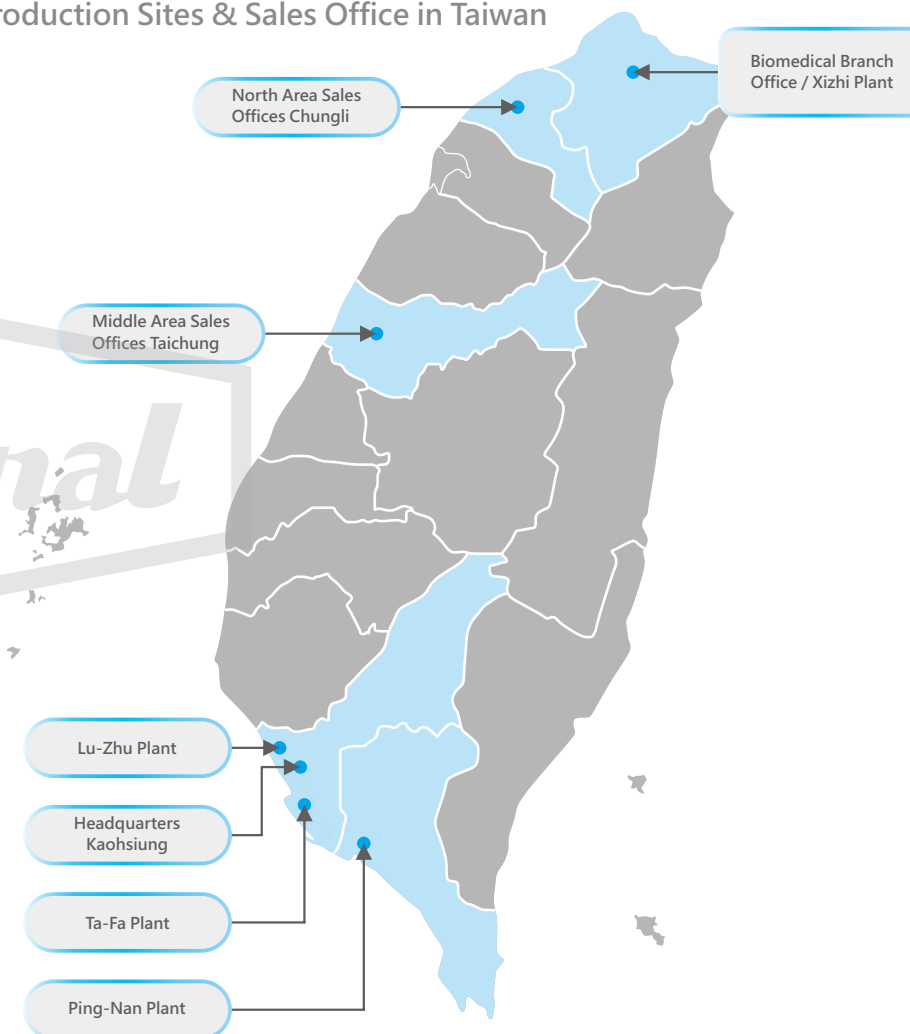
| Main product group                      | Production volume |
|-----------------------------------------|-------------------|
| Synthetic resins (Ton)                  | 103,051           |
| Specialty materials(Ton)                | 24,751            |
| Electronic materials(KFT <sup>2</sup> ) | 653,984           |
| Electronic materials(Other)             | Note              |

Note: Due to the large variety of electronic materials (others), the quantities are not disclosed individually.

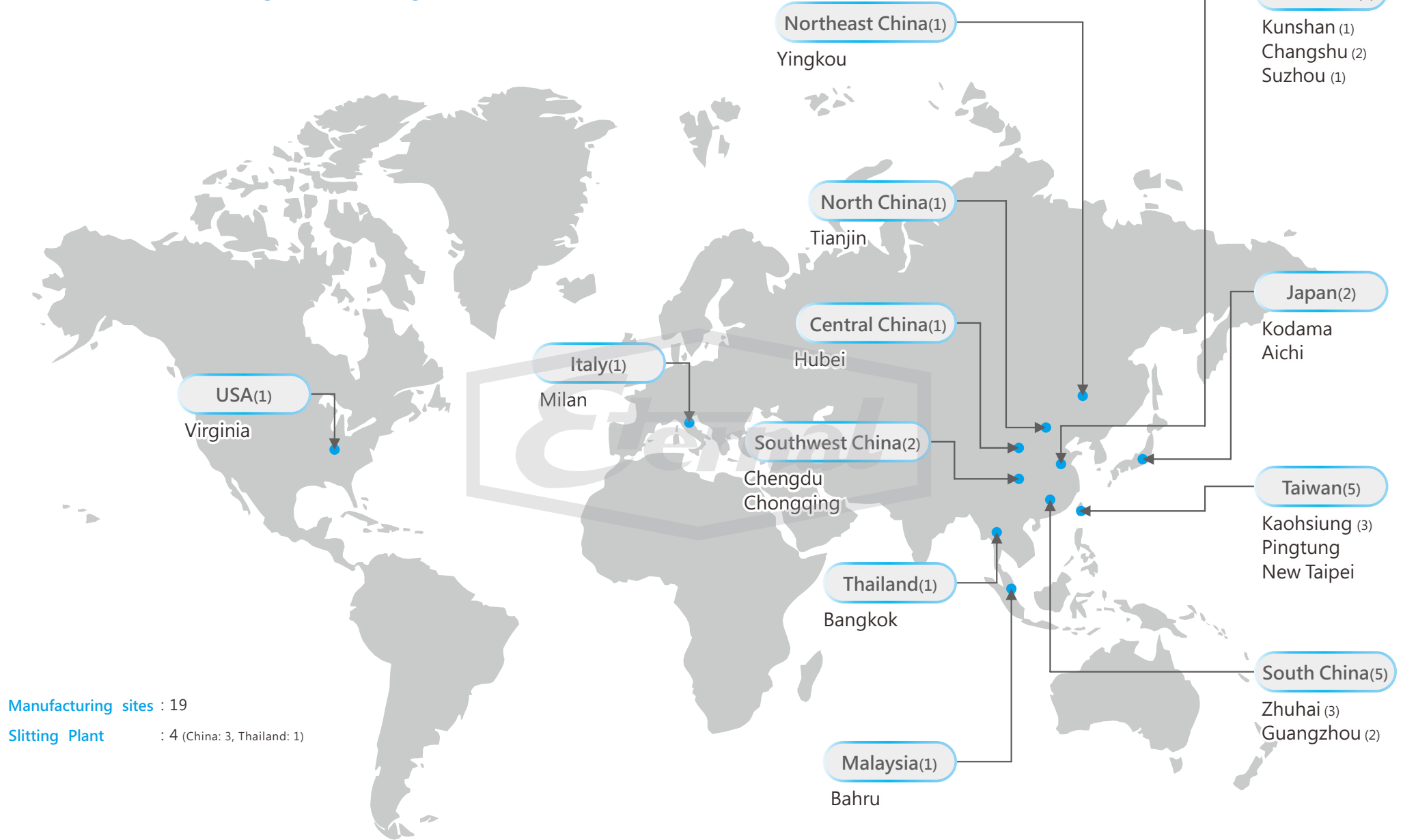
## Production Sites & Sales Office

Eternal's production sites are concentrated in Taiwan, Mainland China, Malaysia, United States, and Japan. We also maintain close technical cooperation with companies in Japan, United States, Germany, and France. Our sales points are distributed in major cities across the world.

### Production Sites & Sales Office in Taiwan



## Global Manufacturing and Slitting Plant



Manufacturing sites : 19

Slitting Plant : 4 (China: 3, Thailand: 1)

## Participation in Industry Associations

Eternal continues to participate in regular and ad hoc meetings of trade associations of related industries to discuss and propose opinions on related national policies and international initiatives and form effective and positive negotiation mechanisms.

| Key Industrial Organizations                                      | Name                      |
|-------------------------------------------------------------------|---------------------------|
| Chemical Society Located in Taipei                                | Director/Member           |
| Chinese National Association of Industry and Commerce, Taiwan     | Vice Chairperson/Member   |
| Industrial Safety and Health Association of the R.O.C.            | Member                    |
| The Institute of Internal Auditors-Chinese Taiwan                 | Member                    |
| Taiwan Responsible Care Association                               | Supervisor/Member         |
| Chinese East Asia Economic Association                            | Member                    |
| The Polymer Society, Taipei                                       | Member                    |
| Reinforced Plastics Association, ROC                              | Member                    |
| Chinese Association for Industrial Technology Advancement         | Member                    |
| Taiwan Listed Companies Association                               | Supervisor/Member         |
| Taiwan Chemical Industry Association                              | Executive Director/Member |
| Taiwan Display Materials & Devices Association                    | Director/Member           |
| Taiwan Alliance for Sustainable Supply                            | Member                    |
| Taiwan Nanotechnology Industry Development Association            | Executive Director/Member |
| Taiwan Synthetic Resin & Adhesives Industrial Association         | Vice Chairperson/Member   |
| Taiwan Paint Industry Association                                 | Supervisor/Member         |
| Taiwan Composite Materials Industry Association                   | Member                    |
| Taiwan Regional Association of Adhesive Tape Manufacturers        | Honorary Member           |
| Taiwan Printed Circuit Association                                | Honorary Director/Member  |
| Taiwan Carbon Association                                         | Director/Member           |
| Taiwan Medical and Biotech Industry Association                   | Member                    |
| Taiwan Chief Information Security Officer Alliance                | Member                    |
| Association of Taiwan Bio-based and Sustainable Material Industry | Member                    |

| Key Industrial Organizations                      | Name              |
|---------------------------------------------------|-------------------|
| Chinese National Federation of Industries         | Member            |
| Institute for Biotechnology and Medicine Industry | Member            |
| Kaohsiung Chamber of Industry                     | Director/Member   |
| Importers and Exporters Association of Kaohsiung  | Consultant/Member |
| Kaohsiung Chamber of Commerce                     | Member            |
| New Taipei City Industrial Association            | Member            |





## Editing Principles

### ● Reporting Period

This Report covers information on the Company's ESG management policies, material topics, responses, actions, and performance from January 1 to December 31, 2024.

### ● Report Boundaries and Scope

This report sets the organizational boundaries based on the principles of consolidated financial statements, covering Eternal Materials Co., Ltd. and its main subsidiaries, with a focus on operational activities in Taiwan (where Taiwan is the key operational area). Some major thematic areas are extended to other regions or countries based on their impact and are detailed within the content. For more information on the scope of the consolidated financial statements, please refer to pages 39 to 40 of the consolidated financial statements for the year 113 of Eternal Materials Co., Ltd. available on the Public Information Observatory.

### ● Reporting Guidelines

This report has been prepared in reference to the Sustainability Reporting Standards published by the Global Reporting Initiative (GRI). It encompasses stakeholder inclusiveness, the context of sustainability, materiality, and completeness. An independent third party, KPMG, conducted a limited assurance engagement in accordance with Assurance Standard 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information," to assess whether the reported information complies with the "Regulations Governing the Preparation and Submission of Sustainability Reports by Listed Companies" issued by the Taiwan Stock Exchange, as well as the sustainability reporting guidelines, sector-specific supplements, and other applicable standards published by the Global Reporting Initiative (GRI). The assurance report was then submitted to the "Corporate Governance and Sustainability Committee" and the "Board of Directors."

### ● Release Frequency

The Sustainability Report is published once a year.  
Publication date of the previous Report: August 14, 2024.  
Expected publication date of this Report: August 31, 2025.

### ● Contact Information

If you have any questions, opinions, or recommendations regarding this Report, please feel free to contact us through the following channels and help us improve.



Investors : [investor@eternal-group.com](mailto:investor@eternal-group.com)

Suppliers : [supplier@eternal-group.com](mailto:supplier@eternal-group.com)

Employees : [employee@eternal-group.com](mailto:employee@eternal-group.com)

Others : Please refer to the Company's website [www.eternal-group.com](http://www.eternal-group.com)

## A Letter from the Top Management

Dear Stakeholders,

Eternal continues to devote itself to enhancing corporate governance and sustainable development by improving transparency and accountability in order to protect the rights of shareholders and stakeholders, while strengthening the foundation of trust with all parties. In the latest evaluations, Eternal performed steadily in areas such as corporate governance, ESG performance, and MSCI ratings, with improved scores from FTSE Russell and S&P Global ESG. The company is actively reducing carbon emissions, optimizing resource management, and developing sustainable products. At the same time, it is reinforcing its governance structure and information transparency to meet market demands and ensure long-term stable growth.

In addition, the European Union will begin enforcing the Carbon Border Adjustment Mechanism (CBAM) in 2026 to prevent carbon leakage. In response to the global issue of climate change, Taiwan has implemented a carbon pricing mechanism under the Climate Change Response Act, setting a carbon fee of NT\$300 per ton in 2024, with collections beginning in 2026 and rates expected to increase gradually. In compliance with regulations, Eternal is proactively developing voluntary carbon reduction plans to qualify for preferential carbon fee rates. Under the supervision of the Board of Directors, Eternal continues to operate energy-saving and carbon-reduction programs and evaluate the annual carbon reduction goals of each plant. In 2024, the company completed carbon footprint assessments for all product groups and conducted greenhouse gas inventories and disclosures for all domestic and overseas sites. In addition to building solar renewable energy sites and purchasing green electricity based on targeted plans, Eternal will continue to increase its green power purchases annually, thereby taking more concrete actions in Scope 2 carbon reduction and fulfilling supply chain carbon reduction requirements. Eternal aims to do its part in the global effort to reduce carbon emissions.

Eternal is committed to fostering a diverse, inclusive, and equitable work environment. The company encourages employees to showcase their professional capabilities and supports local talent development to meet global market demands, striving to create a workplace where diversity and equality thrive, allowing employees and the company to grow together. In 2024, Eternal also revised its "Supplier Code of Conduct" and continues to require new supplier partners to sign it, working together to implement corporate social responsibility and create a sustainable value chain.

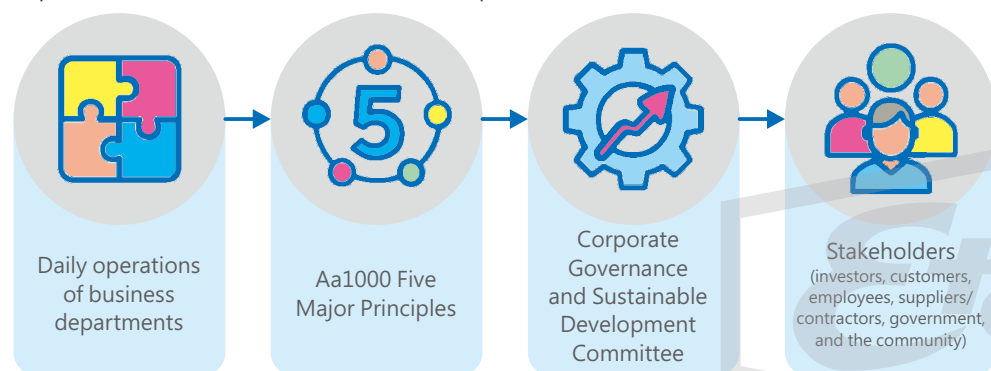
As part of its 2024 educational philanthropy initiative, Eternal conducted a science education activity at Donghai Elementary School in Fangliao Township, Pingtung County, near the company's Ping-Nan Plant. Through simple, hands-on experiments, students were introduced to the principles of filtration in a fun and engaging way. The activity also included lessons on the safe use of chemicals and the concepts of environmental protection, recycling, and carbon reduction. Using its solid foundation in chemical technology, Eternal designed vivid and interactive teaching segments that made complex chemistry concepts accessible through everyday science. The course started with items students encounter in daily life to help them understand that many of these products involve filtration processes. It ended with a fun science experiment that allowed children to perform the filtration process themselves, sparking their interest in science and materials. Eternal hopes this initiative can broaden children's horizons, encourage self-motivated learning, and plant a seed of scientific curiosity in their young minds.

Chairman **Kao, Kuo-Lun**

President **Mao, Hui-Kuan**

# Stakeholders identification and Communication

Involving all relevant personnel, there should be sufficient communication regarding the current key stakeholders and the issues they prioritize. This should be supplemented by the recommendations in the "AA1000SES 2015 Stakeholder Engagement Standards," taking into account dependency, responsibility, tension, influence, and diverse perspectives. A consensus should be reached with the relevant personnel, and the results submitted to the "Corporate Governance and Sustainable Development Committee" for discussion and approval, serving as an important reference for the disclosure in the report.



## Stakeholder Communication

In addition to providing interactive communication with stakeholders through the following diverse channels in regular operations, the Company has also set up a communication mailbox on its website. The main contents consist of employees, investors, customers, suppliers, etc. The Company also assigns different dedicated personnel for each category of stakeholders to process related issues or inquiries.

| Stakeholders | Issues of concern                                                                                                                                                          | Communication channels              | Communication frequency |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------|
| Investors    | <ul style="list-style-type: none"> <li>▲ Operational performance</li> <li>▲ Information disclosure</li> <li>▲ Material announcements</li> <li>▲ Company website</li> </ul> | Shareholders' meeting               | Annually                |
|              |                                                                                                                                                                            | Annual Report                       | Annually                |
|              |                                                                                                                                                                            | Spokesperson                        | Irregular basis         |
|              |                                                                                                                                                                            | MOPS                                | Where necessary         |
|              |                                                                                                                                                                            | Institutional investors' conference | Where necessary         |
|              |                                                                                                                                                                            | Company website                     | Immediate               |

| Stakeholders          | Issues of concern                                                                                                                                                        | Communication channels                                    | Communication frequency |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|-------------------------|
| Customers             | <ul style="list-style-type: none"> <li>▲ Product quality</li> <li>▲ Delivery schedule</li> <li>▲ Services</li> <li>▲ Customer complaint channels</li> </ul>              | Customer satisfaction survey                              | Annually                |
|                       |                                                                                                                                                                          | Visits                                                    | Irregular basis         |
|                       |                                                                                                                                                                          | Email and telephone interview                             | Irregular basis         |
|                       |                                                                                                                                                                          | Technical support                                         | Where necessary         |
|                       |                                                                                                                                                                          | Company website                                           | Immediate               |
| Employees             | <ul style="list-style-type: none"> <li>▲ Compensation system</li> <li>▲ Training</li> <li>▲ Benefits</li> <li>▲ Safety and health</li> <li>▲ Health promotion</li> </ul> | Communication meetings                                    | Irregular basis         |
|                       |                                                                                                                                                                          | Email                                                     | Irregular basis         |
|                       |                                                                                                                                                                          | Interviews with department heads                          | Semi-annually           |
|                       |                                                                                                                                                                          | Employee Welfare Committee                                | Quarterly               |
|                       |                                                                                                                                                                          | Labor-management meeting                                  | Quarterly               |
|                       |                                                                                                                                                                          | Internal announcements                                    | Irregular basis         |
|                       |                                                                                                                                                                          | Company website                                           | Immediate               |
| Suppliers Contractors | <ul style="list-style-type: none"> <li>▲ Supplier evaluation</li> <li>▲ Tiered supplier management</li> <li>▲ Contractor construction safety management</li> </ul>       | Email                                                     | Irregular basis         |
|                       |                                                                                                                                                                          | Telephone communication                                   | Irregular basis         |
|                       |                                                                                                                                                                          | Invite suppliers for visits                               | Irregular basis         |
|                       |                                                                                                                                                                          | Contractor meetings                                       | Annually                |
|                       |                                                                                                                                                                          | Company website                                           | Immediate               |
| Government            | <ul style="list-style-type: none"> <li>▲ Regulatory compliance</li> <li>▲ Safety and health</li> <li>▲ Environmental Protection</li> <li>▲ Industry upgrade</li> </ul>   | Participate in various seminars on regulations            | Where necessary         |
|                       |                                                                                                                                                                          | Participate in drafting legislation                       | Where necessary         |
|                       |                                                                                                                                                                          | Visits, official correspondence, or questionnaire surveys | Where necessary         |
|                       |                                                                                                                                                                          | Awards and contests                                       | Irregular basis         |
|                       |                                                                                                                                                                          | Industrial zone meetings                                  | Annually                |
|                       |                                                                                                                                                                          | Company website                                           | Immediate               |
| Community             | <ul style="list-style-type: none"> <li>▲ Community participation</li> <li>▲ Activities in the public interest</li> </ul>                                                 | Establish good relations with local communities           | Where necessary         |
|                       |                                                                                                                                                                          | Continue to support disadvantaged groups                  | Where necessary         |
|                       |                                                                                                                                                                          | Company website                                           | Immediate               |



## Topic Identification of Significance

### Step.1

Use of external sources: We collect various international sustainability guidelines, policies, and issues of concern proposed by government authorities, and reference the opinions of external experts and experience of benchmark companies.

### Step.2

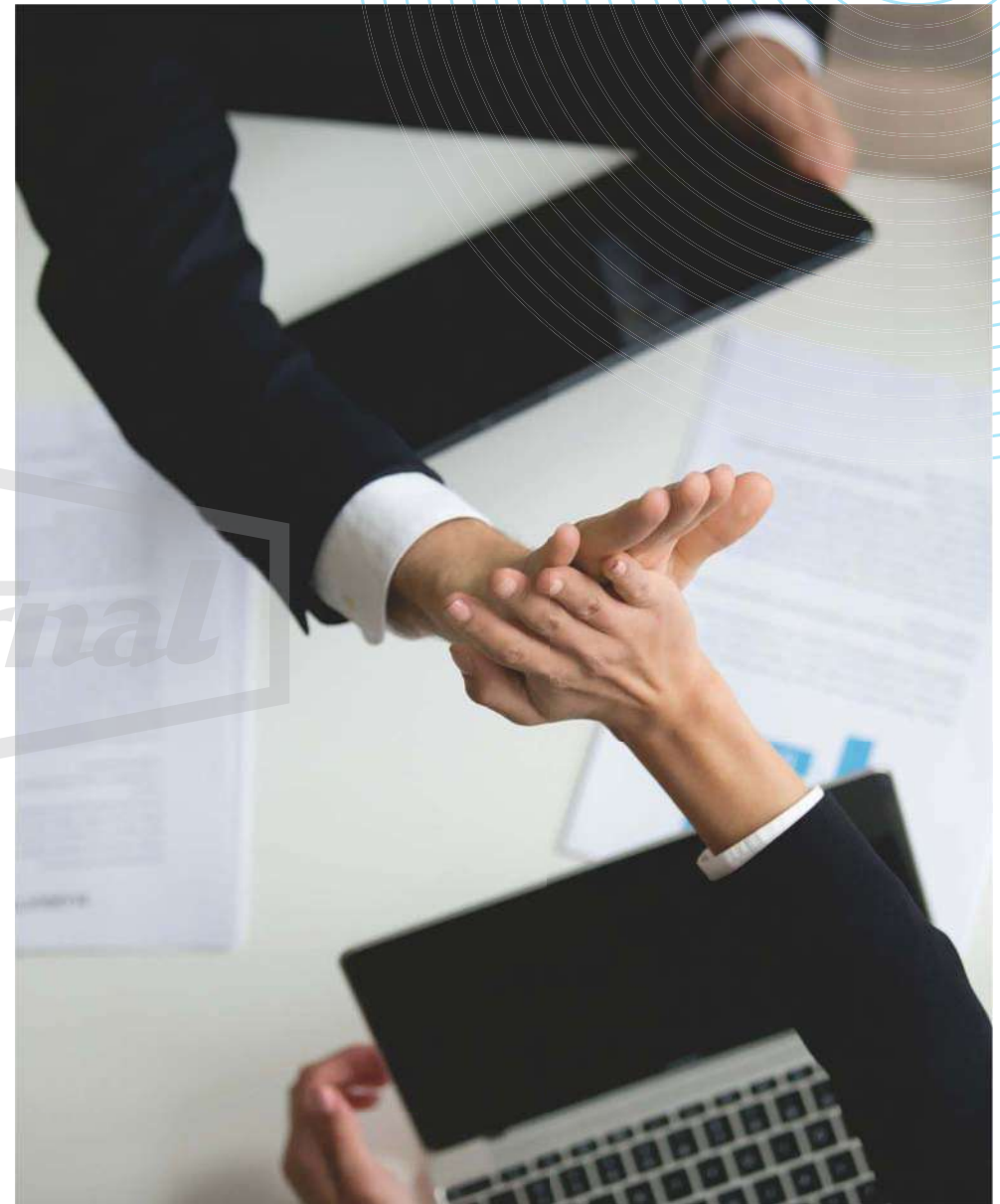
Review internal company sources: We identify and categorize the stakeholders affected by the business activities of each department and learn about their issues of concern through communication channels.

### Step.3

We assemble related ESG members to consider internal and external sources, stakeholder opinions, and characteristics of the industry to verify the potential impact of significant issues on the Company and the positive or negative impact on the economy.

### Step.4

After the data are compiled, we completed the identification of ESG materiality issues based the "assessment of impact on stakeholders" and "significant impact on the economy, environment, and society," and identified a total of 18 material key issues. We have integrated environmental compliance and socio-economic compliance into the compliance issue, and integrated supplier environmental assessment and supplier social assessment into the supplier assessment. We responded to the relevant management guidelines in this Report based on the index contents of the GRI Standards.



## Material concerns and topics after compilation

| Category      | Material Topics                   | Description                                                                  | Item in GRI Standards |
|---------------|-----------------------------------|------------------------------------------------------------------------------|-----------------------|
| Economic      | Economic performance              | Direct economic value generated and distributed by the organization          | 201-1                 |
|               |                                   | Scope of defined benefit plans prepared by the organization                  | 201-3                 |
|               | Market presence                   | Ratios of standard entry-level wage by gender compared to local minimum wage | 202-1                 |
|               |                                   | Proportion of senior management hired from the local community               | 202-2                 |
|               | Procurement                       | Proportion of procurement expenses on local suppliers                        | 204-1                 |
|               | Anti-corruption                   | Confirmed incidents of corruption and actions taken                          | 205-3                 |
| Environmental | Energy                            | Energy consumption of the organization                                       | 302-1                 |
|               |                                   | Energy intensity                                                             | 302-3                 |
|               |                                   | Energy reduction results and practices                                       | 302-4                 |
|               | Water                             | Interactions with water as a shared resource                                 | 303-1                 |
|               |                                   | Management of water discharge-related impacts                                | 303-2                 |
|               |                                   | Water withdrawal                                                             | 303-3                 |
|               |                                   | Water discharge                                                              | 303-4                 |
|               |                                   | Water consumption                                                            | 303-5                 |
|               | Emissions                         | Direct GHG Emissions (Scope 1)                                               | 305-1                 |
|               |                                   | Indirect GHG Emissions (Scope 2)                                             | 305-2                 |
|               |                                   | GHG emissions intensity                                                      | 305-4                 |
|               |                                   | Greenhouse gas reduction                                                     | 305-5                 |
|               |                                   | Nitrogen oxides, sulfur oxides, and other significant air emissions          | 305-7                 |
|               | Waste                             | Waste generated                                                              | 306-3                 |
|               |                                   | Waste diverted from disposal                                                 | 306-4                 |
|               |                                   | Waste directed to disposal                                                   | 306-5                 |
|               | Supplier environmental assessment | Environmental criteria adopted to screen new suppliers                       | 308-1                 |
|               |                                   | Negative environmental impacts in the supply chain and actions taken         | 308-2                 |

| Category | Material Topics                            | Description                                                                                                                                                                           | Item in GRI Standards |
|----------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Social   | Employer-employee relationship             | New employees and departing employees                                                                                                                                                 | 401-1                 |
|          |                                            | Benefits provided to full-time employees at important operating locations                                                                                                             | 401-2                 |
|          |                                            | Reinstatement rate and retention rate by gender after parental leave                                                                                                                  | 401-3                 |
|          | Occupational health and safety             | Occupational health and safety management system                                                                                                                                      | 403-1                 |
|          |                                            | Hazard identification, risk assessment, and incident investigation                                                                                                                    | 403-2                 |
|          |                                            | Occupational health services                                                                                                                                                          | 403-3                 |
|          |                                            | Worker participation, consultation, and communication on occupational health and safety                                                                                               | 403-4                 |
|          |                                            | Worker training on occupational health and safety                                                                                                                                     | 403-5                 |
|          |                                            | Promotion of worker health                                                                                                                                                            | 403-6                 |
|          |                                            | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships                                                                         | 403-7                 |
|          |                                            | Workers covered by an occupational health and safety management system                                                                                                                | 403-8                 |
|          |                                            | Work-related injuries                                                                                                                                                                 | 403-9                 |
|          |                                            | Work-related ill health                                                                                                                                                               | 403-10                |
|          | Training and education                     | Average training hours per employee by rank and gender                                                                                                                                | 404-1                 |
|          | Employee diversity and equal opportunities | Diversification of governance units and employees                                                                                                                                     | 405-1                 |
|          |                                            | Ratio of basic salary and remuneration of women to men                                                                                                                                | 405-2                 |
|          | Non-discrimination                         | Incidents of discrimination and corrective actions taken                                                                                                                              | 406-1                 |
|          | Child labor                                | Whether the Company and important suppliers hire child labor, whether they have established operation sites hazardous to children, and measures taken by companies to end child labor | 408-1                 |
|          | Local communities                          | Operations with local community engagement, impact assessments, and development programs                                                                                              | 413-1                 |
|          |                                            | Operations with significant actual and potential negative impacts on local communities                                                                                                | 413-2                 |
|          | Supplier social assessment                 | New suppliers screened using social criteria                                                                                                                                          | 414-1                 |
|          |                                            | Negative social impacts in the supply chain and actions taken                                                                                                                         | 414-2                 |

## Highest Governance Unit Board of Directors

The Board of Directors is the highest governance unit at Eternal Materials Co., Ltd. Its duty is to guide the Company's strategy, supervise the management team, and be responsible to the Company and its shareholders.

The main duties of the Board of Directors are as follows:

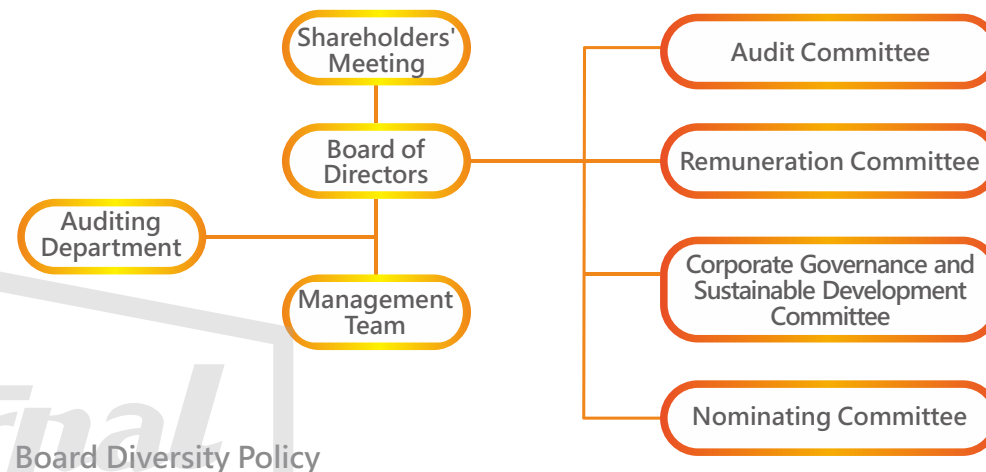
- ① Establish effective and appropriate internal control systems.
- ② Select and supervise managers.
- ③ Review the Company's management decisions and operational plans, and supervise their implementation progress.
- ④ Review the Company's financial goals and monitor their progress.
- ⑤ Supervise the operational results of the Company.
- ⑥ Review the performance evaluation and remuneration standards for managers and sales personnel, as well as the remuneration structure and system for directors.
- ⑦ Supervise and address the risks faced by the Company.
- ⑧ Ensure the Company complies with relevant regulations.
- ⑨ Map out future development direction for the Company.
- ⑩ Establish and maintain the Company's image and fulfill social responsibilities.
- ⑪ Appoint experts such as accountants or lawyers.
- ⑫ Safeguard the rights and interests of investors.
- ⑬ Follow through on matters approved in the shareholders' meeting or by the Board of Directors in accordance with laws, regulations, or the Articles of Association, or major matters stipulated by the competent authority.

The total amount of remuneration distributed to directors will be reported in the shareholders' meeting to measure the management performance of the highest governance unit. Measuring the performance of the Board of Directors helps to improve its decision-making quality and efficiency, and to achieve effective management and supervision of the Company's operations. In addition, we hold the directors responsible for their duty and obligations by disclosing their attendance rate in Board meetings in the annual report to fully supervise and manage the Board of Directors.

## Governance structure and composition

As the highest governance unit at Eternal, the Board of Directors complies with corporate governance principles, reviews the Company's business performance, and addresses important strategic issues, including risks, impacts, and opportunities posed by economic, environmental, and social problems.

### Corporate Governance Organizational Structure



### Board Diversity Policy

Eternal advocates and respects the Board diversity policy to strengthen corporate governance and promote a healthy composition and structure of the Board of Directors. We believe that the diversity policy can help improve the overall performance of the Company. Members of the Board of Directors are selected on a merit-based basis, with diverse and complementary abilities across industries, including basic composition (e.g., age, gender, nationality, etc.), industry experience and relevant skills (e.g., management, chemical industry, HR management and financial accounting), as well as business judgment, management, leadership and decision making and crisis management abilities.

In order to strengthen the functions of the Board of Directors and achieve the ideal goal of corporate governance, the third chapter of the Corporate Governance Best Practice Principles of Eternal Materials Co., Ltd., "Strengthening the Functions of the Board of Directors" of the Company has provided a diversity policy, and the members of the Board of Directors should generally possess the knowledge, skills and qualities necessary to perform their duties. Furthermore, with a view to perfecting the functions of the Company's Board of Directors and strengthening its management mechanism, the Company formulated the Nominating Committee Charter in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and established the Nominating Committee to nominate and elect members of the Board of Directors. Specifically, Board members are nominated and elected based on the nomination system as stipulated in the Regulations Governing the Election of Directors to ensure the diversity and independence of Board members.



## Requirements for Professionalism and Independence of Board of Directors

The term of the current Board of Directors is 2022.06.23-2025.06.22 for a total of three years, consisting of 12 directors (including 4 independent directors), specific management objectives: The Board of Directors also focuses on gender equality of its members, and currently there is one female director on the Board; focuses on operational judgement, business management and crisis management capabilities, and more than 2/3 of the Board members should have the relevant core project capabilities.

All of the members of the Board of Directors have rich work experience and professional qualifications required by business, legal, financial, accounting or corporate businesses; among the 4 independent directors, each of whom provides objective and professional advice on their areas of expertise to assist the Board in making decisions that are best for the Company. The election of directors of Eternal is based on the candidate nomination system. After the qualification examination by the Nominating Committee, the list of candidates will be submitted to the Board of Directors for a resolution to be announced by the shareholders for election from the list for a term of three years.

## Qualification and diversity of the Board members

- ① Directors Kao, Kuo-Lun, Ko, Chun-Ping, Yang, Huai-Kung, and Kao, Kao-Hsun possess operational judgement, business management, crisis management, and international market perspectives; Director Chen, Jau-Shiuh possesses a professional background in medicine and is qualified as a medical doctor; and Directors Huang, Shun-Ren, Chen, Chin-Yuan, and Liao, Hen-Ning possess professional backgrounds in science, engineering, technology, and other disciplines.
- ② Independent directors: Hung, Lee-Jung and Lo, Li-Chun are professionals with expertise in audit, taxation and finance; Chen, I-Heng is a professor specializing in human resource management; and Lu, Gin-Cheng is a professional lawyer with legal expertise.
- ③ The members of the Board of Directors have diverse backgrounds and are able to provide advice on management and strategic development from a variety of perspectives.
- ④ Directors with concurrent employee status account for 8.33%; independent directors account for 33.33%; female directors account for 8.33%. None of the 4 Independent Directors have served more than three consecutive terms; 2 directors are aged over 70 years old; 9 are aged between 50 and 70 years old; and 1 aged under 50 years old.

*Eternal*



| Name                 | Diverse core projects  | Date of election | Term of office | Date of initial election | Basic composition |                     |        |                                                                                     |          |                 | Independent director's seniority | Experience and the following professional qualifications |                   |           |              |                   |                      |                     |                             |                      |                                                                   |                                                                                                                                                                            | No circumstances in Article 30 of the Company Act |
|----------------------|------------------------|------------------|----------------|--------------------------|-------------------|---------------------|--------|-------------------------------------------------------------------------------------|----------|-----------------|----------------------------------|----------------------------------------------------------|-------------------|-----------|--------------|-------------------|----------------------|---------------------|-----------------------------|----------------------|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
|                      |                        |                  |                |                          | Nationality       | An employee as well | Gender | Education                                                                           | Age      |                 |                                  | Diverse core projects                                    |                   |           |              |                   |                      |                     | Professional qualifications |                      |                                                                   |                                                                                                                                                                            |                                                   |
|                      |                        |                  |                |                          |                   |                     |        |                                                                                     | Under 50 | 50-70 years old |                                  | Over 70 years old                                        | Less than 3 years | 3-9 years | Over 9 years | Leadership skills | Operational judgment | Business management | Crisis management           | Industrial knowledge | Decision-making ability based on international market perspective | Instructor or higher in a department of commerce, law, finance, accounting, or any other business-related academic department in a public or private college or university |                                                   |
| Director             | Kao, Kuo-Lun (Note 1)  | 2022<br>06.23    | 3              | 1992<br>07.15            | Republic of China | ✓                   | Male   | Master of Business Administration, University of Southern California                | -        | ✓               | -                                | -                                                        | -                 | -         | ✓            | ✓                 | ✓                    | ✓                   | ✓                           | ✓                    | -                                                                 | -                                                                                                                                                                          | ✓                                                 |
|                      | Ko, Chun-Ping (Note 2) |                  | 3              | 1995<br>04.28            | Republic of China | -                   | Male   | Tamkang University Master of Management Science                                     | -        | ✓               | -                                | -                                                        | -                 | -         | ✓            | ✓                 | ✓                    | ✓                   | ✓                           | ✓                    | -                                                                 | -                                                                                                                                                                          | ✓                                                 |
|                      | Yang, Huai-Kung        |                  | 3              | 1972<br>05.14            | Republic of China | -                   | Male   | Bachelor of Accounting, Soochow University                                          | -        | -               | ✓                                | -                                                        | -                 | -         | ✓            | ✓                 | ✓                    | ✓                   | ✓                           | ✓                    | -                                                                 | -                                                                                                                                                                          | ✓                                                 |
|                      | Chen, Jau-Shiuh        |                  | 3              | 2022<br>06.23            | Republic of China | -                   | Male   | Department of Medicine, National Taiwan University                                  | -        | ✓               | -                                | -                                                        | -                 | -         | ✓            | -                 | ✓                    | ✓                   | ✓                           | ✓                    | -                                                                 | ✓ Physician                                                                                                                                                                | ✓                                                 |
|                      | Kao, Kuo-Hsun          |                  | 3              | 2022<br>06.23            | Republic of China | -                   | Male   | Master of Business Administration, City University of Seattle, USA                  | ✓        | -               | -                                | -                                                        | -                 | -         | ✓            | ✓                 | ✓                    | ✓                   | ✓                           | ✓                    | -                                                                 | -                                                                                                                                                                          | ✓                                                 |
|                      | Huang, Shun-Ren        |                  | 3              | 2022<br>06.23            | Republic of China | -                   | Male   | Master of Chemistry, ational Tsing Hua University                                   | -        | -               | ✓                                | -                                                        | -                 | -         | ✓            | ✓                 | ✓                    | ✓                   | ✓                           | ✓                    | -                                                                 | -                                                                                                                                                                          | ✓                                                 |
|                      | Chen, Chin-Yuan        |                  | 3              | 2022<br>06.23            | Republic of China | -                   | Male   | Bachelor of Chemical Engineering, National Taiwan University                        | -        | ✓               | -                                | -                                                        | -                 | -         | ✓            | ✓                 | ✓                    | ✓                   | ✓                           | ✓                    | -                                                                 | -                                                                                                                                                                          | ✓                                                 |
|                      | Liao, Hen-Ning         |                  | 3              | 2022<br>06.23            | Republic of China | -                   | Male   | Bachelor of Chemical Engineering, National Taiwan University                        | -        | ✓               | -                                | -                                                        | -                 | -         | ✓            | ✓                 | ✓                    | ✓                   | ✓                           | ✓                    | -                                                                 | -                                                                                                                                                                          | ✓                                                 |
| Independent Director | Hung, Lee-Jung         | 2022<br>06.23    | 3              | 2016<br>06.15            | Republic of China | -                   | Female | Department of Accountancy, National Cheng Kung University                           | -        | ✓               | -                                | -                                                        | 9                 | -         | ✓            | ✓                 | ✓                    | ✓                   | ✓                           | ✓                    | -                                                                 | ✓ CPA                                                                                                                                                                      | ✓                                                 |
|                      | Chen, I-Heng           |                  | 3              | 2016<br>06.15            | Republic of China | -                   | Male   | PhD in Human Resources Management and Organization Development, New York University | -        | ✓               | -                                | -                                                        | 8                 | -         | ✓            | ✓                 | ✓                    | ✓                   | ✓                           | ✓                    | ✓                                                                 | -                                                                                                                                                                          | ✓                                                 |
|                      | Lo, Li-Chun            |                  | 3              | 2019<br>06.26            | Republic of China | -                   | Male   | PhD in Management, Hong Kong Polytechnic University                                 | -        | ✓               | -                                | -                                                        | 6                 | -         | ✓            | ✓                 | ✓                    | ✓                   | ✓                           | ✓                    | ✓                                                                 | -                                                                                                                                                                          | ✓                                                 |
|                      | Lu, Gin-Cheng          |                  | 3              | 2022<br>06.23            | Republic of China | -                   | Male   | Master of Laws, National Chengchi University                                        | -        | ✓               | -                                | 3                                                        | -                 | -         | ✓            | ✓                 | ✓                    | ✓                   | ✓                           | ✓                    | -                                                                 | ✓ Lawyer                                                                                                                                                                   | ✓                                                 |

Note 1: Current concurrent positions held in other companies: Please refer to the "Market Observation Post System > Individual Company > Electronic Document Download > Financial Reports / Disclosure of Affiliated Enterprises Section" for more details.

## Nomination and selection in the highest governance unit

I. Eternal will consider multiple aspects such as basic conditions and values (gender, age, nationality, or culture), professional knowledge and skills (professional background, professional skills, or industry experience) when selecting directors.

II. In order to achieve the goal of corporate governance, members of Board shall possess necessary knowledge, and skills, and accomplishments. The required competences are as follows:

- 📍 Operational judgment.
- 📍 Accounting and financial analysis skills.
- 📍 Business administration skills.
- 📍 Crisis management skills.
- 📍 Knowledge of the industry.
- 📍 International market perspective.
- 📍 Leadership.
- 📍 Decision-making ability.

III. Eternal selects directors in the following ways:

① The Nominating Committee plans and proposes the search, review and nomination of director candidates based on the criteria of diversified background and independence in terms of expertise, skills, experience and gender required for Board members in view of the size of the Company and the nature of its business.

② To identify suitable candidates, propose a list of director candidates to the Board and carefully assess the qualifications of the nominees.

To strengthen the efficacy of directors in carrying on their duties, Eternal will facilitate annual trainings for the directors, in referencing the internal and external conditions and development needs, to enhance directors' professional competency.

IV. Selection method:

① With a candidate nomination system adopted for the election of directors, shareholders' meeting shall elect directors from a list of candidates approved by the resolution of the Board of Directors for a term of three years, and each director may be re-elected. The acceptance method and announcement of the nomination of director candidates shall be handled in accordance with relevant laws and regulations of the Company Act and the Securities and Exchange Act. Unless otherwise regulated by laws or Articles of Association, the "Director Election Guidelines of Eternal Materials" shall be followed.

② Nominate independent directors whose independence meets regulatory requirements.

③ The Chairman of the Board of Directors is elected by the Board of Directors. The Chairman serves as the chair of Board meetings and represents the Company externally.

## Chairman of the highest governance unit

① The Board of Directors appointed Chairman Kao, Kuo-Lun as the CEO of Eternal on June 26, 2019. The responsibility of a Chairman is to preside over Board meetings and execute matters authorized by the Board of Directors, whereas a CEO is responsible for the execution and promotion of the Company's business plan. It is essential to establish the CEO role, given their different responsibilities, despite being held by the same person.

② In 2024, the Board of Directors held seven meetings, and each time there were more than three independent directors attending the Board meeting in person to fulfill the function of supervision during the period, and the average attendance rate of directors in person was 99%. If a director is involved in an agenda that may damage the interests of the Company, he/she shall not participate in discussions or voting, nor shall he/she cast a vote on behalf of other directors to avoid and mitigate conflict of interests.

③ How the chairman of the highest governance unit avoided conflict of interest:

Avoidance of directors from proposals with interests in 2024:

| Date of meeting of the Board of Directors | Director's name         | Proposal                                                                                                                                                      | Reasons for interest avoidance                                                                                      | Voting or not                                                                                                                                                                                              |
|-------------------------------------------|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3/8                                       | Kao, Kuo-Lun (Chairman) | The proposal for the Company to lift the non-competition restrictions for managerial officers of the Company to serve in enterprises invested by the Company. | The agenda has interests related to the director, so the director lawfully withdrew from the discussion and voting. | The Chairman designated Director Yang, Huai-Kung as the proxy to preside over this proposal. The acting chairman consulted with all other attending directors and approved the proposal without objection. |
|                                           | Kao, Kuo-Lun (Chairman) | Distribution of profit target overreach performance bonuses to managerial officers in 2023.                                                                   | The agenda has interests related to the director, so the director lawfully withdrew from the discussion and voting. | The Chairman designated Director Yang, Huai-Kung as the proxy to preside over this proposal. The acting chairman consulted with all other attending directors and approved the proposal without objection. |
| 5/10                                      | Kao, Kuo-Lun (Chairman) | The Company's 2023 remuneration distribution proposal for managerial officers.                                                                                | The agenda has interests related to the director, so the director lawfully withdrew from the discussion and voting. | The Chairman designated Director Yang, Huai-Kung as the proxy to preside over this proposal. The acting chairman consulted with all other attending directors and approved the proposal without objection. |
| 6/28                                      | Kao, Kuo-Lun (Chairman) | Amendment to the "Official Vehicle Allocation Policy for Senior Executives".                                                                                  | The agenda has interests related to the director, so the director lawfully withdrew from the discussion and voting. | The Chairman designated Director Chen, Chin-Yuan as the proxy to preside over this proposal. The acting chairman consulted with all other attending directors and approved the proposal without objection. |
| 12/27                                     | Kao, Kuo-Lun (Chairman) | Annual salary adjustment of managerial officers for 2025.                                                                                                     | The agenda has interests related to the director, so the director lawfully withdrew from the discussion and voting. | The Chairman designated Director Yang, Huai-Kung as the proxy to preside over this proposal. The acting chairman consulted with all other attending directors and approved the proposal.                   |
|                                           | Kao, Kuo-Lun (Chairman) | Managerial officers' annual performance bonus and operation performance bonus in 2024                                                                         | The agenda has interests related to the director, so the director lawfully withdrew from the discussion and voting. | The Chairman designated Director Yang, Huai-Kung as the proxy to preside over this proposal. The acting chairman consulted with all other attending directors and approved the proposal.                   |

## Collective intelligence of the highest governance unit

For more information, please refer to Eternal 2024 Annual Report:

- ① Implementation Status of Corporate Governance and Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Corresponding Reasons. P42-69
- ② Directors' Further Education in 2024. P58-62

To enhance the overall knowledge of Board members on economic, environmental, and social issues, we present management team reports and annual ESG reports in regular Board meetings.

## Performance evaluation of the highest governance unit

In order to implement corporate governance and enhance the functions of the Board of Directors, Eternal established the "Board Performance Evaluation Measures" approved by the Board of Directors on May 10, 2019. The Board of Directors shall conduct an internal Board performance evaluation at least once a year, from the end of each year to the end of the first quarter of the following year, and conduct the annual performance evaluation in accordance with the evaluation procedures and indicators in Articles 6 and 8.

For more information, please see the "Self-evaluation (or peer evaluation) Cycle and Period, Scope, Method, and Content of the Board of Directors" in Eternal 2024 Annual Report. P30-35

## Audit Committee

Established on June 15, 2016, it is currently in its third term. Current term: June 23, 2022 to June 22, 2025.

Made up of four independent directors, our Audit Committee aims to assist the Board of Directors in overseeing the quality and integrity of the Company's accounting, auditing, financial reporting processes, and financial controls.

The main purpose of the Audit Committee is to supervise the following matters:

- ① Fair presentation of the Company's financial statements.
- ② The appointment and dismissal, the independence, and performance of CPAs.
- ③ Effective implementation of the internal control system.
- ④ Compliance with relevant laws and regulations.
- ⑤ Management of current and potential risks.

Professional qualifications and experience of members of the committee

| Qualifications                      |                   | Professional Qualification and Experience                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------------------------|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Position                            | Name              |                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Convener<br>Independent<br>Director | Hung,<br>Lee-Jung | She is a former partner and CPA at Pricewaterhouse Coopers Taiwan, and has served as a member of the Audit Committee for more than three years with the acquired professional abilities such as business judgment, accounting and financial analysis, operation and management, crisis management, industry knowledge, international market perspective, leadership, and decision-making ability.                          |
| Independent<br>Director             | Chen,<br>I-Heng   | He is the professor of human resources at Sun Yat-sen University and has served as an independent director of three other public companies. He has been a member of the audit committee for more than three years and has the professional abilities in business judgment, talent cultivation, management, crisis management, industry knowledge, international market perspective, leadership, and decision-making.       |
| Independent<br>Director             | Lo,<br>Li-Chun    | Formerly as a visiting associate professor at Nanyang Business School and CEO of Protrend Management Consulting Co., Ltd. for many years, he has been an audit committee member for over 3 years with operational judgment, accounting and financial analysis skills, business administration skills, crisis management skills, industrial knowledge, international market insight, leadership and decision-making skills. |
| Independent<br>Director             | Lu,<br>Chun-Cheng | As a partner lawyer at Huili Law Firm for over 20 years and also as the Chairman of BEV International Food Corp. and the supervisor of Spring Star Industrial Co., Ltd., he has operational judgment, legal skills, business administration skills, crisis management skills, industrial knowledge, international market insight, leadership and decision-making skills.                                                   |

Audit of financial reports

Our Board of Directors at Eternal has submitted the 2024 business report, surplus distribution proposal, financial report, and consolidated financial report to the Audit Committee for review and approval, and there are no discrepancies found by the committee.

Assessment of the effectiveness of the internal control system:

The Audit Committee has assessed the effectiveness of the Company's internal control system policies and procedures (including control measures such as finance, operation, risk management, information security, outsourcing, regulatory compliance, etc.) and audited The Company's audit department and CPAs, as well as management's periodic reports, including risk management and regulatory compliance. The committee also referred to the Internal Control - Integrated Framework which is published by The Committee of Sponsoring Organizations of the Treadway Commission (COSO), and concluded that the Company's risk management and internal control system is effective, the Company has also adopted required control mechanism to supervise and correct the violations.



## 📍 Appointment of certified public accountant

The duty of the Audit Committee is to oversee the independence of certified public accountants to ensure the fairness of financial statements. Wang, Chao-Chun and Liu, Yu-Hsiang from Deloitte Taiwan passed the independence evaluation in our 10th Audit Committee meeting of the 3rd session on March 7, 2024 and the 12th Board meeting of the 19th session on March 8, 2024 to be qualified for our financial and tax certified accountant.

(Remuneration Committee: Human Resources)

## Remuneration Committee

In order to implement corporate governance, strengthen the functions of the Board of Directors, and improve the remuneration system for directors and managers, we established a remuneration committee in October 2011 pursuant to "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange".

The Remuneration Committee aims to assist the Board of Directors in evaluating the remuneration standards for directors and managers and supervise the following matters:

- 📍 Establish and regularly review policies, systems, standards, and structures for evaluating the performance and remuneration of directors and managers.
- 📍 Regularly evaluate and determine the remuneration for directors and managers.

Members of the current Remuneration Committee and their attendance status in 2024:

| Title                                                          | Name           | Date of Appointment | Education/Work Experience                                                                                                                                                                                                                    | Attendance times | Attendance rate |
|----------------------------------------------------------------|----------------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------------|
| Independent Director<br>Convener of the Remuneration Committee | Chen, I-Heng   | 2022.06.23          | PhD in Human Resources Management and Organization Development, New York University<br>Professor, Institute of Human Resource Management, National Sun Yat-sen University<br>Independent director of Kham Inc. and Tigerair Taiwan Co., Ltd. | 4                | 100%            |
| Independent Director                                           | Hung, Lee-Jung | 2022.06.23          | Department of Accountancy, National Cheng Kung University<br>CPA and Partner of Pricewaterhouse Coopers Taiwan<br>Independent director of Advanced International Multitech Co., Ltd. and Kuen Ling Machinery Refrigerating Co., Ltd.         | 4                | 100%            |

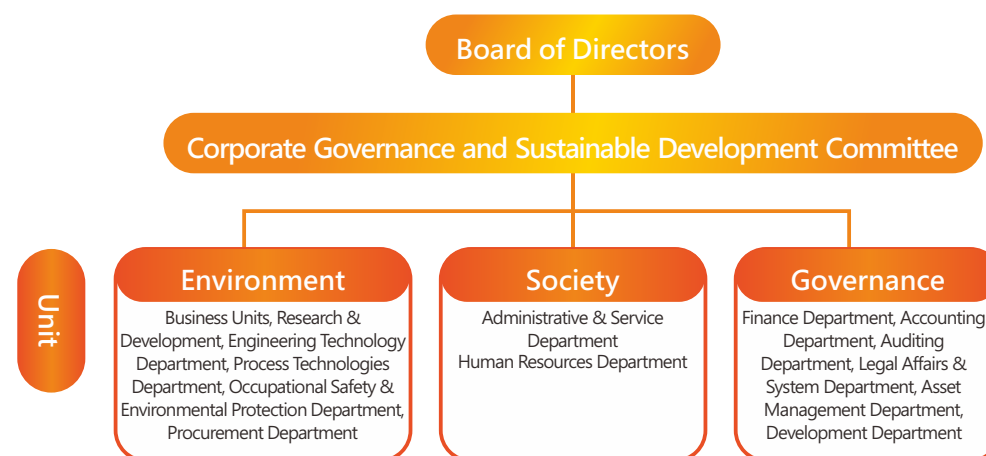
| Title                | Name          | Date of Appointment | Education/Work Experience                                                                                                                                                                             | Attendance times | Attendance rate |
|----------------------|---------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------------|
| Independent Director | Lo, Li-Chun   | 2022.06.23          | PhD in Management, Hong Kong Polytechnic University<br>CEO of Protrend Management Consulting Co., Ltd.<br>Co-director of the Chinese Family Legacy Research Center, Hang Seng University of Hong Kong | 4                | 100%            |
| Independent Director | Lu, Gin-Cheng | 2022.08.03          | Master of Laws, National Chengchi University<br>Partner Lawyer of Huili Law Firm                                                                                                                      | 4                | 100%            |

✖Please check the Company's website or Annual Report for more information about the Remuneration Committee.

## Corporate Governance and Sustainable Development Committee

- 📍 Established on November 5, 2021, it is currently in its second term. Current term: June 23, 2022 to June 22, 2025
- 📍 Made up of 7 members and 4 independent directors, our Corporate Governance and Sustainable Development Committee aims to review and assess the risks from the ESG issues closely related to the Company's core business and formulate management policies or strategies accordingly to move towards a sustainable future in a purposeful, systematic, and organized manner.

### Structure of Corporate Governance and Sustainable Development Committee



- Members have expertise in environment, society, or corporate governance.
- For more information, please refer to Eternal 2024 Annual Report: Explanation of corporate governance. P70-73
- The main purpose of the Corporate Governance and Sustainable Development Committee is responsible for the matters below:
  - Review "the Sustainable Development Best Practice Principles of Eternal Materials Co., Ltd." and "the Governance Regulations of Eternal Materials Co., Ltd." .
  - Map out annual plans and strategic direction for sustainable development, as well as review ESG reports.
  - Develop business sustainable development projects and activity plans and follow-up on and review their implementation results.

#### Professional qualifications of committee members

| Title                        | Name           | Expertise                                        |
|------------------------------|----------------|--------------------------------------------------|
| Convener and Chairman        | Kao, Kuo-Lun   | Business administration and corporate governance |
| President                    | Mao, Hui-Kuan  | Business administration and corporate governance |
| Chief Administration Officer | Chu, Jui-Hsin  | Business administration and corporate governance |
| Independent Director         | Hung, Lee-Jung | Accounting and taxation                          |
| Independent Director         | Lo, Li-Chun    | Finance                                          |
| Independent Director         | Chen, I-Heng   | Human Resources                                  |
| Independent Director         | Lu, Gin-Cheng  | Legal                                            |

For other important positions of members of the governance unit, please refer to the "I. Information on Directors, Supervisors, and Key Managers" in our 2024 annual report. P5-21

## Nominating Committee

- It was established on November 10, 2023 and is currently in its first term. Current term: November 10, 2023 to June 22, 2025.
- The Nominating Committee of Eternal is comprised of 4 members, all of whom are independent directors. It serves to improve the functioning of the Board of Directors of the Company and to strengthen the management mechanism.

- With the authorization of the Board of Directors, to exercise the care of a prudent administrator, to perform faithfully the following duties and to submit proposals to the Board of Directors for discussion:

- Formulate the criteria for the diversity of backgrounds, including expertise, skills, experience, and gender, as well as independence required of individual Board members, as well as identify, review, and nominate candidates according to the criteria.
- Construct and develop the organizational structure of the Board of Directors and functional committees, conduct performance evaluation for the Board of Directors, functional committees, and individual Board members, as well as assess the independence of independent directors.
- Formulate and regularly review continuing education programs and succession plan for directors.

#### Professional qualifications and experience of members of the committee

| Title                             | Name           | Expertise               |
|-----------------------------------|----------------|-------------------------|
| Convener and Independent Director | Lu, Gin-Cheng  | Legal                   |
| Independent Director              | Hung, Lee-Jung | Accounting and taxation |
| Independent Director              | Lo, Li-Chun    | Finance                 |
| Independent Director              | Chen, I-Heng   | Human Resources         |

## Statement of sustainable development strategy

Eternal is committed to the sustainable growing corporate concept by continuously shaping law-abiding, trustworthy, ethical (public morality, ethics, and character) culture, creating a nice and clean workplace, and giving back to society.

In order to fulfill our environmental responsibility, we not only invest heavily in equipment and improvement, but also actively develop eco-friendly green products to minimize their impact on the environment.

In terms of safety management, Eternal has been devoting to industrial safety, hygiene, and fire protection. In addition to continuously reviewing and improving manufacturing safety, we also organize regular education and training to fully implement relevant knowledge in our work environment.

Employees are an important asset to a company. In addition to complying with various labor laws and regulations, Eternal is also committed to taking care of the physical and mental health of our employees, constantly reviewing various employee welfare measures and training systems to maintain good interaction and a harmonious relationship between labor and management.

Eternal has always been conscious of environmental protection, social welfare, and corporate governance, and been responsible to our stakeholders.

## Policy commitments

Eternal is always in line with the UN Sustainable Development Goals (SDGs) by fulfilling our responsibilities as an earth citizen in environmental protection, social welfare, and corporate governance. We are committed to complying with domestic and international laws and regulations on issues such as employment, respect for human rights, promotion of good health and well-being, prohibition of child labor, and climate action.

To fulfill our sustainable development goals, we have explicitly stipulated the following principles:

- 📍 Implement corporate governance.
- 📍 Develop a sustainable environment.
- 📍 Maintain social welfare.
- 📍 Strengthen the disclosure of sustainable development information.

## Make policy commitments

Eternal is a law-abiding and ethical company with a corporate culture and business philosophy of being "lawful, trustworthy, and ethical". We have constructed a system of work ethics and compliance, developed internal standards, and established a good corporate governance and risk control mechanism that is applicable to our directors, supervisors, managers, employees, appointees, and any individual with substantial control rights of the Company and the group. Internally, we conduct trainings and advocacy campaigns to deepen our corporate culture of being "law-abiding, trustworthy, and ethical", and work together with our customers and suppliers to create a sustainable and mutually beneficial business environment.

Relevant integrity management and ethical behavior standards:

- 📍 Corporate Governance Regulations
- 📍 Integrity Code of Conduct
- 📍 Compliance Management Regulations
- 📍 Implementation and Management Regulations for the Reporting System
- 📍 Management Standards for Handling Major Internal Information and Preventing Insider Transactions

## Risk Management

### The role of the highest governance unit in supervising impact management

**Assessment scope: All departments of the Company**  
**Identify and prioritize issues**

- ① Issue collection channels: Issue reports, laws and regulations, complaint channels, and issue development trends.
- ② Issues: Coverage of issues related to operational performance, product delivery time, employee remuneration, and supplier evaluation.
- ③ Review the corporate value chain: Identify potential human rights issues related to stakeholders', including suppliers, employees, and customers.
- ④ Discuss with responsible departments and stakeholders to determine what issues have significantly negative impacts on different stakeholders.

**Assessment scope: All departments of the Company**  
**Identify and prioritize issues**

- ① Responsible department: Once the issues are identified, we will talk to the departments relevant to the stakeholders, such as procurement, human resources, environmental engineering, and administrative department.
- ② Convene an interdepartmental group meeting to discuss each unit's management planning for each issue, corresponding management objectives, and possible remedies, and to identify if there are any issues that need to be strengthened. significantly negative impacts on different stakeholders.

**The highest governance unit will review the results of the implementation and improvement plans every year to fully fulfill its role to perform due diligence.**

- ① Assess the management performance of these issues, determine the need to take improvement and corrective measures.
- ② Compile into a report and use it as a reference for improvement measures in the following year.
- ③ Regularly review the progress according to the above procedure every year.

## ■ The person in charge of impact management

- 📍 Eternal formed the Corporate Governance and Sustainable Development Committee in 2021 as a dedicated unit for sustainable development to keep up to date with sustainability trends, analyze sustainable issues such as governance, environment, and society, and combine our core businesses with product innovation and services to map out our strategic sustainability direction and project implementation.
- 📍 As the highest supervisor to implement the committee's resolutions, President of Eternal specifies the main responsibilities of each department. The highest supervisors of each unit strictly abide by and implement the internal control system by conducting advocacy campaigns and develop an accountable, information-controlled, and supervised mechanism.

## ■ Procedures for remedying negative impacts

### Precautionary principles or policies

Since its establishment, Eternal has duly complied with relevant domestic and international laws and regulations, and formulated the "Compliance Management Regulations", and all relevant units are required to review laws and regulations and revise internal regulations accordingly at any time. The Legal Affairs & System Department also urges and assists relevant units in revising relevant internal rules and regulations every year to meet legal requirements. Depending on the Company's actual needs, all relevant units may hold relevant education and training on their own or by entrusting professionals, in the hope that all employees will understand and abide by the laws and regulations, and avoid violating the laws and regulations. With this early warning principle in place, we can reduce the Company's risk of violations.

### Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

Eternal has established compliance and management regulations for the "Antitrust Law" as the basis for compliance of the employees. Since its establishment, the Company has not been involved in legal disputes or legal actions for anti-competitive behavior, anti-trust, and monopoly practices. No failure of compliance with the aforementioned laws and regulations has occurred at the Company.

### Non-compliance with laws and regulations in the social and economic area

The Company strictly abides by relevant domestic and international laws and regulations. In 2024, there was no significant fine or non-monetary sanction for any material violation in the social and economic fields.

**Establish relevant regulations such as the whistleblower system to protect whistleblowers, and assign specialized units or personnel to keep their identity and what they report confidential.**

## The reports of wrongdoings will be compiled quarterly for

①number of reported cases. ②number of accepted cases. ③number of unaccepted cases. Description of the reported cases and the acceptance status will be reported to independent directors.

## Integrity and Ethics

### ■ Conflict of interest

Eternal avoids conflict of interest through layers of procedures:

- 📍 Eternal has explicitly stipulated the clause of directors' recusal for conflicts of interest in our "Rules Governing the Meeting of the Board of Directors", "Ethical Corporate Management Best Practice Principles", and the Company's "Corporate Governance Regulations". In the event of an agenda item representing a conflict of interest for a director or the juridical person he or she represents, he or she shall disclose the conflict at the meeting and refrain from the discussion and voting on the item. He or she shall also recuse themselves from the discussion and voting on the item and shall not exercise the voting rights on behalf of any other director of the Board.
- 📍 Directors shall uphold a high degree of self-discipline. If a proposal listed on the agenda of a Board meeting involves a director's personal interests, which may undermine the Company's interests, he/she shall recuse themselves, and shall not participate in discussions and voting, nor shall they exercise the voting rights on behalf of any other director. Directors shall also exercise self-discipline and shall not support one another in improper dealings.
- 📍 When the Company and its affiliated enterprises engage in inter-company business transactions, we will enter into written agreements for the business transactions as per the principle of fairness and reasonableness. Price conditions and payment methods shall be clearly established in contracts to eradicate unconventional trade violations. All transactions or contracts made by and between the Company and its related parties and shareholders shall follow the principles set forth in the preceding paragraph, and improper channeling of profits is strictly prohibited.
- 📍 Please refer to the 2024 Annual Report for details of related party transactions that should be disclosed in accordance with relevant securities laws and regulations: ①Information on the Board of Directors, supervisors, and managers ②Operation of the Audit Committee ③Operation of the Board of Directors ④Information on the top ten shareholders with most shares and who are related parties to each other ⑤List of major suppliers and customers ⑥ More information about our affiliates can be found in our 2024 consolidated financial report.



## Communicate key major incidents

In addition to holding regular board meetings, our management team will also regularly provide important reports and information to the directors:

- ① Accounting Department: Deals with monthly financial information and quarterly financial reports
- ② Internal Audit Department: Deals with quarterly internal audit reports
- ③ Our Board members will keep a close contact with our management team to address major incidents.

For more information, please refer to Eternal 2024 Annual Report: Explanation of the operation of the Board of Directors and committees. P18-26

## Anti-corruption

### Management Approach

According to the United Nations Convention Against Corruption, all countries should take measures in accordance with the fundamental principles of their laws against corporate corruption and ensure their internal control mechanisms can prevent and detect corruption. Eternal has a "law-abiding, trustworthy, and ethical" corporate culture and runs business with integrity. In accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" issued by the Taiwan Stock Exchange and the Taipei Exchange, we have formulated our "Code of Integrity Management for Eternal Materials" approved by the Board of Directors and submitted to the shareholders' meeting. In order to actively prevent dishonest behavior, the Code of Conduct has been formulated to implement good corporate governance and risk control mechanisms by stipulating the rules and regulations to be followed, prohibited items, and various measures such as whistle-blowing, which specifically regulate the matters that should be taken into account by the directors, managers, and employees in the execution of their business operations. To establish a robust corporate governance system, we have formulated the "Governance Regulations for Eternal Materials" approved by the Board of Directors pursuant to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies". The regulations explicitly stipulate the principles for our shareholders, customers, employees, consumers, communities, and other stakeholders to act with integrity, and respect and safeguard their legitimate rights and interests.

### Impact

★ Negative impact:

- ① Increase business risks: Anti-corruption measures may pose a risk to a company. If a company is suspected of corruption or other illegal activities, it may be subject to government investigation, fines, or penalties.
- ② Increase compliance costs: Eliminate improper behaviors: Anti-corruption measures may eliminate improper behaviors in a company, such as corruption and bribery. This can help establish a fair and transparent business environment and boost the company's competitive advantage.

★ Positive impact

- ① Impact on corporate image: If a company is suspected of corruption or other illegal activities, it may damage its own image and reputation, thereby affecting its market position and brand value.
- ② Eliminate improper behaviors: Anti-corruption measures may eliminate improper behaviors in a company, such as corruption and bribery. This can help establish a fair and transparent business environment and boost the company's competitive advantage.

### Impact on Value Chain

| Major Issues    | Management Procedures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Special Actions                                                         | Impact Scope |         |            |
|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|--------------|---------|------------|
|                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                         | Upstream     | Eternal | Downstream |
| Anti-corruption | <ul style="list-style-type: none"> <li>According to the "Code of Integrity Management for Eternal Materials", we take actions to assist our customers, suppliers, and business partners to recognize and practice our company's integrity management policies and corporate culture.</li> <li><b>Print awareness campaigns:</b> The Human Resource Department conducts education awareness campaigns in due course during pre-employment training for new employees, whereas for the rest of the existing employees at the Company, internal awareness campaigns are held via company announcements or in company publications each year.</li> <li><b>Awareness courses:</b> The Company provides both face-to-face and digital courses to provide guidance on the concepts of corporate governance, internal control, and legal compliance (including anti-corruption, ethical corporate management, and insider trading), which were attended by a total of 1946 people, thus representing an achievement rate of 99% (11,676 minutes in total).</li> <li>The Company requires all suppliers to sign a supplier code of conduct as part of the business philosophy, and the supply chain is seen as an important extension of their value chain. In order to ensure the safety of working environment in the supply chain, to protect the respect and dignity of employees, to protect the environment and to comply with ethics, the Company not only requires suppliers to fully comply with the laws and regulations of the countries/regions in which they operate, but has also established the Supplier Code of Conduct to encourage suppliers to comply with in all aspects of their business practices.</li> </ul> | We will arrange online training and tests every year for our employees. | Direct       | Direct  | Indirect   |

## Effective evaluation and tracking

Generally speaking, the impact of anti-corruption on a business depends on whether it complies with anti-corruption laws and regulatory standards, as well as whether it has good business ethics and moral hazard management mechanisms. If a business can comply with anti-corruption laws and regulatory standards, and establish a robust risk management system, their anti-corruption measures will have a positive impact. There were no fraud or corruption cases for Eternal in 2024.

## Operating Performance

### Management Approach

We are committed to producing products of the highest quality to serve our customers, care for our employees, respect the rights and interests of our stakeholders, strengthen various corporate governance systems, and fulfill our corporate social responsibility.

### Strategy and commitment

“Research and innovation” are why Eternal continues to grow. We have been making technological development and improvement with a commitment to “quality, reputation, innovation, and service” to make more quality products for the public to grow sustainability with leading technologies. “We plan for a sustainable future to create a global brand.” With a broader international perspective, we strive to deepen our efforts in key global markets to become a world-class material supplier. Looking ahead in a fiercely competitive global environment, we will continue to pursue breakthroughs and growth and face new challenges confidently and responsively to take our business to another level.

### Target

Future research will align with the development trends of 5G, semiconductors, electric vehicles, in vitro diagnostics in biomedicine, and green materials. The Company will focus on deploying key materials and establishing new core technologies to rapidly respond to customer needs and accelerate time-to-market for products.

- We will deepen our efforts in the Greater China market, expand market penetration in response to industry trends, stabilize our base and increase sales of niche products.
- Explore emerging markets in ASEAN countries and India and expand regional sales by taking advantage of the local production capacity, tariffs, and transportation costs of the Malaysian factory; at the same time, establish strategic partnership with major international companies in Asia and strengthen business operations and product development capabilities.

Faced with ever-changing industrial trends and market competition, we will strengthen our operational management capabilities, integrate internal and external resources, stabilize existing markets, and actively expand to emerging regions with a clear strategic direction, long-term R&D momentum and an extensive sales network. We will also respond to global trends such as net zero carbon reduction to stay competitive with investment in key materials.

#### Specific actions:

We will look to build our production bases in Southeast Asia by purchasing lands near our Malaysian factory and seeking other expansion locations in Southeast Asia for future expansion.

### Description of Positive and Negative Impact

| Affected item      | Negative impact                                                                                                                                                                                                                                                                                                                 | Positive impact                                                                                                                                             |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Management team    | Improper internal management, incompetent management team or mistakes may lead to a decline in corporate performance.                                                                                                                                                                                                           | A company led by a management team with extensive experience and professional knowledge typically has better business performance.                          |
| Financial Position | A company that fails in investment or has inappropriate strategies may face financial difficulties and decline, thereby affecting its performance.                                                                                                                                                                              | A business with good financial conditions typically has easier access to financial support and gain an advantage in the market.                             |
| Product technology | More R&D is required to enhance product technology of a company, thus resulting in more R&D costs and less operational efficiency. This also involves technology development risks, such as technical bottlenecks, and product development failures that may have a negative impact on the business performance of the company. | Enhancing product technology can bring more innovative products, thereby meeting customer needs, boosting market competitiveness and revenue profitability. |

## Impact on the Value Chain

| Management Procedures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Special Actions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Scope of impact |                   |            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------------------|------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Upstream        | Eternal Materials | Downstream |
| <ul style="list-style-type: none"> <li>● Drastic changes in raw material supply and shipment caused by various factors may put a burden on the company's operations and profits. In addition to integrating upstream raw material manufacturing, we also seek oversea raw material supply to stay competitive in bargaining the price with our suppliers. Additionally, the Company enhances supply chain data analytics and AI forecasting to mitigate risks related to raw material and logistics volatility. In terms of sales, the Company controls changes in the prices of raw materials at any time and adjusts the sales strategy in a timely manner.</li> <li>● Some of our downstream customers moved out to Southeast Asian, and a few of them have been buying raw materials from local suppliers since; also, restricted by the high regional tariff, we need to plan early by setting up Malaysian Factory for better serving our customers and to avoid potential risks.</li> <li>● In response to changes in China' s manufacturing value-added tax and increasing regional competition, the Company enhances product competitiveness through differentiated products, technological R&amp;D, and flexible capacity allocation, aiming to avoid price-based competition.</li> <li>● The formation of RCEP has led to higher tariffs for exports from Taiwan' s manufacturers. In addition to arranging flexible shipment from different factories to prevent cost increases caused by tariffs, we will also actively strengthen our R&amp;D and process capabilities to enhance our overall cost competitiveness.</li> <li>● In response to Trump' s tariff policies, the Company has adopted supply chain diversification and flexible adjustments, while leveraging government policy resources to enhance flexibility in market strategies, thereby maintaining competitiveness and ensuring stable development.</li> </ul> | <p>Explore emerging markets in ASEAN countries and India and expand regional sales by taking advantage of the local production capacity, tariffs, and transportation costs of the Malaysian factory; at the same time, establish strategic partnership with major international companies in Asia and strengthen business operations and product development capabilities.</p> <p>Upgrade to digitalized and automated manufacturing to reduce production costs and enhance overall competitiveness.</p> | Direct          | Direct            | Indirect   |

## Overview of Economic Value

The Company' s consolidated revenue in 2024 amounted to NT\$44.2 billion, an increase of 4% compared to 2023. In respect of operating performance, our net profit before tax reached NT\$2.744 billion, an increase of 26% compared to 2023; net profit attributable to owners of the parent company was NT\$1.835 billion; and earnings per share stood at NT\$1.56.

In 2024, Eternal's three major industry segments accounted for 47.71% of revenue from synthetic resins, 25.53% from electronic materials, and 26.31% from specialty materials, with synthetic resin shipments taking the lead and stabilizing, resulting in only a slight decrease in revenue compared to the previous year, while electronic materials and specialty materials suffered from the lagging effect of the recovery of the electronics industry, resulting in a more pronounced drop in revenue compared to the previous year.

## Direct Economic Value Generated and Distributed

|                                 |                      | Year | 2024       | 2023       | (%)     |
|---------------------------------|----------------------|------|------------|------------|---------|
| Item                            |                      |      |            |            |         |
| Direct Economic Value Generated | Consolidated Revenue |      | 44,191,125 | 42,451,576 | 4.10%   |
| Economic Value Distributed      | Operating Costs      |      | 35,366,648 | 34,304,310 | 3.10%   |
|                                 | Operating Expenses   |      | 6,654,659  | 6,232,499  | 6.77%   |
|                                 | Welfare Expenses     |      | 11         | 29         | -62.07% |
|                                 | Income Tax Expenses  |      | 870,034    | 690,378    | 26.02%  |
| Economic Value Retained         |                      |      | 1,299,773  | 1,224,360  | 6.16%   |

For detailed financial data, please refer to our 2024 financial report:

[https://mopsov.twse.com.tw/mops/web/t57sb01\\_q1](https://mopsov.twse.com.tw/mops/web/t57sb01_q1)

Note: For the entities included in the organization's sustainability reporting, please refer to the "Market Observation Post System > Individual Company > Electronic Document Download > Financial Reports / Disclosure of Affiliated Enterprises Section" for more details.

## Legal Compliance

- 📍 Definition of major violations of regulations: Refers to a single incident that has caused a work or business to be suspended temporarily or permanently by a regulatory authority or with a cumulative fine is NT\$1 million or more in accordance with the "Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities" .
- 📍 The total number of major regulatory violations that occurred during the reporting period: No such violation.
- 📍 The total amount and number of fines paid for violations of regulations during the reporting period: No such violation.
- 📍 Describe major violations: No such violation.
- 📍 No such violation occurred in the previous year.

# Environmental Management Policy

## ● Sustainable Management Policies and Guidelines

Eternal adheres to the business philosophy of sustainable growth and shapes corporate culture of law-abiding, trustworthy, ethical (civility, ethics, and morality), giving back to society, and creating a clean and pleasant work environment. In addition to pursuing profit and protecting shareholders' rights and interests, Eternal has focused on fulfilling our environmental responsibilities and giving back to society. Therefore, as "environmental protection" and "safety first" are our primary goals and concepts, we have implemented enhanced internal safety control to avoid environmental impact caused by abnormal safety accidents while strictly monitoring the environmental indicators of emissions from production and operations. Furthermore, we continue to invest in quality equipment, establish a sound management system, create a clean and pleasant work environment, and adopt sustainable development as our business philosophy. To fulfill our social responsibility and respect life and protect the Earth, we are committed to the following principles:

### Comply with regulations and meet all requirements

Safety, health, and environments protection are indispensable parts of business development. We will abide by laws and regulations, implement all operational management, ensure the safe operations of facilities, and protect the safety of employees and the work environment.

### Full participation from employees for continuous improvement

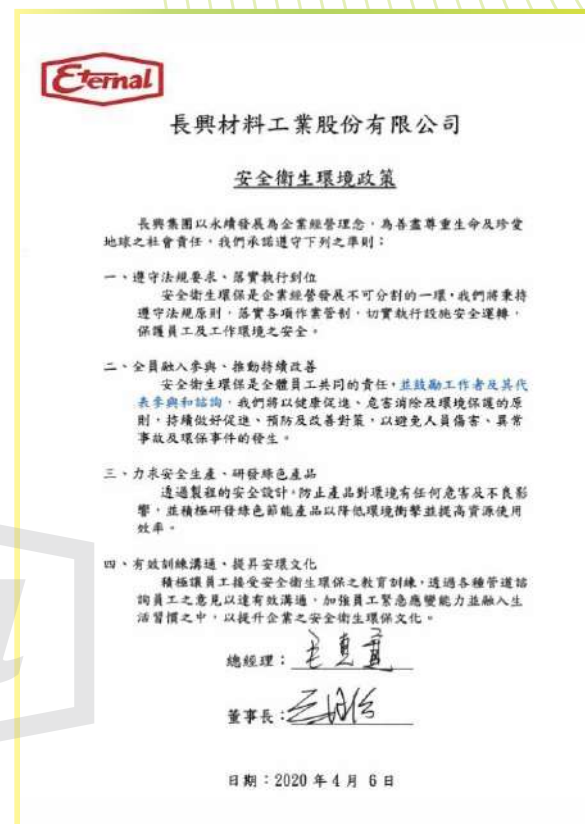
All employees are responsible for safety, health, and environmental protection. We encourage workers and their representatives to participate and inquire about relevant issues. We will continue the promotion, prevention, and improvement measures to prevent injuries, abnormal accidents, and environmental incidents based on the principles of health promotion, hazard elimination, and environmental protection.

### Prioritize safe production and develop green products

The Company adopts safe designs of the manufacturing process to prevent all hazards and negative effects of our products on the environment. We also actively research and develop energy-saving products to reduce environmental impact and improve the efficiency in the use of resources.

### Effective training and communication to improve the safety and environmental protection culture

We actively encourage employees to receive training on safety, health, and environmental protection, and ask employees about their opinions, through different channels to achieve effective communication. We also enhance employees' emergency response capacity and integrate them into their daily routines to enhance the Company's safety, health, and environmental protection culture.



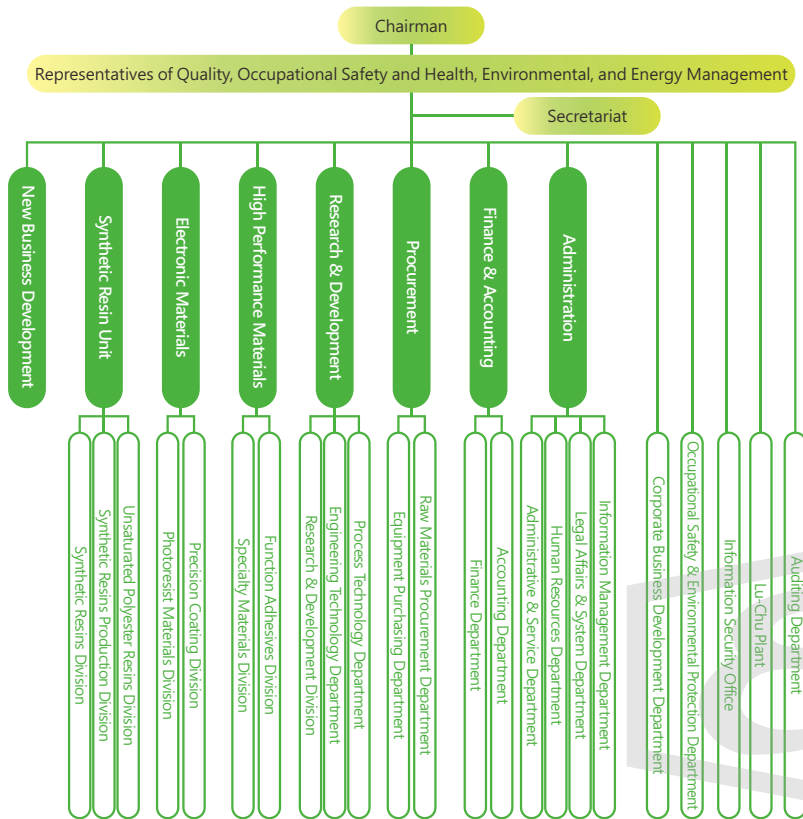
## ● Environmental Management System

Eternal has explicitly stipulated the establishment of a Total Quality Management (TQM) Committee in its Comprehensive Quality Management Procedures to effectively establish management systems and ensure their implementation across its affiliated companies. The Company clearly stated that each production plant should pass the ISO 14001 environmental management system certification within two years after formal mass production to ensure that various emissions and waste treatment are in compliance with international standards and Plan-Do-Check-Act (PDCA) management requirements, and should identify material environmental issues systematically and implement improvement projects to continuously improve environmental performance.

To integrate the management systems of various management mechanisms, ISO 14001 is built on the existing foundation of ISO 9001, and we will introduce and integrate the ISO 45001 occupational safety and health management system and the ISO 50001 energy management system subsequently.



## Total Quality Management Committee



## Safety and Environmental Protection Committee of Eternal Group

Eternal established the Safety and Environmental Protection Committee of Eternal Group in 2017. The President assigned the Director of Environmental Engineering to serve as the convener of the Group's Safety and Environmental Protection Committee. The heads of business units, the Director of the Process Technology Department, the Director of the Engineering Technology Department, the Director of the Research & Development Division, and the Manager of the Lu-Chu Plant serve as members of the committee. Each committee member assigns appropriate personnel to serve as safety officers to assist with the execution of the work. The Occupational Safety and Environmental Protection Department serves as the Executive Secretary of the committee and sets out the committee's responsibilities:

- ① Review and promote the planning and implementation of the Eternal's safety and environmental protection work.
- ② Integrate Company resources and standardize safety and environmental regulations.
- ③ Integrate Company resources and improve the performance of units with poor safety and environmental performance.

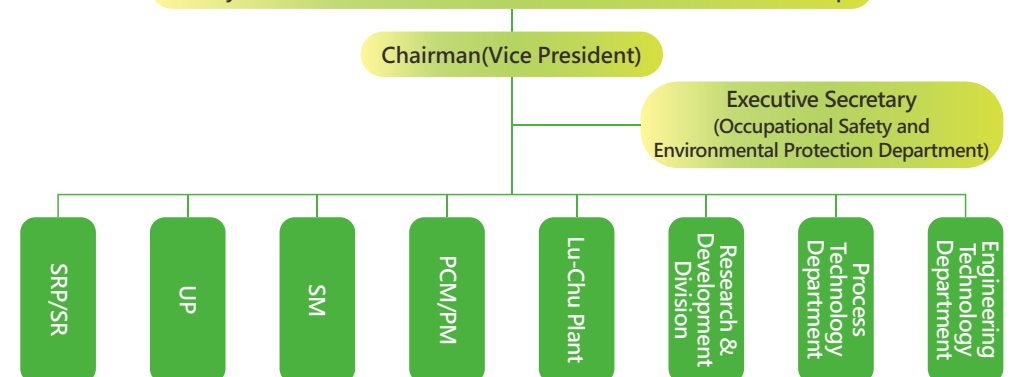
The committee reviews, discusses, promotes, and monitors performance quarterly. If a meeting concludes that it requires the Company to invest resources in a project, it will be executed after it is reported to and approved at a senior management meeting chaired by the Chairman. The President presides over the committee meeting every six months in person, and requests the managers of various plants in Taiwan, China, and Malaysia to participate in the meeting to report on the implementation by each plant. The committee has greatly contributed to the Company's safety and environmental protection performance and the improvement of safety and environmental awareness of employees in all departments.

## Scope of the Environmental Management System

The certification scope of the environmental management systems—ISO 14001, ISO 14064-1, ISO 50001, ISO 45001, and ISO 9001—already covers production plants in Taiwan, China, and Malaysia. The Company promotes and continuously improves environmental initiatives using a unified management standard.

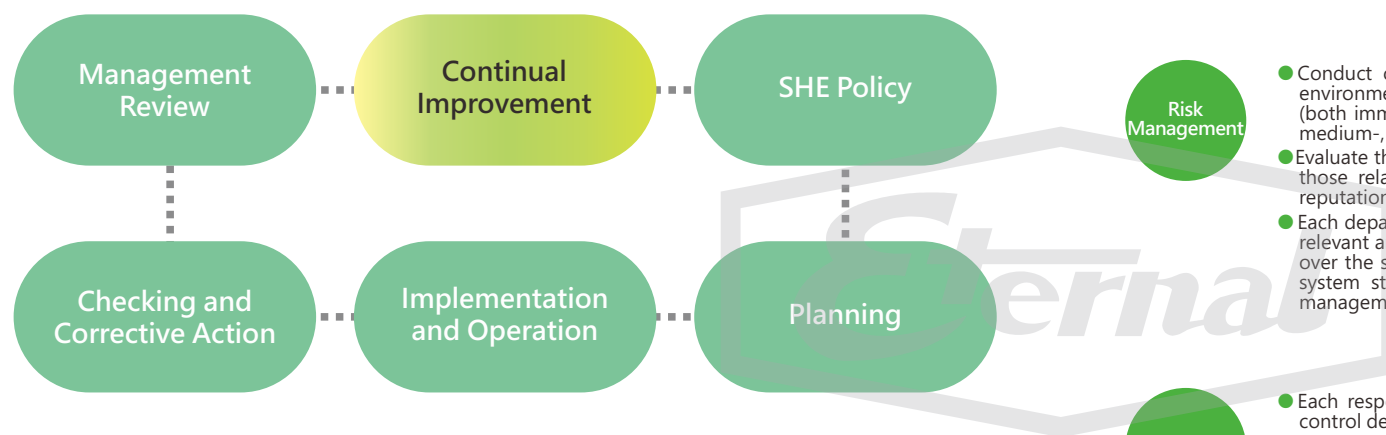


## Safety and Environmental Protection Committee of Eternal Group



## Environmental Management Planning, Monitoring, and Review

The Company adheres to ISO 14001, ISO 50001, and ISO 14064-1 system to identify issues related to production, operation activities, energy conservation and carbon reduction, and the environment inside and outside the organization and formulates various environmental protection programs, energy conservation and carbon reduction programs, training sessions, and implementation projects, and arranges projects based on various critical environmental indicators for monitoring and measurement to ensure that all environmental pollutants discharged by each plant are in compliance with laws and regulations and the plant's stringent standards. We also proactively launched response plans for climate change PDCA Cycle to review the management process while monitoring effectiveness through audits.



## Climate Change Risk and Opportunity Governance

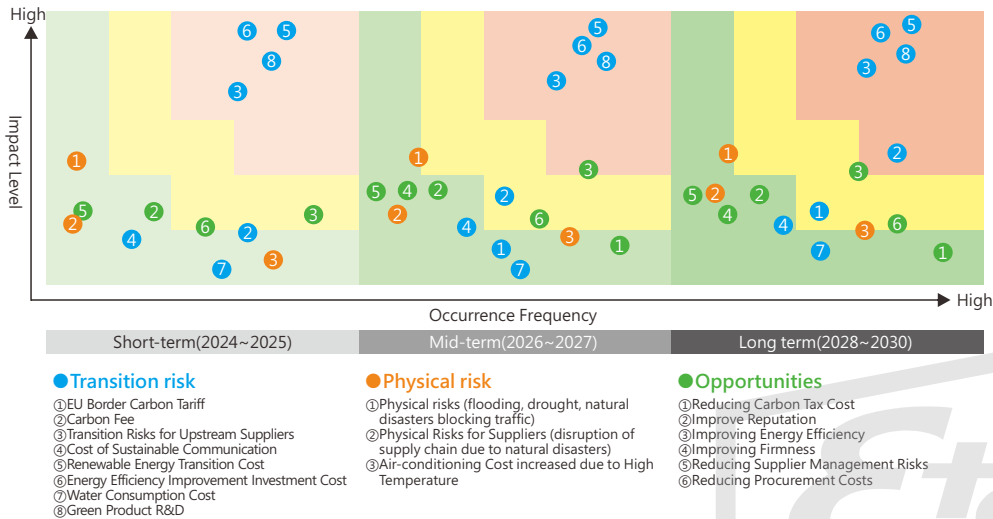
Since 2022, Eternal has gradually adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework. In the same year, Eternal published and disclosed the first issue "TCFD Report." Climate-related risks and opportunities are evaluated annually, with relevant financial data disclosed accordingly. Through comprehensive qualitative and quantitative scenario analysis, integrated with Eternal's existing risk management policies and governance structure, the Company conducts rolling scenario updates to strengthen the connection between climate-related financial impacts and financial reporting elements. Identified material risks and opportunities are incorporated into the internal and external issues analysis and action plan management of the ISO 14001 environmental management system or the ISO 50001 energy management system. This enables the Company to track progress and outcomes effectively, thereby supporting the achievement of its environmental sustainability goals.

## Summary of Eternal's Implementation of the Four Core Elements of TCFD

- Governance**
  - The Board of Directors serves as the highest governance body for climate change, overseeing the governance and management of climate-related issues. A Corporate Governance and Sustainable Development Committee is established under the Board.
  - The Corporate Governance and Sustainable Development Committee is convened by the President and composed of the heads of each department. It is responsible for formulating response strategies and management policies for various climate-related risks and opportunities, and reporting regularly to the Board of Directors.
  - Leveraging the Company's existing cross-functional task force structure, the Occupational Safety and Environmental Protection Department and the Process Technology Department serve as the primary strategy executors. They are responsible for tracking the progress and outcomes of environmental sustainability indicators across business units, identifying relevant environmental sustainability issues, and monitoring risks, opportunities, and countermeasures related to climate change.
- Risk Management**
  - Conduct climate change risk scenario analyses based on water resources and average environmental temperatures at each production site, assessing the potential physical risks (both immediate and long-term) and impacts of climate change on the Company's short-, medium-, and long-term business operations, policy development, and financial planning.
  - Evaluate the transition risks the Company may face in response to climate change, including those related to policies and regulations, market dynamics, technological changes, and reputational concerns.
  - Each department, involving stakeholders from the supply chain, R&D, operations, and other relevant areas, identifies the transition risks and physical risks that climate change may pose over the short, medium, and long terms. In accordance with the revised ISO management system standards, climate action and change are incorporated into the corresponding management items.
- Strategy**
  - Each responsible department uses a risk and opportunity matrix to develop climate risk control decisions and implements corresponding action plans accordingly.
  - Through the Company's existing functional management committees, climate risk control measures and environmental sustainability action plans at each production site are regularly reviewed and monitored.
  - Regional climate risk and opportunity response strategies and management guidelines are established to strengthen the resilience of operational and production sites against short-term physical risks.
- Metrics and Targets**
  - Regularly report greenhouse gas emissions from each production site to the Board of Directors.
  - Disclose the following climate-related sustainability performance indicators in the annual sustainability report, with third-party external verification.
    - ▲ Direct and indirect greenhouse gas emissions, including those generated throughout the supply chain due to operational activities.
    - ▲ Energy consumption by type and corresponding energy intensity.
    - ▲ Water usage and corresponding water intensity.
  - Committed to achieving environmental sustainability goals (refer to the "Energy Conservation and Carbon Reduction" section) to enhance Eternal's resilience to climate change risks.

## Short, medium, and long-term climate-related risk and opportunity matrix

We conduct such assessments to achieve the short-term goal from 2024 to 2025, the mid-term goal from 2026 to 2027, and the long-term goal from 2028 to 2030. To address the current climate change risk opportunity issues, we will assess the level of impact and the likelihood of occurrence of these issues on our operations based on our existing measures, simulated scenarios, and the correlation with these issues to draw the Company's risk opportunity matrix (see below).



## Financial Impact Analysis of Material Climate-Related Risks and Opportunities

Eternal uses a cross-matrix of impact level (financial: based on the proportion of annual revenue affected; non-financial: based on the scope of operational impact) and likelihood of occurrence to assess the significance of climate-related risks and opportunities. This analysis helps determine their potential impact on operations and supports the development of corresponding response strategies and management indicators. Execution results are regularly reported to senior management.

| Climate Risks and Opportunities                                  | Risk and Opportunity Scenarios                                                                                                                                                                                                                                                                        | Operational Impact                                                                                                                                                                                                                                                                                                                                                  | Strategies                                                                                                                                                                                                                                                                                                            | Management Metrics or Targets                                                                                                                                                                                                                                              |
|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Transition risk<br>Renewable energy and green electricity demand | <ul style="list-style-type: none"> <li>In Taiwan, the amended Renewable Energy Development Act was officially enacted in April 2019.</li> <li>In Mainland China, enterprises located in economic development zones are required to meet a specified proportion of green electricity usage.</li> </ul> | In the short and medium term, the Company's facilities already comply with local regulatory requirements and have been investing in renewable energy infrastructure since 2021, resulting in limited cost impact. However, in the long term, as the required proportion of green electricity increases, the Company anticipates a significant rise in energy costs. | <ul style="list-style-type: none"> <li>While developing new types of green products, the Company is also establishing renewable energy market distribution channels to boost market share.</li> <li>Entering into long-term green power purchase agreements to secure a stable supply of renewable energy.</li> </ul> | <p><b>Energy intensity</b><br/>Reduce overall energy intensity by 15% by 2030 compared to the base year.</p> <p><b>Increase in renewable energy share</b><br/>Achieve a renewable energy usage rate equivalent to 10% of total global electricity consumption by 2030.</p> |

| Climate Risks and Opportunities                                             | Risk and Opportunity Scenarios                                                                                                                                                                                                                                                                                                                                            | Operational Impact                                                                                                                                                                                                                                                                                                                                                       | Countermeasures                                                                                                                                                                                                                                                                                                                                                                                                            | Management Metrics or Targets                                                                                                                                                                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Transition risk<br>Volatility in upstream petrochemical raw material prices | <ul style="list-style-type: none"> <li>Taiwan's Ministry of Environment has announced a carbon fee and related sub-laws, with implementation expected to begin in 2026.</li> <li>Most upstream raw material suppliers are among the first entities to be regulated.</li> </ul>                                                                                            | Although the cost of raw materials is expected to increase due to carbon fee pass-through along the supply chain, under the highest estimated rates, the short- to medium-term impact remains limited. However, in the long term, as the carbon fee mechanism becomes more stringent, the impact on raw material costs will become significant and cannot be overlooked. | <ul style="list-style-type: none"> <li>Regularly monitor changes in upstream supply chain prices through raw material carbon footprint analysis and actively develop low-carbon raw material sources.</li> <li>Leverage circular economy principles by developing post-consumer recycled (PCR) resins to effectively reduce fossil resource extraction, petrochemical production, and product carbon emissions.</li> </ul> | <b>Supply chain emissions reduction</b><br>Gradually reduce Categories 3-6 emissions annually, aiming for a 20% reduction by 2030.                                                                                                                                                                                                                                                    |
| Opportunities<br>Investment in renewable energy                             | <ul style="list-style-type: none"> <li>Following the COP26 summit, countries around the world have committed to phasing out coal, reducing dependence on fossil fuels, and reducing methane leaks.</li> <li>Both governments and corporations are accelerating the energy transition, leading to a growing share of renewable energy in overall energy supply.</li> </ul> | In response to global trends, the Company continues to develop key materials for wind, solar, and hydrogen energy, such as lightweight composite materials to replace traditional metal alloys or fiberglass turbine blades. A consistent percentage of annual revenue is allocated to related R&D efforts.                                                              | <ul style="list-style-type: none"> <li>Collaborate with supply chain partners on carbon reduction initiatives, leveraging the Company's influence to reduce carbon fee risks across the value chain.</li> <li>Align in-house carbon reduction needs with renewable energy investment projects by applying internally developed green materials and products.</li> </ul>                                                    | <b>Sales of green R&amp;D products</b><br>Achieve a 50% increase in sales compared to the base year.                                                                                                                                                                                                                                                                                  |
| Opportunities<br>Growing customer demand for low-carbon products            | Influenced by the Paris Agreement, the Carbon Disclosure Project, and sustainability assessments by financial institutions, downstream customers are increasingly expecting supply chains to reduce carbon emissions from raw materials. End consumers may also reduce purchases of non-low-carbon or energy-inefficient products.                                        | In response to carbon reduction requirements—particularly Categories 3-6—certain customers require products with identical chemical composition that incorporate a specified minimum proportion of low-carbon or circular economy-based raw materials.                                                                                                                   | <ul style="list-style-type: none"> <li>Promote green product solutions and emphasize green product performance.</li> <li>Strengthen the management of energy resource efficiency and carbon reduction performance at each production site.</li> <li>Establish a product carbon footprint management system to regularly monitor life cycle carbon reduction outcomes.</li> </ul>                                           | <b>Total emissions and carbon intensity</b> <ul style="list-style-type: none"> <li>Annual carbon emission reduction rate across global production sites: 4.2% per year (base year: 2021)</li> <li>Reduce carbon emissions per unit of product by 1.5%, with 2020 as the base year.</li> <li>Reduce carbon emissions per unit of revenue by 3%, with 2020 as the base year.</li> </ul> |

Eternal's climate-related information is disclosed in the "2024 TCFD Report."



# Energy Conservation and Carbon Reduction Actions

## Impacts and Value Chain Implications



The rise of regional political shifts and the resurgence of protectionism have introduced significant uncertainties to environmental sustainability efforts. At the same time, the World Meteorological Organization has confirmed that 2024 is the warmest year on record. Severe climate disasters caused by extreme global warming result in high demand for energy both in manufacturing and daily life. With the government set to formally implement a carbon fee in 2026, operating costs for businesses are expected to increase. Additionally, downstream customers are imposing stricter requirements on product carbon emissions, further limiting available energy options. In response, Eternal remains committed to environmental sustainability and will continue to implement energy-saving and carbon-reduction initiatives to meet customer's expectations and achieve long-term sustainability goals.

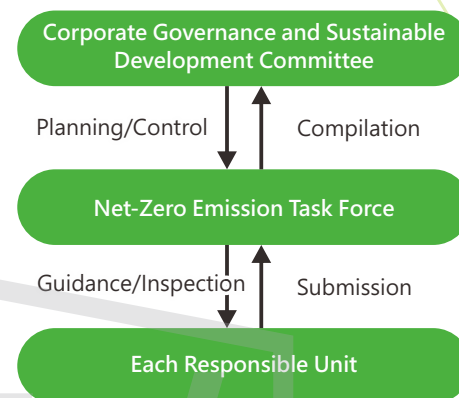
## Policy and Management System

In response to the impacts and risks due to global climate change, the Company has established a Net-Zero Emission Task Force responsible for promoting energy-saving and carbon-reduction initiatives across the entire Group. The task force regularly reports to the Corporate Governance and Sustainable Development Committee under the Board of Directors, conducts effective energy resource risk assessments, and formulates appropriate net-zero strategies. In terms of management systems, Eternal has followed the ISO 50001 standard to develop its energy policy and management procedures, driving the implementation of energy-saving and carbon-reduction projects. By internal and external auditing every plants the energy management annually, Eternal ensures the full execution of a PDCA management cycle on Energy Conservation and Carbon Reduction.

## Energy Conservation Policy



## Energy Management Organization



**Risk Assessment, Policy Development, and Performance Tracking for Environmental (Energy and Resource) Issues**

Convener: Chairman

**Goal Setting, Action Planning and Tracking, Internal and External Information Sharing**

Convener: President

Executive secretary: Occupational Safety & Environmental Protection Department/  
Process Technology Department

**Implementation, Monitoring, and Risk Assessment**

Business Unit/Kaohsiung Mother company/  
Sales Offices/Lu-Chu Plant

## Management System





## Objectives and Performance

In alignment with the international issues and risks of climate change, energy conservation, and carbon reduction, Eternal has set energy baselines and drawn up energy performance indicators in accordance with ISO 50001. Also, Eternal has taken the initiative to declare the reduction of global energy resources and greenhouse gas emission targets. The details are as follows:

| Indicator                    | Benchmark year & annual management goal                                                                                                                 | Performance in 2024                   | Short-term targets for 2030                                                                       | Medium- to long-term targets for 2050                                                                  |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| Energy consumption intensity | Use the average energy consumption intensity from 2016 to 2020 as the baseline. From 2021 onward, reduce energy consumption intensity by 1.5% annually. | Electronic materials: 75.55 (↑ 12.2%) | Achieve a cumulative 15% reduction in energy consumption intensity by 2030.                       | Achieve a cumulative 50% reduction in energy consumption intensity by 2050.                            |
|                              |                                                                                                                                                         | Resins materials: 3,588 (↓ 4.2%)      |                                                                                                   |                                                                                                        |
| Renewable energy development | Gradually increase the proportion of renewable electricity in total global electricity consumption.                                                     | 5.72%                                 | Reach renewable electricity usage equivalent to 10% of the total electricity consumption by 2030. | Reach renewable electricity usage equivalent to 100% of the baseline year's total consumption by 2050. |

Baseline values: 67.33 MJ/kft<sup>2</sup> for electronic materials, 3,745 MJ/T for resin materials.

Units: electronic materials: MJ/kft<sup>2</sup>; resin materials: MJ/T

## Energy Consumption Statistics

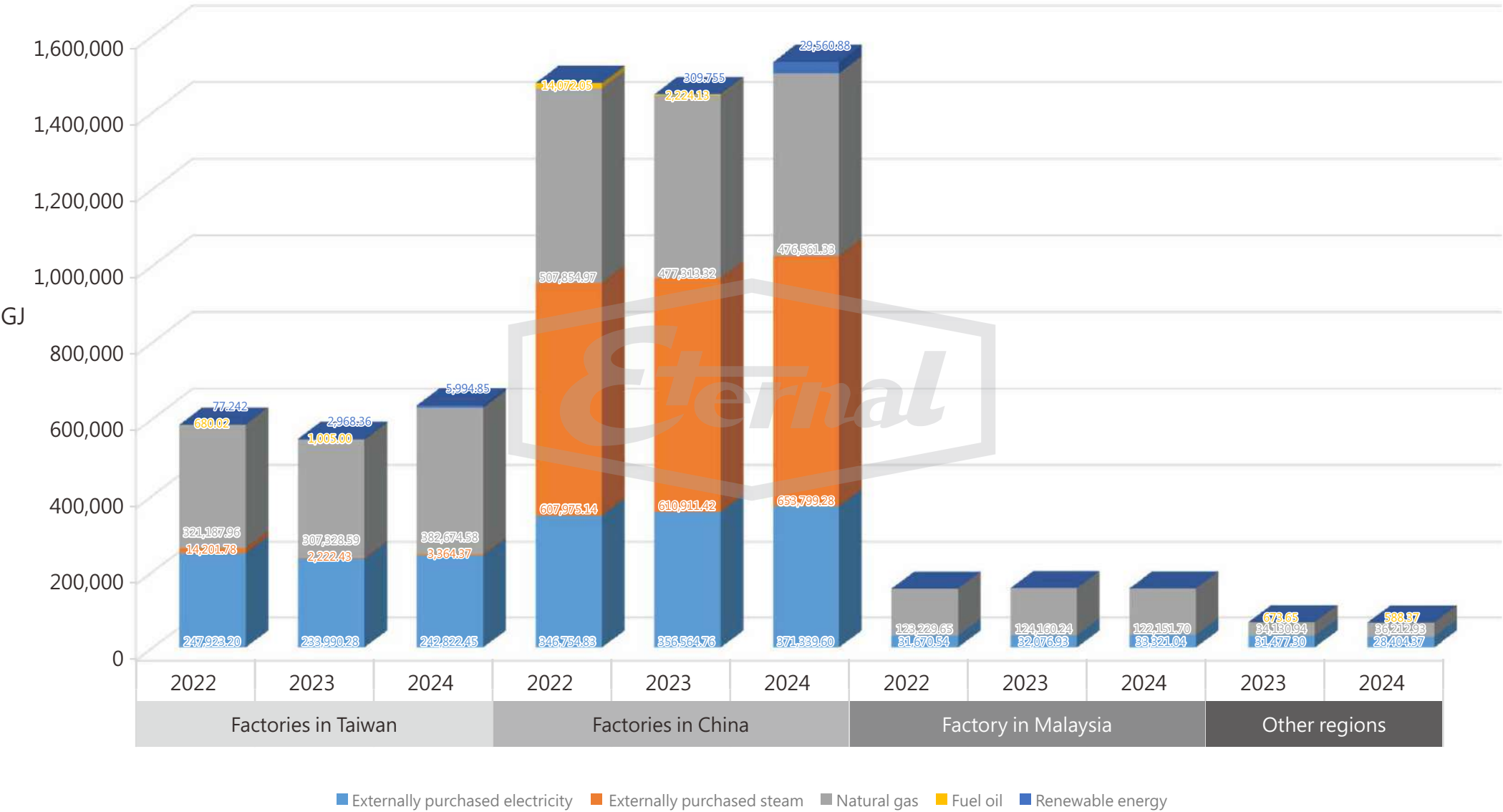
ProductionEnergyConsumptionTable

| Energy type         | Year | Non-renewable energy (GJ)        |                            |             |            | Renewable energy (GJ)                |                                   | Total energy consumption (GJ) |
|---------------------|------|----------------------------------|----------------------------|-------------|------------|--------------------------------------|-----------------------------------|-------------------------------|
|                     |      | Externally purchased electricity | Externally purchased steam | Natural gas | Fuel oil   | Self-generation and self-consumption | Externally purchased certificates |                               |
| Factories in Taiwan | 2022 | 247,923.196                      | 14,201.778                 | 321,187.960 | 680.018    | 77.242                               | -                                 | 584,070.194                   |
|                     | 2023 | 233,990.284                      | 2,222.427                  | 307,328.593 | 1,005.000  | 2,968.362                            | -                                 | 547,514.666                   |
|                     | 2024 | 242,822.446                      | 3,364.365                  | 382,674.576 | 0          | 5,994.848                            | -                                 | 634,856.235                   |
| Factories in China  | 2022 | 346,754.831                      | 607,975.137                | 507,854.967 | 14,072.054 | -                                    | 2,160                             | 1,476,656.989                 |
|                     | 2023 | 356,564.758                      | 610,911.423                | 477,313.322 | 2,224.127  | 309.755                              | 7,200                             | 1,447,323.385                 |
|                     | 2024 | 347,579.600                      | 653,799.275                | 476,561.327 | 0          | 5,800.876                            | 25,920                            | 1,507,501.078                 |
| Factory in Malaysia | 2022 | 31,670.543                       | 0                          | 123,229.648 | 2,898.395  | -                                    | -                                 | 157,798.586                   |
|                     | 2023 | 32,076.929                       | 0                          | 124,160.235 | 0          | -                                    | -                                 | 156,237.164                   |
|                     | 2024 | 33,321.035                       | 0                          | 122,151.702 | 0          | -                                    | -                                 | 155,472.737                   |
| Other factories     | 2023 | 31,477.295                       | 0                          | 34,130.944  | 673.654    | -                                    | -                                 | 66,281.893                    |
|                     | 2024 | 28,404.374                       | 0                          | 36,212.931  | 588.367    | -                                    | -                                 | 65,205.672                    |

Remark:

- Energy type classification: As defined in GRI 302-1.
- Heating value conversion factor of purchased electricity: 1 kWh = 860 kcal, 3.6 MJ/KWH.
- Heating value of purchased steam: The average value of 7kg/cm<sup>2</sup>G of low pressure steam used in the plant and the full heating value of 7kg/cm<sup>2</sup>G of steam pressure calculated by the saturated steam pressure gauge tool is 661.173 kcal/kg, calculated as 2.768 MJ/kg.
- Heating value of fuel oil: 40.2 MJ/L, according to Taiwan Ministry of Economic Affairs 2023 Energy Statistics Handbook.
- Heating value of natural gas: 37.68 MJ/m<sup>3</sup>, according to Taiwan Ministry of Economic Affairs 2023 Energy Statistics Handbook.
- Unit of measurement of energy: According to assurance agencies, GJ (gigajoules) is used uniformly. Conversion of heating value: 1 GJ (gigajoules) = 1000 MJ (million joules).
- Other factories: Italy, Japan Chiryu, Japan Kodama, Thailand, and the US have been included in the management system since 2023.
- The 2024 purchased renewable energy certificates for Mainland China include the green electricity used by the Zhuhai plant, and this usage is included in the total energy consumption.
- The percentage of purchased electricity is 28.60%.

2022-2024 Produced Energy Usage Statistical Chart



## Non-Production Energy Consumption Table

| Energy type         |      | Non-renewable energy (GJ)        |            |           |                         | Total energy consumption (GJ) |
|---------------------|------|----------------------------------|------------|-----------|-------------------------|-------------------------------|
| Factory             | Year | Externally purchased electricity | Diesel oil | Gasoline  | Liquefied petroleum gas |                               |
| Factories in Taiwan | 2022 | -                                | 5,758.084  | 48.783    | 1,015.420               | 6,822.287                     |
|                     | 2023 | -                                | 5,384.612  | 53.435    | 977.001                 | 6,415.048                     |
|                     | 2024 | -                                | 5,884.703  | 53.144    | 996.385                 | 6,934.232                     |
| Factories in China  | 2022 | -                                | 17,375.673 | 1,466.652 | 245.256                 | 19,087.581                    |
|                     | 2023 | -                                | 9,136.215  | 915.448   | 85.857                  | 10,137.520                    |
|                     | 2024 | -                                | 13,692.987 | 1,135.636 | 0                       | 14,828.623                    |
| Factory in Malaysia | 2022 | -                                | 2198.297   | 0         | 0                       | 2198.297                      |
|                     | 2023 | -                                | 2,112.310  | 0         | 0                       | 2,112.310                     |
|                     | 2024 | -                                | 2,496.367  | 0         | 0                       | 2,496.367                     |
| Other regions       | 2023 | 5,005.893                        | 0          | 11.127    | 80.806                  | 5,097.826                     |
|                     | 2024 | 5,222.904                        | 7.034      | 3.979     | 68.685                  | 5,302.602                     |

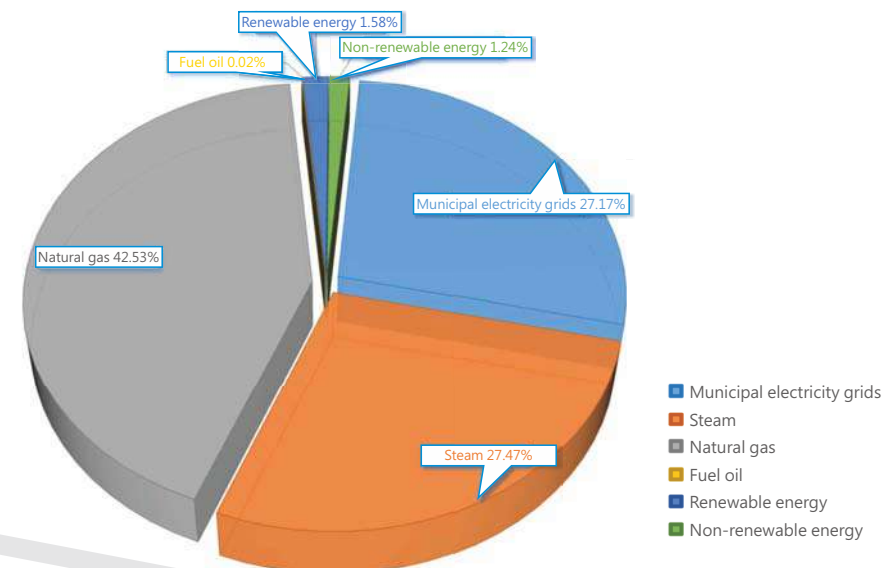
Remark:

- Starting from 2022, energy consumption is calculated for production and non-production purposes.
- Heating value of diesel oil: 35.17 GJ/ m<sup>3</sup>, according to Taiwan Ministry of Economic Affairs 2023 Energy Statistics Handbook.
- Heating value of gasoline: 32.66 GJ/ m<sup>3</sup>, according to Taiwan Ministry of Economic Affairs 2023 Energy Statistics Handbook.
- Heating value of liquefied petroleum gas: 27.78 GJ/ m<sup>3</sup>, according to Taiwan Ministry of Economic Affairs 2023 Energy Statistics Handbook.
- Other regions: Kaohsiung Company, North Regional Office, Central Regional Office, Korea Office, and Vietnam Office have been formally integrated into the management system since 2023.

## Energy consumption within the organization

| Purpose of using the energy                | Total energy consumption (GJ) |
|--------------------------------------------|-------------------------------|
| Production energy consumption              | 2,363,035.722                 |
| Non-production energy consumption          | 29,561.824                    |
| Energy consumption within the organization | 2,392,597.546                 |

## Proportion of Eternal's global energy consumption during 2024



## Energy Intensity Indicator

This report is divided into two major products, namely electronic materials and resin materials, by product attributes, and the unit energy consumption data are disclosed in a product-intensive manner.

Eternal's Total Global Production Volume:

| Factory             | Type of product      | Total production output | Year | 2022      | 2023      | 2024      | Remark                       |
|---------------------|----------------------|-------------------------|------|-----------|-----------|-----------|------------------------------|
| Factories in Taiwan | Electronic materials | kft <sup>2</sup>        |      | 818,542   | 980,931   | 666,570   |                              |
| Factories in Taiwan | Resin materials      | T                       |      | 136,529   | 131,443   | 147,668   |                              |
| Factories in China  | Electronic materials | kft <sup>2</sup>        |      | 3,016,392 | 3,153,993 | 3,258,766 |                              |
| Factories in China  | Resin materials      | T                       |      | 317,773   | 329,356   | 342,106   |                              |
| Factory in Malaysia | Electronic materials | kft <sup>2</sup>        |      | -         | -         | -         | No relevant products for now |
| Factory in Malaysia | Resin materials      | T                       |      | 53,636    | 59,828    | 60,306    |                              |

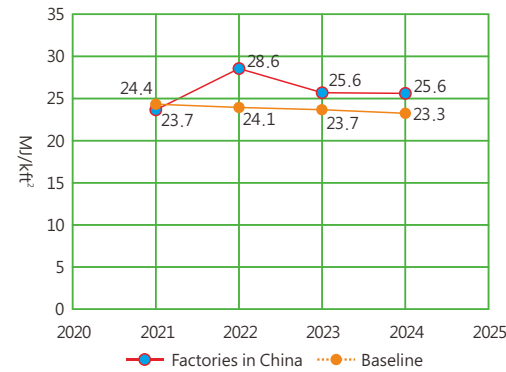
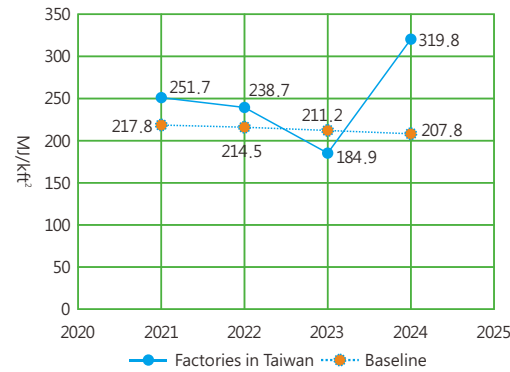
Unit of electronic material products: Thousand square feet, abbreviated as kft<sup>2</sup>.

Unit of resin material products: Ton, abbreviated to T.

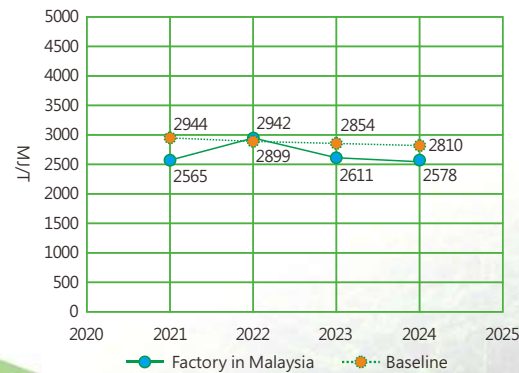
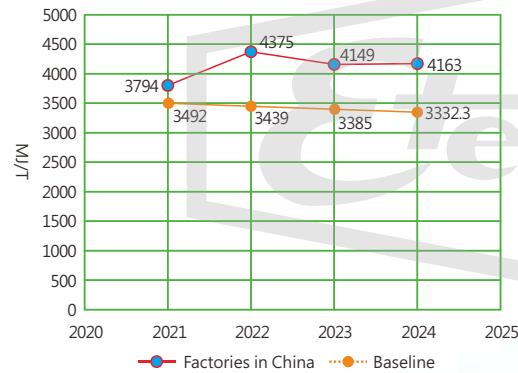
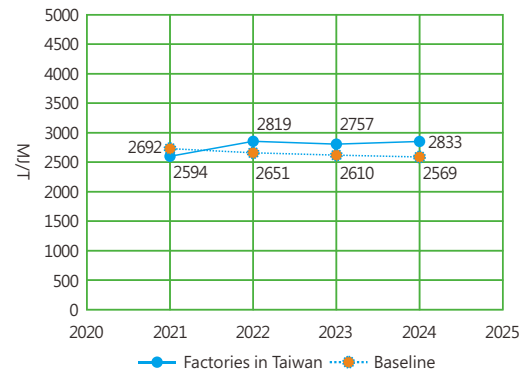
The resin materials are the sum of the products of the Synthetic Resin Business Unit and the High Performance Materials Business Unit.



## 2021-2024 Unit Consumption of Energy Used for Electronic Materials



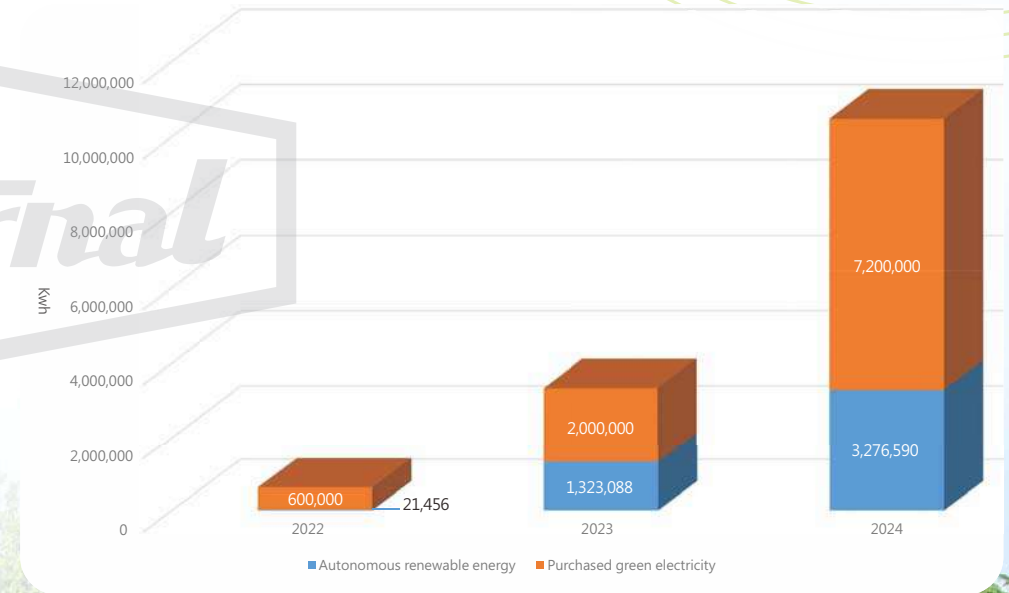
## 2021-2024 Unit Consumption of Energy Used for Resin Materials



## Performance of Self-Procured Renewable Energy

Before the enforcement of the Renewable Energy Development Act in Taiwan, Eternal has been taking actions by launching each plant's renewable electricity generation facilities for self-use and developing plans for green energy and carbon rights. In 2024, the generation capacity of renewable energy for self use in Eternal's factory facilities was 3,276,590 KWH, and the purchased green electricity was 7,200,000 KWH, which contributed to carbon reduction of approximately 5,175.4 tons of CO<sub>2</sub>e. Eternal will continue to invest in more renewable energy in our production facilities around the world.

## Renewable Energy Implementation by Eternal





## ● Initiatives of Energy Conservation and Carbon Reduction

Since 2012, Eternal has prioritized and actively implemented initiatives of energy conservation and carbon reduction across its production sites. Eternal has set group-wide targets to gradually reduce energy consumption per unit of product and carbon emission intensity year by year. Throughout the implementation period, monthly reviews are conducted to assess the efficiency and reduction of electricity, water, thermal energy, and carbon emissions. Each factory addresses both technical and managerial aspects to fully implement four major energy conservation and carbon reduction strategies: reducing energy & water resource waste, adopting recycling and circular technologies, replacing outdated equipment, and increasing the proportion of renewable energy usage—all aimed at achieving the ultimate goal of net-zero carbon emissions. In 2024, Eternal completed representative energy-saving and carbon reduction projects with a total investment cost of NT\$102,900,000, achieving reduction of electricity 327,118,824 MJ/year (9,086,634 KWH), reduction of thermal energy 51,594,770 MJ/year, reduction of water usage 95.59 thousand cubic meters, and reductions of 7,648 tons of CO<sub>2</sub>-equivalent greenhouse gas emissions.



**Total annual savings in electricity consumption**  
9,086,634 kilowatt-hours  
Equivalent to the annual electricity consumption of 2,524 households



**Total annual heat savings**  
51,594,770 MJ  
Equivalent to a reduction of 1,579,821 liters of gasoline consumption

### Carbon reduction and energy conservation by 2024

**Total cost of NT\$102,900,000**



**Total reduction in annual water consumption**  
95.59 thousand cubic meters  
Equivalent to 912 person-years of usage



**Total reduction in annual carbon emissions**  
7,648 tons of carbon dioxide equivalent  
Equivalent to the area of 31 Daan Forest Parks



## Energy Efficiency Project Results Table

| Factory site                                   | Type                                                | Investment cost<br>(NT\$10 thousands) | Annual electricity<br>reduction(kWh) | Annual water savings<br>(thousand cubic meters) | Annual steam<br>savings(tons/year) | Annual natural gas savings<br>(normal cubic meters/year) | Cost reduction(NT\$<br>10 thousands/year) | CO <sub>2</sub> Emission<br>reduction(tons/year) |
|------------------------------------------------|-----------------------------------------------------|---------------------------------------|--------------------------------------|-------------------------------------------------|------------------------------------|----------------------------------------------------------|-------------------------------------------|--------------------------------------------------|
| Kaohsiung Company                              | Replacing outdated equipment                        | 17.00                                 | 51,000                               | -                                               | -                                  | -                                                        | 24.20                                     | 25.19                                            |
| Lu-Chu Plant                                   | Reducing energy & water resource waste              | 86.30                                 | 1,050,000                            | 1.40                                            | 994.40                             | 34,944                                                   | 705.10                                    | 799.40                                           |
| Lu-Chu Plant                                   | Adopting recycling and circular technologies        | 0                                     | -                                    | -                                               | -                                  | 32,152                                                   | 49.28                                     | 67.97                                            |
| Lu-Chu Plant                                   | Replacing outdated equipment                        | 1,335.30                              | 477,000                              | 0.96                                            | 7.29                               | -                                                        | 202.50                                    | 237.15                                           |
| Ping-Nan Plant                                 | Reducing energy & water resource waste              | 57.70                                 | 553,708                              | 6.59                                            | -                                  | 55,480                                                   | 376.00                                    | 390.81                                           |
| Ping-Nan Plant                                 | Adopting recycling and circular technologies        | 125                                   | -                                    | 7.02                                            | -                                  | 19,837                                                   | 45.00                                     | 41.93                                            |
| Ping-Nan Plant                                 | Replacing outdated equipment                        | 48.5                                  | 15,413                               | -                                               | -                                  | -                                                        | 8.00                                      | 7.61                                             |
| Da-Fa Plant                                    | Reducing energy & water resource waste              | 279                                   | 149,894                              | -                                               | -                                  | -                                                        | 56.95                                     | 74.05                                            |
| Da-Fa Plant                                    | Replacing outdated equipment                        | 137.89                                | 12,367                               | -                                               | -                                  | -                                                        | 4.70                                      | 6.11                                             |
| Total in Taiwan                                |                                                     | 2,086.69                              | 2,309,382                            | 15.97                                           | 1,001.69                           | 142,413                                                  | 1,471.73                                  | 1,650.22                                         |
| Guangdong Plant                                | Reducing energy & water resource waste              | 37.16                                 | 11,1500                              | -                                               | 410.36                             | -                                                        | 18.20                                     | 140.44                                           |
| Guangdong Plant                                | Adopting recycling and circular technologies        | 113.95                                | 229,500                              | 38.88                                           | -                                  | 311,290                                                  | 169.80                                    | 771.41                                           |
| Guangdong Plant                                | Replacing outdated equipment                        | 15.81                                 | 143,700                              | -                                               | -                                  | -                                                        | 10.8                                      | 70.99                                            |
| Specialty Materials (Zhuhai) Plant             | Reducing energy & water resource waste              | 455.00                                | -                                    | -                                               | -                                  | 372,360                                                  | 1,575.50                                  | 787.14                                           |
| Specialty Materials (Zhuhai) Plant             | Adopting recycling and circular technologies        | 20.00                                 | -                                    | 5.07                                            | -                                  | -                                                        | 66.00                                     | 0                                                |
| Specialty Materials (Zhuhai) Plant             | Replacing outdated equipment                        | 20.00                                 | 150,000                              | -                                               | -                                  | -                                                        | 10.00                                     | 74.10                                            |
| Specialty Materials (Zhuhai) Plant             | Increasing the proportion of renewable energy usage | 10.56                                 | 660,000                              | -                                               | -                                  | -                                                        | 0                                         | 326.04                                           |
| Photo Electronic Materials (Guangzhou) Plant 1 | Reducing energy & water resource waste              | 0                                     | -                                    | 3.94                                            | -                                  | -                                                        | 1.40                                      | 0                                                |
| Photo Electronic Materials (Guangzhou) Plant 1 | Replacing outdated equipment                        | 35.20                                 | 40,700                               | 8.99                                            | -                                  | -                                                        | 35.70                                     | 20.11                                            |
| Photo Electronic Materials (Guangzhou) Plant 1 | Increasing the proportion of renewable energy usage | 0                                     | 764,000                              | -                                               | -                                  | -                                                        | 0                                         | 377.42                                           |
| Photo Electronic Materials (Guangzhou) Plant 2 | Replacing outdated equipment                        | 43.77                                 | 98,000                               | -                                               | -                                  | -                                                        | 7.90                                      | 48.41                                            |
| Photo Electronic Materials (Guangzhou) Plant 2 | Increasing the proportion of renewable energy usage | 0                                     | 636,000                              | -                                               | -                                  | -                                                        | 0                                         | 314.18                                           |
| Changshu Plant                                 | Reducing energy & water resource waste              | 10.00                                 | 27,000                               | -                                               | 350.00                             | -                                                        | 12.30                                     | 86.14                                            |
| Changshu Plant                                 | Adopting recycling and circular technologies        | 12.00                                 | -                                    | 0.5                                             | 300.00                             | -                                                        | 8.90                                      | 62.40                                            |
| Changshu Plant                                 | Replacing outdated equipment                        | 28.50                                 | 198,000                              | -                                               | -                                  | -                                                        | 15.80                                     | 97.81                                            |
| Eternal Chemical (China) Plant                 | Reducing energy & water resource waste              | 17.70                                 | 228,000                              | -                                               | -                                  | 24,000                                                   | 24.30                                     | 163.37                                           |

| Factory site                                 | Type                                                   | Investment cost<br>(NT\$10 thousands) | Annual electricity<br>reduction(kWh) | Annual water savings<br>(thousand cubic meters) | Annual steam<br>savings(tons/year) | Annual natural gas savings<br>(normal cubic meters/year) | Cost reduction(NT\$<br>10 thousands/year) | CO <sub>2</sub> Emission<br>reduction(tons/year) |
|----------------------------------------------|--------------------------------------------------------|---------------------------------------|--------------------------------------|-------------------------------------------------|------------------------------------|----------------------------------------------------------|-------------------------------------------|--------------------------------------------------|
| Eternal Chemical (China) Plant               | Adopting recycling and circular technologies           | 88.00                                 | -                                    | 6.20                                            | 900.00                             | -                                                        | 29.60                                     | 187.20                                           |
| Eternal Chemical (China) Plant               | Replacing outdated equipment                           | 59.50                                 | 53,000                               | -                                               | 330.00                             | -                                                        | 12.90                                     | 94.82                                            |
| Eternal Chemical (China) Plant               | Increasing the proportion of<br>renewable energy usage | 0                                     | 100,000                              | -                                               | -                                  | -                                                        | 0                                         | 49.40                                            |
| Specialty Materials (Suzhou)<br>Plant        | Reducing energy & water resource waste                 | 12.00                                 | 56,000                               | -                                               | 36.00                              | -                                                        | 3.20                                      | 35.15                                            |
| Specialty Materials (Suzhou)<br>Plant        | Adopting recycling and circular<br>technologies        | 200.00                                | 54,100                               | 2.93                                            | 316.90                             | -                                                        | 7.70                                      | 92.64                                            |
| Specialty Materials (Suzhou)<br>Plant        | Replacing outdated equipment                           | 57.00                                 | 2174,000                             | 1.40                                            | -                                  | -                                                        | 10.40                                     | 1,073.96                                         |
| Specialty Materials (Suzhou)<br>Plant        | Increasing the proportion of<br>renewable energy usage | 174.60                                | 111,000                              | -                                               | -                                  | -                                                        | 7.00                                      | 54.83                                            |
| Eternal Electronic (Suzhou)<br>Plant         | Reducing energy & water resource waste                 | 24.88                                 | 113,000                              | -                                               | -                                  | -                                                        | 9.30                                      | 55.82                                            |
| Eternal Electronic (Suzhou)<br>Plant         | Replacing outdated equipment                           | 0.30                                  | 8,800                                | -                                               | -                                  | -                                                        | 0.90                                      | 4.35                                             |
| Eternal Electronic (Suzhou)<br>Plant         | Increasing the proportion of<br>renewable energy usage | 1.50                                  | 158,000                              | -                                               | -                                  | -                                                        | 0                                         | 78.05                                            |
| Eternal Electronic (Suzhou)<br>Plant         | Reducing energy & water resource waste                 | 0                                     | 9,000                                | -                                               | -                                  | -                                                        | 0.70                                      | 4.45                                             |
| Chengdu Plant                                | Reducing energy & water resource waste                 | 0                                     | 90,000                               | -                                               | -                                  | 100,000                                                  | 16.10                                     | 255.85                                           |
| Chengdu Plant                                | Adopting recycling and circular technologies           | 0                                     | 10,000                               | -                                               | -                                  | -                                                        | 0.70                                      | 4.94                                             |
| Chengdu Plant                                | Replacing outdated equipment                           | 5.00                                  | 8,800                                | -                                               | -                                  | -                                                        | 0.60                                      | 4.35                                             |
| Chongqing Branch Plant                       | Replacing outdated equipment                           | 2.20                                  | 11,000                               | -                                               | -                                  | -                                                        | 0.80                                      | 5.43                                             |
| Tianjin Plant                                | Reducing energy & water resource waste                 | 3.20                                  | 29,952                               | -                                               | 300.00                             | 7,500                                                    | 5.07                                      | 93.05                                            |
| Tianjin Plant                                | Adopting recycling and circular technologies           | 67.7                                  | -                                    | 10                                              | -                                  | -                                                        | 16.90                                     | 0                                                |
| Tianjin Plant                                | Replacing outdated equipment                           | 299.81                                | 250,200                              | -                                               | 580                                | -                                                        | 44.80                                     | 244.24                                           |
| Photoelectric Material<br>Industry (Yingkou) | Reducing energy & water resource waste                 | 0.28                                  | 1,100                                | -                                               | -                                  | -                                                        | 0.10                                      | 0.54                                             |
| Photoelectric Material<br>Industry (Yingkou) | Replacing outdated equipment                           | 0                                     | 33,300                               | -                                               | -                                  | 1.9 tons (diesel)                                        | 4.00                                      | 22.65                                            |
| Total in China                               |                                                        | 1,815.62                              | 6,557,652                            | 77.91                                           | 3,523.26                           | 815,150                                                  | 2,127.37                                  | 5,701.68                                         |
| Malaysia Plant                               | Reducing energy & water resource waste                 | 4.22                                  | 158,300                              | -                                               | -                                  | 88,873                                                   | 23.30                                     | 266.07                                           |
| Malaysia Plant                               | Adopting recycling and circular technologies           | 4.57                                  | -                                    | 1.71                                            | -                                  | -                                                        | 0.60                                      | 0                                                |
| Malaysia Plant                               | Replacing outdated equipment                           | 50.00                                 | 61,300                               | -                                               | -                                  | -                                                        | 3.40                                      | 30.28                                            |
| Total in Malaysia                            |                                                        | 58.79                                 | 219,600                              | 1.71                                            | 0                                  | 88,873                                                   | 27.3                                      | 296.35                                           |
| Global Total                                 |                                                        | 10,290.76                             | 9,086,634                            | 95.59                                           | 4,524.95                           | 1,046,436                                                | 10,790.89                                 | 7,648.27                                         |

Remark:

- The baseline for the reduction of energy consumption was set in accordance with ISO 50001 for the verification of energy performance indicators, and the actual usage in 2022 was used as the baseline.
- The calculation of Co<sub>2</sub>emission reduction (tons) is based on the 2024 electricity carbon emission factor announced by the Bureau of Taiwan Energy and the Co<sub>2</sub> emissions from fuel combustion.
- The amount of energy reduction is measured directly.
- Unit of currency: NTD; exchange rate: 1 CNY = 4.29 NTD; 1 MYR = 7.06 NTD



## Energy Monitoring System at Ping-Nan Plant

- The primary purpose of the Energy Management System is to enable real-time presentation and analysis of all energy data through internet connectivity and digital computing functions. This assists energy managers in evaluating the operational status of the entire plant down to individual equipment. The system can automatically adjust energy supply plans based on factors such as time-of-use energy pricing, renewable energy allocation and scheduling, and demand control.
- To further enhance the ISO 50001 management system standard—beyond merely serving as an internal tool for data collection and resource usage calculation—Eternal has started implementing advanced solutions at the Ping-Nan Plant. Using intelligent sensing modules, I/O modules, and edge intelligent gateways, the plant collects quantitative data on energy resources such as temperature, humidity, current, vibration, pressure, and flow rate. This reduces human judgment errors and establishes a centralized energy and carbon emissions management command center for the plant. By leveraging the collected data for management and analysis, the system identifies optimized scheduling strategies hidden within the operational data.



## Replacement of Energy-Efficient Equipment at Lu-Chu Plant

- Through the implementation of the ISO 50001 energy management system, the Lu-Chu Plant regularly monitors the efficiency of high-energy-consuming equipment. After conducting performance evaluations, it was found that some utility systems had alternative mature designs available on the market with higher energy efficiency. In response to energy-saving and carbon reduction trends, the plant initiated replacements using improved design concepts.
- Previously, the employee activity center used electric water heaters with rated power of 6 kW (including one 150-gallon storage tank) and 4 kW (one 100-gallon tank). These were replaced with heat pump water heaters with heating capacities of 9.9 kW (3 tons ×1) and 7.3 kW (2 tons ×1). The existing storage tanks from the electric water heaters were retained and only used for backup when the heat pumps are under maintenance or fail. After the upgrade, the annual electricity savings rate exceeded 67%, with total annual electricity savings of 22,000 kWh.
- In addition, the low-concentration wastewater tank's blower system was upgraded from a traditional Roots blower to a variable-frequency air suspension blower. Compared with the traditional Roots blower, the new system significantly reduces energy losses during the transmission stage, improving power efficiency by approximately 20%. The total investment for these upgrades was NT\$6.34 million, resulting in annual electricity savings of 181,000 kWh.



## Process Thermal Energy Intensity Reduction at Eternal Chemical (China) Plant

- Natural gas and purchased pipeline steam are the primary sources of process heat for Eternal. In the past, to meet the operational requirements of air pollution control equipment, oxidation temperatures and combustion air volumes were often intentionally increased, leading to unnecessary natural gas consumption. Additionally, seemingly minor factors such as suboptimal insulation and improper operating practices during production cumulatively resulted in significant steam waste.
- At Eternal Chemical (China) Plant, the fluorocarbon resin exhaust gas furnace accounted for 12.9% of the plant's total natural gas consumption. By strictly controlling production scheduling, limiting exhaust concentration, and regulating combustion air volume, the plant was able to reduce natural gas usage by 24,000 normal cubic meters per year.
- For the amino resin production line—which accounts for more than 45% of total process steam usage—adjustments to the heating slope and temperature-holding control strategies led to a reduction in specific steam consumption by approximately 900 tons per year.
- Some raw materials require preheating in steam ovens, and during winter, extended preheating times or excessive steam usage were often necessary to meet operational requirements. To address this, the plant added a heating belt at the bottom of the ovens to improve heating efficiency, resulting in additional annual steam savings of approximately 200 tons.



## Liquid Nitrogen Cooling Energy Recovery at Guangdong Plant

- Prior to the retrofit, the cooling energy generated from the vaporization of liquid nitrogen at the plant was not utilized. The vaporizers remained in a frozen state throughout the year. Under humid and warm weather conditions, frost and fog frequently formed around the equipment, sometimes even affecting nearby road traffic and increasing the power consumption of the cooling system due to additional refrigeration demands.
- To address this, the Guangdong Plant installed a cooling energy heat exchange system alongside the vaporizers. This system captures the cooling energy released during the vaporization process—before the nitrogen is delivered to the point of use—and recycles it into the plant's existing chilled water or cooling water systems. This reduces the demand on utility-based refrigeration systems and also resolves issues such as vaporizer surface freezing and accumulated condensation.
- In 2024, the project achieved an annual electricity saving of at least 229,462 kWh, with an estimated annual benefit of approximately RMB 170,000.





## Solar Electricity Installation at Photo Electronic Materials (Guangzhou) Plant

- Recognizing that energy use is a significant source of carbon emissions in its operations, Eternal began constructing solar power systems in 2021 on idle or irregularly shaped land and on the rooftops of buildings that do not store hazardous materials, in order to increase the proportion of green electricity.
- The photos show aerial views of the solar systems installed at Photo Electronic Materials (Guangzhou) Plant 1 and Photo Electronic Materials (Guangzhou) Plant 2.
- Photo Electronic Materials (Guangzhou) Plant 1 has a total installed solar capacity of 833 kW, with an estimated average annual power generation of 830,000 kWh, or approximately 2,200 kWh per day. Since coming online in January 2024, the plant generated a total of 728,000 kWh in 2024, with an average daily output of 1,995 kWh.
- Photo Electronic Materials (Guangzhou) Plant 2 has a total installed solar capacity of 550 kW, with an estimated average annual power generation of 550,000 kWh, or about 1,500 kWh per day. It came online in November 2023, and in 2024 generated a total of 423,000 kWh, averaging 1,160 kWh per day.



## Greenhouse Gas Emission Management

### Scope of disclosure: Group

#### ● Greenhouse gas emissions and impacts

The environmental and economic impacts of climate change have become a critical issue that global enterprises can no longer ignore. To prevent further climate deterioration, the global community must limit temperature rise to within 1.5°C, making 2050 Net Zero Emissions a shared target among many corporations. Countries around the world are intensifying carbon regulations. Taiwan is set to introduce a carbon fee in 2025, while the European Union is implementing the CBAM, and the United States has launched the CCA—all aiming to accelerate carbon reduction efforts.

Amid this global trend, Eternal, with operations worldwide, faces increasingly stringent decarbonization regulations and compliance pressure across regions. The Company must not only cope with rising carbon costs but also meet the environmental sustainability standards expected by customers, supply chains, and investors. Failure to adapt could result in decreased market competitiveness, exposure to trade barriers, and reputational risks. In response, carbon reduction and low-carbon transition have become core management priorities for Eternal's sustainability development.

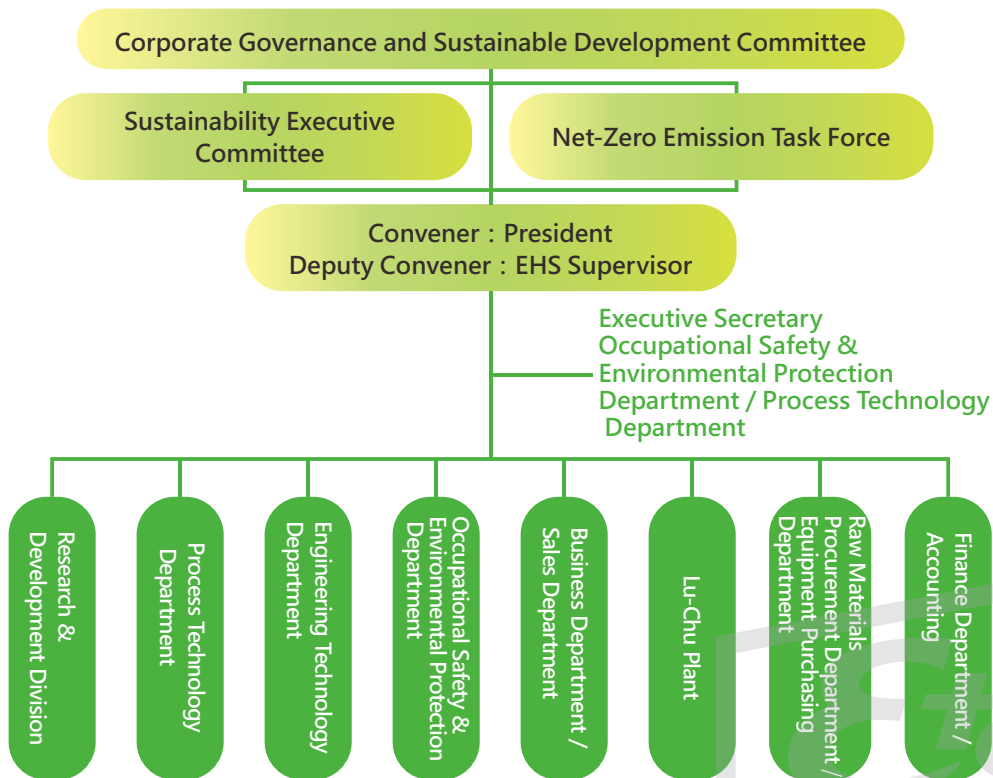
Since 2005, production sites in Taiwan have adopted the ISO 14064-1 system to conduct greenhouse gas inventories, identifying emission sources during manufacturing processes and implementing carbon reduction measures. These efforts have since expanded to all global sites, with annual reviews and ongoing monitoring in place.

#### ● Policy and Management Approach

##### Sustainability Executive Committee & Net-Zero Emission Task Force

On November 5, 2021, following the establishment of the "Corporate Governance and Sustainable Development Committee," Eternal created the "Net-Zero Emission Task Force". And on May 7, 2025, the "Sustainability Executive Committee" was established to uniformly promote the group's sustainable development action plan, set short- and medium-term goals, track and evaluate the performance of sustainable development initiatives, and disclose information on sustainable development performance. This task force includes members from various departments and is chaired by the President. The task force is responsible for consolidating, reviewing, and supervising all carbon-related issues within the Company, such as carbon inventory, green R&D, carbon management for new investments, renewable energy, and carbon credit arrangements. The task force regularly monitors the execution of these initiatives and reports their progress to the Company's management.





## Strategic Guidelines for Energy Conservation and Carbon Reduction

All production sites conduct annual greenhouse gas emission inventories. The “Net-Zero Emission Task Force” is responsible for regularly monitoring emission reduction performance and carrying out annual carbon reduction performance evaluations.

Carbon reduction strategies include: assessing new energy technologies, switching from heavy fuel oil to cleaner natural gas, replacing motors with variable-frequency drives and high-efficiency equipment, improving boiler combustion efficiency, optimizing production processes, and implementing energy-saving control systems to enhance the competitiveness of the Company’s products in the global market.

In addition, the Company has established a policy to increase the share of renewable energy and has set short-, medium-, and long-term carbon reduction KPIs. All sites will evaluate feasible renewable energy solutions, which will be reviewed by the Net-Zero Emission Task Force under the Corporate Governance and Sustainable Development Committee and executed upon Company approval. This phased approach aims to gradually increase the use of renewable energy and advance the Company’s diversified green power deployment and infrastructure.

For more details, please refer to the “Energy Conservation and Carbon Reduction Actions” section of this report.

## Greenhouse Gas Emissions and Stakeholder Engagement

The impact of corporate carbon emissions extends across the upstream, midstream, and downstream segments of the value chain, involving stakeholders such as suppliers, contractors, employees, neighboring communities, customers, and investors. Eternal ensures that its carbon reduction strategies align with stakeholder expectations and needs through transparent data disclosure, active communication (see the “Stakeholder Engagement” section), and actionable decarbonization efforts.

- ① Emission disclosure and target setting: The Company publicly discloses carbon emissions data both internally and externally, and sets short-, medium-, and long-term carbon reduction KPIs at the group level to drive reduction actions and facilitate regular performance reviews.
- ② Carbon reduction in the supply and value chain: Eternal gathers carbon reduction data and emission factors from raw material suppliers, promotes green procurement, and collaborates with customers to develop low-carbon products (see the “Green R&D Innovation” section for details).

## Greenhouse Gas Emission Reduction Indicators

Eternal’s medium- and long-term greenhouse gas reduction KPIs are as follows:

| Indicator                             | Benchmark year & annual management goal                                                                                            | 2030 Milestone                                                                                    | 2050 Ultimate goal                                                                                                                   |
|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| Carbon intensity (physical strength)  | The benchmark year is 2020. Carbon emissions per unit of product (Scope1+2) will lower by 1.5%.                                    | Down by 15% by 2030.                                                                              | Eternal’s plants in Taiwan will achieve carbon neutrality, while our global physical carbon intensity will decrease by 50% by 2050.  |
| Carbon intensity (economic strength)  | Carbon emissions per unit of revenue (Scope1+2) will lower by 3%. The base year is 2020.                                           | Down by 30% by 2030.                                                                              | By 2050, Eternal’s plants in Taiwan will achieve carbon neutrality, while our global economic carbon intensity will decrease by 90%. |
| Scope 3 total emissions               | The baseline year is 2021, with a gradual annual reduction in Scope 3 emissions.                                                   | By 2030, Scope 3 emissions will be reduced by 20%.                                                | By 2050, Scope 3 emissions will be reduced by 50%.                                                                                   |
| Cumulative carbon emission reductions | With 2020 as the base year, the total annual global carbon emissions reduction will reach 3% of carbon emissions in the base year. | By 2030, the total reduction in carbon emissions will reach 30% of the baseline year’s emissions. | By 2050, the total reduction in carbon emissions will reach 100% of the baseline year’s emissions.                                   |

Due to the varying establishment years of its sites, Eternal has designated the total greenhouse gas emissions in 2020 as the company-wide baseline year. Based on this baseline, the Company has set greenhouse gas reduction targets for 2030 and 2050. Action plans are developed accordingly to meet these targets, with regular tracking of energy consumption, greenhouse gas emissions, and carbon reduction performance at each facility. These management goals may also incorporate carbon offset mechanisms in accordance with government-approved carbon credit programs or recognized project-based reduction frameworks, including approved types and quantities of credits.

In terms of renewable energy development, the Company has established a plan to gradually increase the proportion of renewable energy in the Group's total electricity consumption year by year. The target is for renewable energy to account for 10% of the 2020 electricity consumption level by 2030.

## Effectiveness Assessment and Tracking

- We convene the Corporate Governance and the Corporate Governance and Sustainable Development Committee, Net-Zero Emission Task Force, and energy meetings where the management team and the heads of each plant will jointly review the effectiveness of energy management and the performance of the greenhouse gases control indicators, while sharing their energy-saving experience.
- Each year, the Company's major production sites, in compliance with legal regulations, commission independent third-party verification bodies to conduct ISO 14064-1 greenhouse gas verification.
- Each unit analyzes and formulates reduction measures based on the content of the inventory and manages them on a case-by-case basis. The Net-Zero Emission Task Force and Energy Conservation and Carbon Reduction Task Force under the Corporate Governance and Sustainable Development Committee compiles each unit's plan and regularly monitors their reduction performance.

## Emissions calculation methods and tools

Eternal conducts its greenhouse gas inventory based on the regulations set by local authorities in each region. In the absence of such regulations, the Company follows the ISO 14064-1 standard or the GHG Protocol for its inventory process. The inventory covers emissions of the seven major greenhouse gases: carbon dioxide(CO<sub>2</sub>), methane(CH<sub>4</sub>), nitrous oxide(N<sub>2</sub>O), hydrofluorocarbons(HFCs), sulfur hexafluoride(SF<sub>6</sub>), perfluorocarbons(PFCs), and nitrogen trifluoride(NF<sub>3</sub>).The Company adopts the operational control approach for consolidating greenhouse gas emissions data. Global Warming Potential (GWP) values are based on the IPCC Sixth Assessment Report (2021).

So far, Eternal has no record of carbon credit trading for offsetting greenhouse gas emissions or profiting from sales.

## Greenhouse gas emission indicators

### Scope 1 and Scope 2 Emissions

The following table shows our inventory results for greenhouse gas emissions (tCO<sub>2</sub>e)in Scope 1 and 2 from 2022 to 2024.

| Base          | 2022 (tCO <sub>2</sub> e) |         |                 | 2023 (tCO <sub>2</sub> e) |         |                 | 2024 (tCO <sub>2</sub> e) |         |                 |
|---------------|---------------------------|---------|-----------------|---------------------------|---------|-----------------|---------------------------|---------|-----------------|
|               | Scope 1                   | Scope 2 | Total Emissions | Scope 1                   | Scope 2 | Total Emissions | Scope 1                   | Scope 2 | Total Emissions |
| Taiwan        | 28,030                    | 36,827  | 64,858          | 26,398                    | 32,963  | 59,361          | 29,794                    | 33,340  | 63,133          |
| China         | 48,287                    | 119,441 | 167,728         | 47,464                    | 121,832 | 169,297         | 46,710                    | 124,544 | 171,254         |
| Malaysia      | 7,437                     | 4,839   | 12,275          | 7,675                     | 4,901   | 12,576          | 5,013                     | 7,164   | 12,177          |
| Other regions | -                         | -       | -               | -                         | -       | -               | 1,998                     | 2,754   | 4,752           |
| Total         | 83,754                    | 161,107 | 244,861         | 81,537                    | 159,696 | 241,233         | 83,515                    | 167,801 | 251,316         |

Note1: The Taiwan region includes production plants and other non-significant emission sources of the parent company, such as the headquarters, Lu-Chu Second Plant, Xi-zhi Plant, and other offices and business locations of the parent company.

Note2: The China region includes production sites.

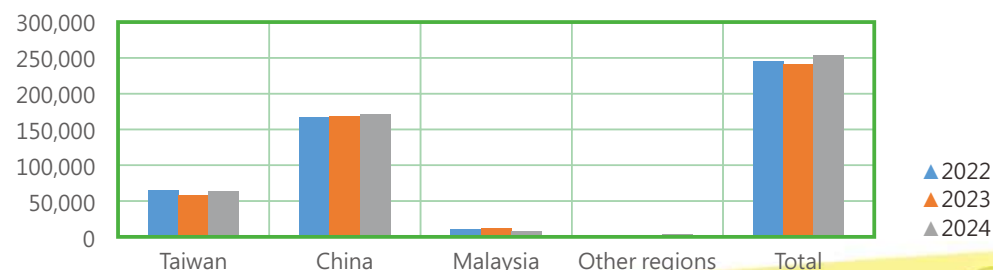
Note3: The Malaysia region encompasses the Malaysia Plant. Before 2024, there was no official announcement of the carbon emission coefficient of purchased energy in Malaysia. Thus the carbon emission from purchased energy in Malaysia was estimated based on the carbon emission coefficient published by Taiwan Energy Bureau in the corresponding verified year. Since 2025, the Malaysia plant has completed third-party verification and adopted official energy-related carbon emission coefficients in Malaysia. Because the official announcement of the Malaysian region in 2024 is 1.63 times the original estimate of the purchased electricity coefficient, and the natural gas emission coefficient is 0.90 times of the original estimate, it results in the discrepancy of the emission scopes disclosed across years before 2024.

Note4: Other regions: This includes overseas subsidiaries such as the plant in Italy, the Chiryu plant in Japan, the Kodama plant in Japan, the FenTiao plant in Thailand, and the plant in the United States, as well as other offices and business locations of overseas subsidiaries. Inventories for these sites began in 2024.

Note5: Greenhouse gas emission data in this report reflects updates made prior to publication, based on third-party verification progress at respective sites. Some sites didn't obtain the official announcement of unit carbon emission from the energy grid source, and were not yet verified by third-party verification. The carbon emissions of these sites are estimated by the standard carbon emission coefficients published by Taiwan Energy Bureau.

In comparison to 2023, Eternal's total carbon emissions rose by 2.21% in 2024 due to the total production volume increased by 4.88% and the variation of purchased energy unit carbon emission from outside region.

### Greenhouse gas emissions(tCO<sub>2</sub>e)

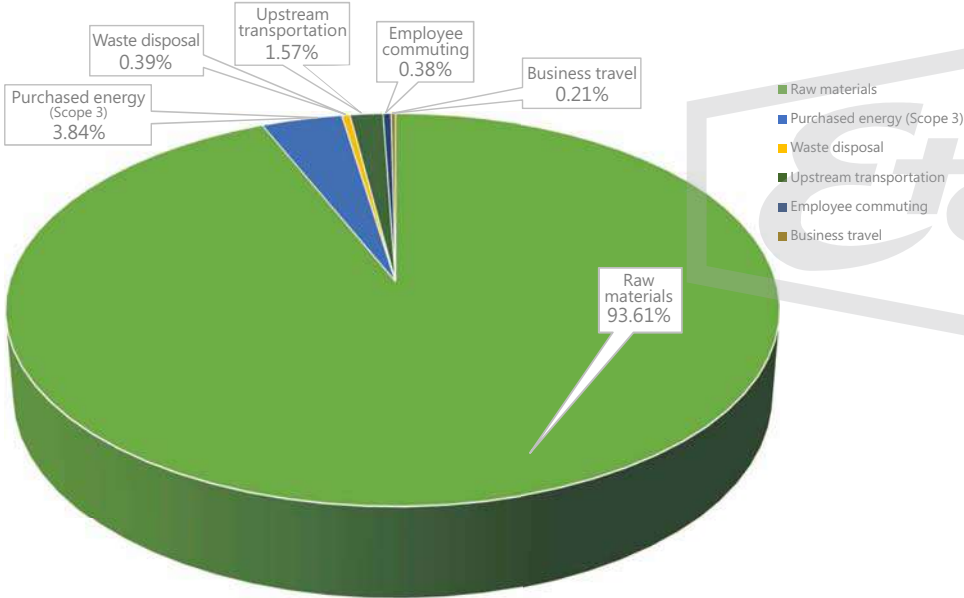




Scope 3 Emissions

Since 2021, Eternal has implemented Scope 3 greenhouse gas inventory and quantification processes—excluding Scope 2 energy indirect emissions—at its major production sites in Taiwan, mainland China, and Malaysia, in accordance with the ISO 14064-1:2018 standard. In Taiwan, the Scope 3 inventory results are also verified by an independent third-party verification body. These results serve as a reference for formulating the Company's Scope 3 carbon reduction strategies and for ongoing monitoring purposes.

| Base     | 2022 (tCO <sub>2</sub> e) | 2023 (tCO <sub>2</sub> e) | 2024 (tCO <sub>2</sub> e) |
|----------|---------------------------|---------------------------|---------------------------|
|          | Scope 3                   | Scope 3                   | Scope 3                   |
| Taiwan   | 542,444                   | 531,934                   | 499,914                   |
| China    | 1,202,109                 | 1,128,491                 | 1,132,253                 |
| Malaysia | 140,931                   | 151,673                   | 139,741                   |
| Total    | 1,885,485                 | 1,812,097                 | 1,771,909                 |



Emissions from Biological Sources

The(CO<sub>2</sub>)biomass energy(or bioenergy)emitted from methane(CH<sub>4</sub>)greenhouse gas generated by the anaerobic operation unit of the wastewater treatment plant in Ping-Nan Plant in 2024 was equivalent to 12.9668(tCO<sub>2</sub>e)(SCOPE 3),which has been verified by BV(a third-party certification company).

Greenhouse Gas Emission Intensity and Density (GRI 305-4)

According to the Ministry of Environment's verification guidelines, greenhouse gas emission intensity is defined as the ratio of the total annual greenhouse gas emissions per product to the annual production volume, measured in tCO<sub>2</sub>e per metric ton of product. Emission density is measured in tCO<sub>2</sub>e per million dollars of revenue.

In 2024, the greenhouse gas emission intensities for the plants in Taiwan, China, and Malaysia were 0.380, 0.443, and 0.202 tCO<sub>2</sub>e per metric ton of product, respectively. The overall Company emission intensity was 0.410 tCO<sub>2</sub>e per metric ton of product.

In 2024, the greenhouse gas emission densities for the plants in Taiwan, China, and Malaysia were 4.393, 6.295, and 4.147 tCO<sub>2</sub>e per million dollars of revenue, respectively. The overall Company emission density was 5.195 tCO<sub>2</sub>e per million dollars of revenue.

Overall, in 2024, Eternal's total production volume increased by 4.88%. The Company's aggregated greenhouse gas emission intensity (tCO<sub>2</sub>e per ton of product) and total emission density (tCO<sub>2</sub>e per NT\$ million in revenue) remained relatively stable.

Greenhouse Gas Emission Intensity and Density

| Region   | Item                                                             | 2022  | 2023  | 2024  |
|----------|------------------------------------------------------------------|-------|-------|-------|
| Taiwan   | Emission intensity(tCO <sub>2</sub> e per metric ton of product) | 0.409 | 0.396 | 0.380 |
|          | Emission density(tCO <sub>2</sub> e per NT\$ million)            | 4.001 | 4.457 | 4.393 |
| China    | Emission intensity(tCO <sub>2</sub> e per metric ton of product) | 0.464 | 0.451 | 0.443 |
|          | Emission density(tCO <sub>2</sub> e per NT\$ million)            | 5.480 | 6.275 | 6.295 |
| Malaysia | Emission intensity(tCO <sub>2</sub> e per metric ton of product) | 0.228 | 0.212 | 0.202 |
|          | Emission density(tCO <sub>2</sub> e per NT\$ million)            | 4.480 | 4.657 | 4.147 |
| Total    | Emission intensity(tCO <sub>2</sub> e per metric ton of product) | 0.427 | 0.413 | 0.410 |
|          | Emission density(tCO <sub>2</sub> e per NT\$ million)            | 4.941 | 5.605 | 5.195 |

Note: Greenhouse gas emissions include the sum of direct emissions (Scope 1) and energy indirect emissions (Scope 2).

Reduction of Greenhouse Gas Emissions

Reduction Organization, Management, and Measures

The Company' s greenhouse gas reduction management mechanisms and specific actions are detailed in the "Energy Conservation and Carbon Reduction Actions" and "Reduction Organization and Management System" sections of this report. Performance is regularly monitored and reported to the Company' s Corporate Governance and Sustainable Development Committee.

## Product Carbon Footprint Management

In response to greenhouse gas issues and social responsibility, Eternal has established the product carbon footprint (PCF) working group under the Board of Directors as part of its Net-Zero Emission task force. A PCF management operating procedure is issued in Eternal in accordance with the ISO 14067 standard, and the PCF working group conducts product carbon footprint investigation every year. From 2023, the carbon emissions generated from raw material usage to the manufacturing process (B to B) are analyzed and calculated. To achieve long-term sustainable goals, a thorough plan of PCF reduction is conducted internally.

### Current status of Eternal's product carbon footprint

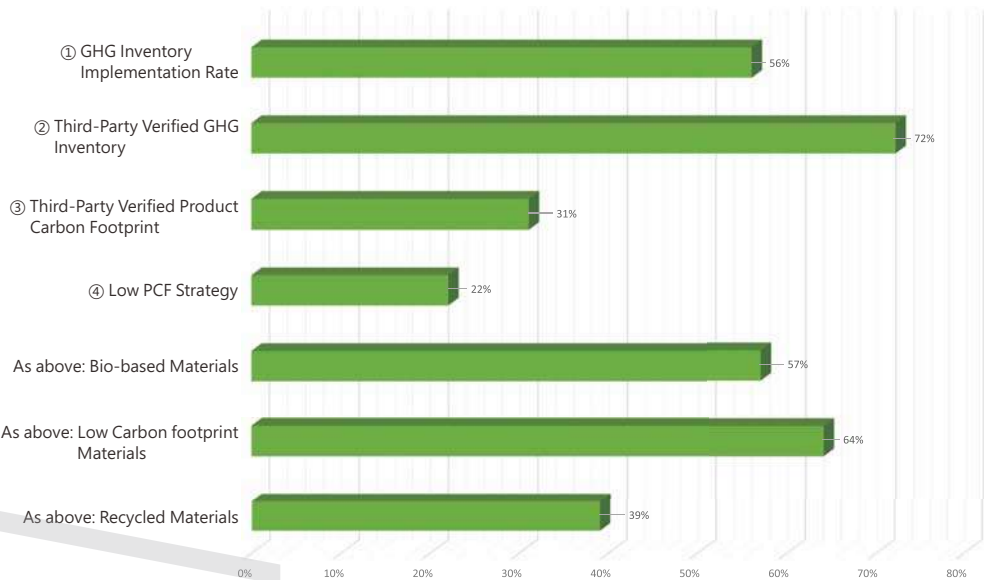
Cradle-to-Gate carbon emission sources

| Raw Materials usage stage | Manufacturing in Eternal | Product Type         |
|---------------------------|--------------------------|----------------------|
| 92.65%                    | 7.35%                    | Synthetic Resins     |
| 76.20%                    | 23.80%                   | Special Materials    |
| 71.72%                    | 28.28%                   | Electronic Materials |

### Reduction Measures in supply chain

In addition to its ongoing efforts in energy conservation and carbon reduction to mitigate greenhouse gas emissions during the manufacturing stage in Eternal, Eternal also actively cooperates with supply chain partners to promote PCF reduction in raw material stage by leveraging its network of raw material suppliers. In 2024, Eternal sent carbon emission inventory questionnaires to 144 upstream suppliers responsible for the top 50 carbon-intensive raw materials in 2023. Most suppliers have implemented greenhouse gas inventories and have third-party verification. In order to understand the carbon emissions of upstream purchased raw materials, Eternal uses procurement online surveys to gather data on suppliers' product carbon footprint (PCF) verification status, and obtains raw material carbon footprint verification information and raw material origin statements (biomass, circular economy). For the top 100 raw materials with the largest procurement acceptance volume in 2024, the actual carbon emission coefficient after verification will be updated and compared with the Taiwan's Environmental Protection Administration coefficient database. Preliminary estimates suggest this approach could reduce the PCF by approximately 8%.

## Supplier Carbon Emissions Survey Questionnaire Response in 2024



- ④ The response to acceptance ratio is 92.3% in this survey.
- ④ The procurement team will continue to work closely with suppliers, fostering ongoing collaboration to promote low PCF products and advance toward the sustainable goals.

# Water Cycle and Management



## Impacts and Value Chain Implications

The 2024 UNESCO World Water Development Report highlights that a large portion of the population in the Asia-Pacific region lacks access to adequate water supply, sanitation facilities, and personal hygiene services, especially in rural areas. Additionally, many of the region's most critical river basins face water pollution challenges, with eight of the world's top ten rivers contributing the highest amounts of marine plastic pollution located in Asia. Water scarcity, as well as extreme events such as floods and droughts, pose significant impacts on developing economies and vulnerable populations. Most of Eternal's factories are situated in the Asia-Pacific region, thus facing risks from extreme climate-related droughts and floods, alongside increasingly stringent wastewater discharge standards. In response, Eternal has established a water resource management policy and action guidelines as part of its commitment to environmental sustainability.

## Policies and Action Guidelines

In response to the impacts of climate change on water resources, Eternal has regarded water resources as a strategic resources used in plants since 2014. Water resource management is incorporated as a key agenda item under the Corporate Governance and Sustainable Development Committee. The President regularly convenes meetings to review water usage across all factories within the Group and to set corresponding action plans aimed at mitigating the impact of water scarcity.

## Management System

Water resource management follows the PDCA cycle as implemented through the Corporate Governance and Sustainable Development Committee's management system. The goals include reducing water consumption intensity, increasing water use efficiency (times of usage per drop), and minimizing wastewater discharge.

## Guidelines

### Water resource assessment

Evaluate watershed conditions and water resource stress around new plant sites; avoid establishing new plants in areas with high water resource pressure.

### Legal compliance for water withdrawal and discharge

Avoid direct extraction or discharge from the plant to natural water resource areas such as rivers, streams, lakes, and seas, to reduce environmental impact.

### Water recycling initiatives

Improve the water public utility and process usage to enhance water efficiency, thereby reducing the amount of potable water used and wastewater discharged.

### Drought and flood disaster resilience

During water restrictions, activate cross-regional water transfer measures or production support from other plants. Develop flood response plans to address the impacts of climate change.

### Information disclosure and supply chain collaboration

Disclose information on water resource management and hydrological impact assessments of plant locations, sign behavioral guidelines for upstream and downstream supply chains, and conduct water resource risk assessments for suppliers.

## Objectives and Performance

| Indicator                        | Benchmark year & annual management goal                                                                                                                         | Performance in 2024           | 2030 Milestone                                | 2050 Ultimate goal                                     |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----------------------------------------------|--------------------------------------------------------|
| Water unit consumption           | Using the average of water unit consumption from 2016 to 2020 as a baseline, reduce unit consumption of all types of energy by 1.5% per year from 2021 onwards. | Electronic materials 5.62E-05 | Reduce water unit consumption by 15% by 2030. | Reduce water unit consumption by 50% by 2050.          |
|                                  |                                                                                                                                                                 | Synthetic resins 1.57E-03     |                                               |                                                        |
| Number of uses per drop of water | The number of times a drop of water is used globally will reach more than 2.0 times by 2025.                                                                    | 1.81                          | More than 2.5 times by 2030 globally.         | Zero discharge of wastewater will be achieved by 2050. |

Units: electronic materials: thousand cubic meters/ kft<sup>2</sup>; resin materials: thousand cubic meters/T



## Mutual benefits from sharing water resources

To ensure that Eternal's water usage in its operational and production processes does not impact the water resources of the catchments at each plant location, and to monitor the changes in water resources caused by climate change at these locations, this Report also discloses, following GRI 303-1:2018 guidelines, that from 2022 onwards, Eternal has adopted the Aqueduct Tool developed by the World Resources Institute (WRI). This tool is used as the water resource risk assessment method to identify the water stress at each plant's main water withdrawal sources. The identification results are the same as in 2022, showing that the Company has 8 production sites located in areas with water stress (baseline water stress at medium-high risk or above). These 8 production sites accounted for approximately 22.6% of the Company's total global water withdrawals in 2024, and about 24.7% of the Company's total global water consumption in 2024, both of which increased by 3% compared to 2023. Although no plant has yet faced production reductions or shutdowns due to regional water stress, Eternal continues to strengthen operational management in water-stressed areas and actively sets and executes water resource management goals, working with the local community to protect precious water resources.

## Water Resource Stress in Production Site Regions

| Region   | Factory                                                              | Main water source                                 | Regional water stress | Reduction or stoppage of production due to water shortage? |
|----------|----------------------------------------------------------------------|---------------------------------------------------|-----------------------|------------------------------------------------------------|
| Taiwan   | Lu-Chu Plant                                                         | Nanhua Reservoir                                  | Low-medium (10-20%)   | No                                                         |
|          | Da-Fa Plant                                                          | Fengshan Reservoir                                | Low-medium (10-20%)   | No                                                         |
|          | Ping-Nan Plant                                                       | Mudan Reservoir                                   | Low-medium (10-20%)   | No                                                         |
|          | Xi-zhi Plant                                                         | Feicui Reservoir                                  | Low-medium (10-20%)   | No                                                         |
| China    | Eternal Chemical (Tianjin) Plant                                     | Dagang Water Supply Company (Yellow River)        | High (40-80%)         | No                                                         |
|          | Eternal Photoelectric Material Industry (Yingkou)                    | Yingkou Water Group Sixth Water Treatment Factory | Extremely high (>80%) | No                                                         |
|          | Eternal Chemical (China) Plant                                       | Kuilei Lake + Yangtze River                       | High (40-80%)         | No                                                         |
|          | Eternal Specialty Materials (Suzhou) Plant                           | Yangtze River                                     | Medium-high (20-40%)  | No                                                         |
|          | Eternal Electronic (Suzhou) Plant                                    | Sino-French Water                                 | Medium-high (20-40%)  | No                                                         |
|          | Eternal Photo Electronic Materials (Guangzhou) Plant 1               | Taihu                                             | High (40-80%)         | No                                                         |
|          | Eternal Photo Electronic Materials (Guangzhou) Plant 1               | North Main Stream of Dongjiang River              | Low (<10%)            | No                                                         |
|          | Eternal Photo Electronic Materials (Guangzhou) Plant 2               | North Main Stream of Dongjiang River              | Low (<10%)            | No                                                         |
|          | Eternal Materials (Guangdong) Plant                                  | Qianwu Reservoir                                  | Low (<10%)            | No                                                         |
|          | Eternal Specialty Materials (Zhuhai) Plant                           | Qianwu Reservoir                                  | Low (<10%)            | No                                                         |
|          | Eternal Chemical (Chengdu) Plant                                     | Wolong Water Factory                              | High (40-80%)         | No                                                         |
|          | Eternal Photo Electronic Materials (Guangzhou)Chongqing Branch Plant | Lidu Water Factory                                | Extremely high (>80%) | No                                                         |
| Malaysia | Eternal Materials (Malaysia) plant                                   | Ranhill SAJ                                       | Low (<10%)            | No                                                         |

Remark: Use the Aqueduct Tool developed by the WRI for water resource risk assessment.  
(<https://www.wri.org/aqueduct>)

## Water Withdrawal Statistics

To examine the use of water resources and shoulder the social responsibility as a multinational company, this Report began to disclose the use of water resources at the Company's plants across the world in addition to the plants in Taiwan from 2020.

### Production Water

|                   | Water withdrawal (thousand cubic meters) |        |         | Water discharge (thousand cubic meters) |        |        | Water consumption (thousand cubic meters) |        |        |
|-------------------|------------------------------------------|--------|---------|-----------------------------------------|--------|--------|-------------------------------------------|--------|--------|
|                   | 2022                                     | 2023   | 2024    | 2022                                    | 2023   | 2024   | 2022                                      | 2023   | 2024   |
| Total in Taiwan   | 363.96                                   | 332.16 | 366.33  | 149.47                                  | 137.33 | 152.72 | 214.49                                    | 194.83 | 213.61 |
| Total in China    | 638.87                                   | 585.26 | 642.47  | 119.62                                  | 101.32 | 135.03 | 519.25                                    | 483.94 | 507.44 |
| Total in Malaysia | 70.84                                    | 75.03  | 76.89   | 8.63                                    | 9.59   | 14.00  | 62.21                                     | 65.44  | 62.89  |
| Group-wide total  | 1073.67                                  | 992.45 | 1085.69 | 277.72                                  | 248.24 | 301.75 | 795.95                                    | 744.21 | 783.94 |

Note: The Xi-zhi Plant has been officially included in the management system since 2022. Starting in 2024, due to boundary adjustments and water use characteristics, the water withdrawal for the Xi-zhi Plant and Hubei Slitting Plant is assumed to be equal to their wastewater discharge.

### Non-Production Water and Other Areas

|                  | Water withdrawal (thousand cubic meters) |       |
|------------------|------------------------------------------|-------|
|                  | 2023                                     | 2024  |
| Taiwan           | 13.82                                    | 16.48 |
| Other regions    | 28.48                                    | 34.71 |
| Group-wide total | 42.30                                    | 51.19 |

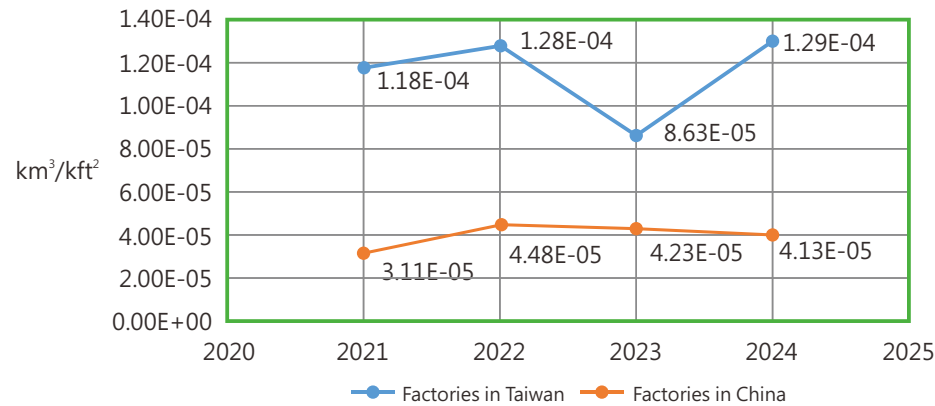
Note:

- Other regions: Italy, Japan Chiryu, Japan Kodama, Thailand, US, and Korea have been included in the management system since 2023. Additionally, the Vietnam office is a single office without direct water sources or facilities, and no water resource costs were incurred during the lease period. Therefore, this location cannot provide non-production water withdrawal data.
- The office is unable to compile statistics on the volume of water discharged and therefore does not disclose the volume of water discharged and the amount of water consumed.

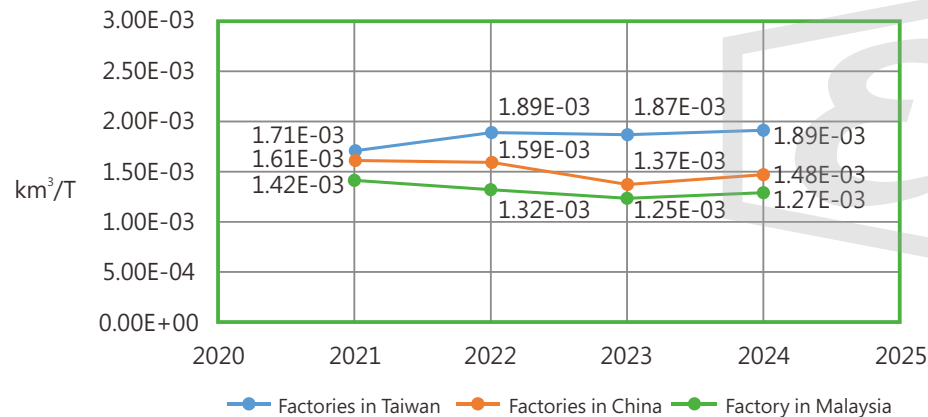
### Water Unit Consumption Indicators

This report is divided into two major products, namely electronic materials and resin materials, according to the product attributes, and reveals the unit water consumption data in the form of product water consumption.

## Water Consumption per Unit of Electronic Materials



## Water Consumption per Unit of Resin Materials



## Water Recycling Project Promotes Effectiveness

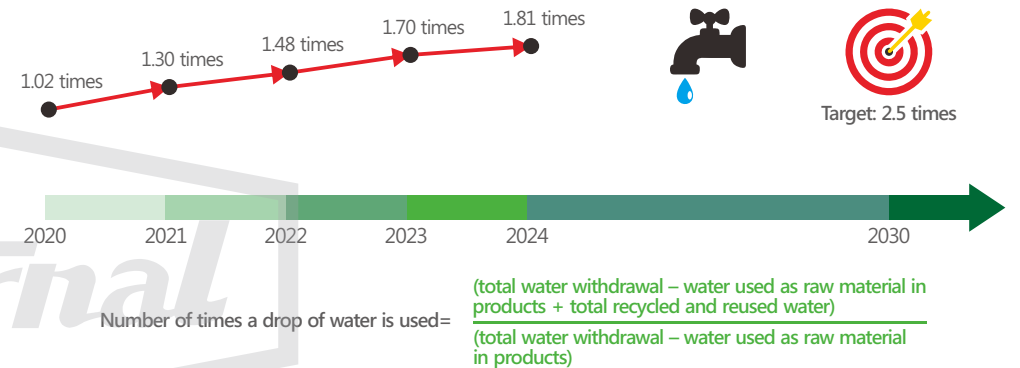
Since 2020, Eternal has been implementing a group-wide water recycling initiative to continuously optimize water resource management. Special focus has been placed on improving public utility systems—such as cooling water systems, steam condensate recovery, and rainwater harvesting—as well as process-related water usage, such as reclaiming process wastewater to replace tap water. These improvements aim to enhance water efficiency and promote reuse, thereby reducing freshwater consumption and wastewater discharge. Through these efforts, the Company is committed to preserving the valuable water resources provided by nature.

## Global Recycled Water Volume

| Location         | 2024    |
|------------------|---------|
| Taiwan           | 212.422 |
| Mainland China   | 562.842 |
| Malaysia         | 36.452  |
| Group-wide total | 811.716 |

Note 1: The above units are thousand cubic meters.  
 Note 2: The volume of water recycled was directly measured and excluding circulating capacity of the cooling water towers.  
 Note 3: Please refer to the Appendix for the implementation of recycled water projects in each plant.  
 Note 4: Other regions (Italy plant, Chiryu plant in Japan, Kodama plant in Japan, Thailand slitting plant, US plant) and offices (non-production bases, including Kaohsiung Company, Northern Sales Office, Central Sales Office, Korea Office, Vietnam Office) did not implement water recycling strategies in 2024.

## 2024 Eternal Global Water Use per Drop: 1.81 times



## Volume of water recycled by plants in Taiwan

| Factory        | Recycled from production utility equipment | Recycled from water discharged | Total   | Details                                                                                                                                                                             |
|----------------|--------------------------------------------|--------------------------------|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Lu-Chu Plant   | 95.893                                     | 1.34                           | 97.233  | Recycling of condensate from main steam pipelines, cooled overflow water, and increase the concentration of Neutralized Wash Wastewater to achieve a reduction in wastewater volume |
| Da-Fa Plant    | 40.322                                     | 0.666                          | 40.988  | Using the wastewater recovery system to recycle water and RTO steam condensate for reuse                                                                                            |
| Ping-Nan Plant | 65.894                                     | 8.307                          | 74.201  | Recycling RO system wastewater and steam condensate                                                                                                                                 |
| Total          | 202.109                                    | 10.313                         | 212.422 | The number of times of using each drop of water = 1.61 times                                                                                                                        |

Note 1: The above units are thousand cubic meters.  
 Note 2: The volume of water recycled was directly measured and excluding circulating capacity of the cooling water towers.

## Volume of water recycled by plants overseas

| Factory                                                | Recycled from production utility equipment | Recycled from water discharged | Total          | Details                                                                                                                                                                                                                                               |
|--------------------------------------------------------|--------------------------------------------|--------------------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Eternal Photo Electronic Materials (Guangzhou) Plant 1 | 20.428                                     | N/A for now                    | 20.428         | Collection and reuse of steam condensate                                                                                                                                                                                                              |
| Eternal Photo Electronic Materials (Guangzhou) Plant 2 | 17.102                                     | N/A for now                    | 17.102         | Collection and reuse of steam condensate                                                                                                                                                                                                              |
| Eternal Chemical (Chengdu) Plant                       | 2.885                                      | 3.464                          | 6.349          | Recycling of PE process wastewater and collection of clean rainwater                                                                                                                                                                                  |
| Chongqing Branch Plant                                 | N/A for now                                | N/A for now                    | N/A for now    | N/A for now                                                                                                                                                                                                                                           |
| Eternal Materials (Guangdong) Plant                    | 144.559                                    | 8.545                          | 153.104        | Recycling steam condensate and clean rainwater for reuse                                                                                                                                                                                              |
| Eternal Specialty Materials (Zhuhai) Plant             | 203.171                                    | 3.038                          | 206.209        | Collection and reuse of steam condensate, recycling and reuse of the wastewater at the sewage treatment stations, process wastewater treatment and recycling, recycling condensate using multi-effect distillation, and collection of clean rainwater |
| Eternal Photoelectric Material Industry (Yingkou)      | N/A for now                                | N/A for now                    | N/A for now    | N/A for now                                                                                                                                                                                                                                           |
| Eternal Electronic (Suzhou) Plant                      | 19.875                                     | 2.97                           | 22.845         | Recycling steam condensate and clean rainwater for reuse                                                                                                                                                                                              |
| Eternal Chemical (China) Plant                         | 29.462                                     | 10.242                         | 39.704         | Collection and reuse of steam condensate, recycling of RO system wastewater, and clean rainwater for reuse                                                                                                                                            |
| Eternal Chemical (Tianjin) Plant                       | 9.203                                      | 0.353                          | 9.556          | Collection and reuse of steam condensate, recycling of RO system wastewater, and clean rainwater for reuse                                                                                                                                            |
| Eternal Synthetic Resins (Changshu) Plant              | 5.025                                      | 8.222                          | 13.247         | Collection and reuse of steam condensate, recycling and reuse of the wastewater at the sewage treatment stations, and collection of clean rainwater                                                                                                   |
| Eternal Specialty Materials (Suzhou) Plant             | 72.085                                     | 2.213                          | 74.298         | Recycling condensate using multi-effect distillation, collecting rainwater for reuse, recycling wastewater using reverse osmosis systems                                                                                                              |
| <b>Total</b>                                           | <b>523.795</b>                             | <b>39.047</b>                  | <b>562.842</b> | The number of times of using each drop of water = 1.96 times                                                                                                                                                                                          |
| Eternal Materials (Malaysia) plant                     | 34.757                                     | 1.695                          | 36.452         | Recycling of RO system wastewater and reuse of the wastewater at the sewage treatment stations<br>The number of times of using each drop of water = 1.52 times                                                                                        |

Note 1: The above units are thousand cubic meters.

Note 2: The volume of water recycled was directly measured and excluding circulating capacity of the cooling water towers.

## Eternal Chemical (China) Plant rainwater harvesting and reuse system

- Rainwater at the plant was originally collected through rainwater collection ponds and drainage channels. As the rainwater was non-polluting, it was discharged directly.

- A new filtration system was installed, and idle storage tanks were repurposed. After filtration and storage, rainwater is now used as supplementary water for the cooling water system, thereby reducing tap water consumption. The estimated municipal water reductions are 5,000 tons per year. Equipment installation and piping work were completed in November, and rainwater collection began immediately, with 369 tons of rainwater collected to date.

- Including other rainwater reuse measures throughout the plant, the total volume of rainwater recycled in 2024 reached 10,242 tons, which was used for the cooling water system, fire protection system, and landscape irrigation.





# Wastewater Management

Scope of disclosure: Factories in Taiwan, China, and Malaysia

## Impact

If wastewater is discharged into water bodies without appropriate and effective treatment, it can significantly impact the living environment of aquatic plants and animals, human water use, and in severe cases, threaten health and cause ecological disasters. However, proper treatment, recycling, and utilization of wastewater can positively enhance the recycling and sustainable use of Earth's water resources.

Our stakeholders from the upstream to downstream, including suppliers, contractors, employees, communities, customers, and investors across the value chain will be impacted differently. Eternal will carry out communication with our stakeholders through different channels to address the issues that concern them (see the "Communication with Stakeholders" section) and carry out negotiation on with our value chain on wastewater issues by the same principle.

## Management Approach

In response to the United Nations Sustainable Development Goal (SDG) 6: Ensure availability and sustainable management of water and sanitation for all, and specifically targets 6.3 and 6.a on improving water quality, reducing pollution, wastewater treatment, and increasing recycling and reuse rates, Eternal is committed to 100% compliant wastewater treatment and total pollutant control of discharged water. The Company aims to reduce and recycle treated discharge water to minimize the use of fresh water and enhance water resource efficiency.

## Policy and Commitment

The Company is committed to reducing and reusing process wastewater and recycling wastewater after treatment to reduce discharge and achieve the vision of zero liquid discharge.

## Management Method

### Reduction at source

Process improvement reduces water usage and wastewater discharge.

### Separate collection

Separate collection of process wastewater, non-contact cooling water and rainwater.

### Recycling and end treatment

Direct recycling of water collected by diversion, discharge of wastewater after compliant treatment in wastewater treatment facilities according to the characteristics of wastewater, or recycling of wastewater after advanced treatment.

### Regular testing

Manual on-site sampling and monitoring on a regular basis, real-time monitoring of wastewater treatment facilities online, accurate control of sewage water quality.

## Complaint Mechanism

When the local residents have doubts about the emissions from the factory, they can communicate with or appeal to us through our official website, phone or email. We will address their complaints in a timely manner according to our management procedures.

## Wastewater Discharge Reduction Target

We have formulated a multi-stage wastewater reduction target which aims to reduce our total wastewater volume by 25% by 2025 and by 30% by 2030 compared to the 2020 level. Each plant has also formulated reduction measures and targets year by year. We regularly monitor and follow up on the results with the aim of achieving the ultimate goal of zero liquid discharge.

### Wastewater discharge target

We will reduce our total wastewater volume by **25%** by 2025 and by **30%** by 2030 compared to the 2020 level.

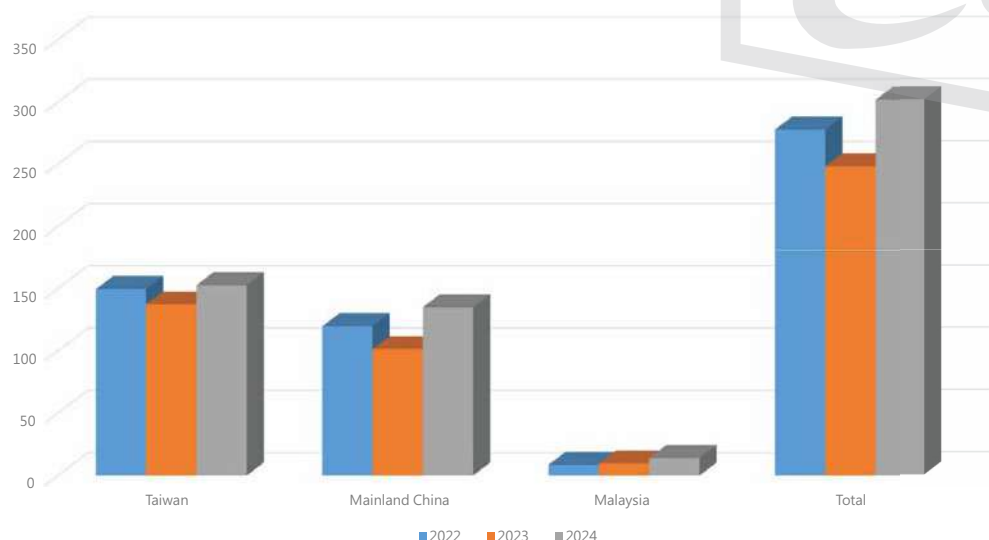
## Wastewater Discharge

### Wastewater discharge

From 2022 to 2024, Eternal's wastewater discharge volume (in megaliters) showed an increase compared to 2022 and 2023; however, the total discharge volume in 2024 decreased by 17.10% compared to the baseline year of 2020. The increase in recent years was primarily due to regulatory changes in Mainland China, where the Zhuhai Materials Plant was required to include certain wastewater streams that were previously exempt from treatment and reporting. This change added approximately 35.6 megaliters of wastewater discharge annually, resulting in an overall increase in reported discharge volume.

| Wastewater volume (megaliters) | Taiwan | Mainland China | Malaysia | Group-wide total | Reduction |
|--------------------------------|--------|----------------|----------|------------------|-----------|
| 2020                           | 198.7  | 155.8          | 9.5      | 364.0            | -         |
| 2021                           | 180.1  | 164.6          | 10.0     | 354.6            | -2.57%    |
| 2022                           | 149.5  | 119.6          | 8.6      | 277.7            | -23.71%   |
| 2023                           | 137.3  | 101.3          | 9.6      | 248.2            | -31.80%   |
| 2024                           | 152.7  | 135.0          | 14.0     | 301.7            | -17.10%   |

### Discharge volume (megaliters)



Note: Starting in 2024, due to boundary adjustments and water usage characteristics, the water withdrawal for the Xi-zhi Plant and Hubei Slitting Plant is assumed to be equal to their wastewater discharge. As a result, the wastewater discharge volumes from these two facilities have been newly included.

### Wastewater SS and COD discharged and discharge destination

Compiling the wastewater discharge endpoints, wastewater discharge (megaliters/year) and SS and COD discharge (tons/year) of Eternal from 2022 to 2024, the combined wastewater discharge in 2024 decreased by 17.10%, SS discharge decreased by 38.20%, and COD discharge increased by 34.77% compared with that of 2020 (the target base year). In 2024, the increase in COD emissions was primarily due to adjustments in wastewater treatment strategies at the plant level. These adjustments took into account the overall operation of on-site wastewater treatment systems, including the addition of higher-concentration wastewater streams to the treatment system and changes to effluent concentrations discharged to third-party treatment facilities. The most significant increase in COD emissions compared to 2023 occurred in the Mainland China region, where an additional 4.8 tons of COD per year were discharged to third-party wastewater treatment plants before being released into natural water bodies.

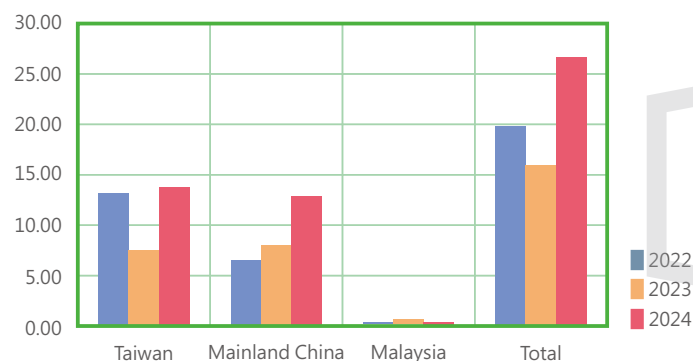
| Year             | Region         | Discharge destination | Discharge volume (megaliters/year) | SS discharged (tons/year) | COD discharged (tons/year) |
|------------------|----------------|-----------------------|------------------------------------|---------------------------|----------------------------|
| 2020 (base year) | Taiwan         | Surface water         | 120.00                             | 0.37                      | 4.39                       |
|                  |                | Third party           | 78.70                              | 2.46                      | 8.15                       |
|                  | Mainland China | Surface water         | 4.80                               | 0.03                      | 0.09                       |
|                  |                | Third party           | 150.98                             | 2.84                      | 6.68                       |
|                  | Malaysia       | Surface water         | 9.50                               | 0.10                      | 0.50                       |
| Total            |                |                       | 364.00                             | 5.80                      | 19.80                      |
| 2022             | Taiwan         | Surface water         | 82.56                              | 0.22                      | 2.23                       |
|                  |                | Third party           | 66.91                              | 1.42                      | 10.94                      |
|                  | Mainland China | Surface water         | 4.92                               | 0.03                      | 0.13                       |
|                  |                | Third party           | 114.68                             | 2.01                      | 6.40                       |
|                  | Malaysia       | Surface water         | 8.63                               | 0.17                      | 0.13                       |
| Total            |                |                       | 277.70                             | 3.85                      | 19.83                      |
| 2023             | Taiwan         | Surface water         | 89.80                              | 0.09                      | 1.29                       |
|                  |                | Third party           | 47.52                              | 1.34                      | 6.14                       |
|                  | Mainland China | Surface water         | 5.12                               | 0.03                      | 0.09                       |
|                  |                | Third party           | 96.20                              | 2.26                      | 7.91                       |
|                  | Malaysia       | Surface water         | 9.59                               | 0.18                      | 0.46                       |
| Total            |                |                       | 248.23                             | 3.90                      | 15.89                      |

| Year | Region         | Discharge destination | Discharge volume (megaliters/year) | SS discharged (tons/year) | COD discharged (tons/year) |
|------|----------------|-----------------------|------------------------------------|---------------------------|----------------------------|
| 2024 | Taiwan         | Surface water         | 105.50                             | 0.14                      | 4.08                       |
|      |                | Third party           | 47.22                              | 1.33                      | 9.57                       |
|      | Mainland China | Surface water         | 5.31                               | 0.03                      | 0.07                       |
|      |                | Third party           | 129.72                             | 2.00                      | 12.74                      |
|      | Malaysia       | Surface water         | 14.00                              | 0.09                      | 0.22                       |
|      | Total          |                       | 301.75                             | 3.58                      | 26.68                      |

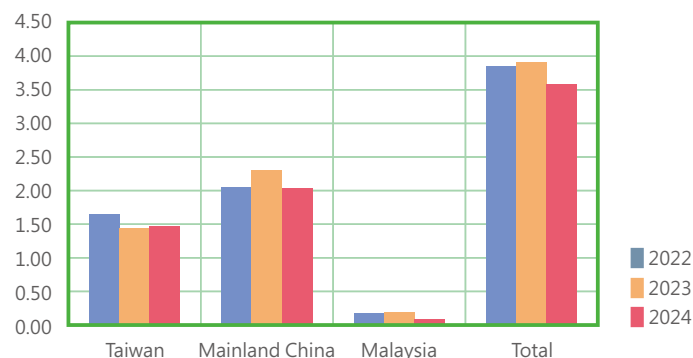
Remark:

- The disclosed data is the amount of waste (sewage) declared by each factory to the local government.
- Starting in 2024, due to boundary adjustments and water usage characteristics, the water withdrawal for the Xi-zhi Plant and Hubei Slitting Plant is assumed to be equal to their wastewater discharge. As a result, the wastewater discharge volumes from these two facilities have been newly included.

### COD discharged (T/year)



### SS discharged (T/year)

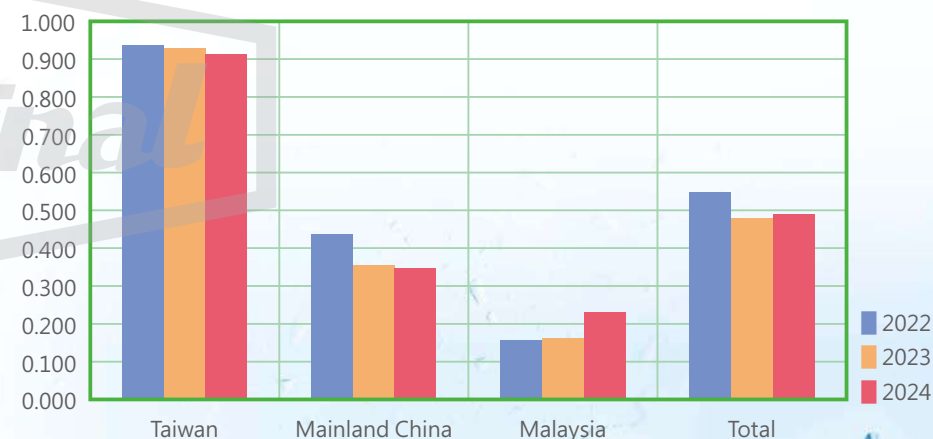


## Wastewater Discharge Intensity

Aggregate disclosure of wastewater (megaliters/kt) per unit of production capacity at Eternal's three production sites from 2022 to 2024 is shown in the chart below, with the combined total emissions in 2024 decreasing by 14.95% compared to 2020 (the target base year).

| Wastewater volume per unit of output (megaliters/output (kt)) | 2020 (base year) | 2022  | 2023   | 2024   |
|---------------------------------------------------------------|------------------|-------|--------|--------|
| Taiwan                                                        | 1.001            | 0.939 | 0.930  | 0.920  |
| Mainland China                                                | 0.397            | 0.437 | 0.356  | 0.349  |
| Malaysia                                                      | 0.248            | 0.160 | 0.162  | 0.232  |
| Total                                                         | 0.579            | 0.550 | 0.482  | 0.492  |
| Reduction                                                     | -                | 5.01% | 16.75% | 14.95% |

### wastewater per unit of production capacity (megaliters/kt)





## ■ Wastewater reduction measures

### Reclaimed Water Recovery System at the Lu-Chu Plant

The Lu-Chu Plant upgraded its wastewater treatment system by adding UF, EDR, and RO units. Wastewater from certain production processes, previously discharged after treatment, is now further treated and reused in manufacturing processes.



### Reuse of RO Reject Water for UF Membrane Backwash at the Da-Fa Plant

Due to process requirements, the Da-Fa Plant uses RO water. Previously, the RO reject water generated during production was discharged to the industrial zone's wastewater treatment center. The plant has now modified the system to reuse this reject water for UF membrane backwashing. Wastewater recycling began in July 2024, with a total of 855 tons recovered by the end of the year.



### Steam Condensate Recovery Project at the Da-Fa Plant

Previously, condensate from certain production lines at the Da-Fa Plant was treated as wastewater and discharged to the industrial zone's wastewater treatment center. In 2024, the plant began recovering this condensate and reusing it as softened water for boiler steam generation. The wastewater recycling initiative began in July 2024, with a total of 264 tons of condensate recovered by the end of the year.



### Steam and Condensate Recovery from the Incinerator Area at the Kunshan Chemical Plant

At the Kunshan Chemical Plant, the steam generated by the incinerator's waste heat boiler was previously used inefficiently, with some steam and its condensate discharged directly. As this wastewater is considered low in pollutants, the plant implemented equipment upgrades to recover and reuse both the discarded steam and condensate. The annual water recovery is estimated at 1,200 tons, with 901 tons recovered in 2024.



### Toilet Flushing Water at the Changshu Plant

At the Changshu Plant, the general wastewater tank managed by the Utilities Department primarily collects wastewater from sources such as melted ice from nitrogen evaporators, backwash water from the softening system, and concentrated water from the reclaimed water system. This wastewater was originally discharged after biological treatment via the low-concentration wastewater treatment system. Since this portion of wastewater is relatively clean, a new water storage tank was added at the outlet of the wastewater tank pump. The stored water is now reused for toilet flushing in on-site restrooms. It is estimated that this initiative will save approximately 500 tons of tap water annually. So far, it has already achieved a savings of 460 tons.



## Management of discharge impacts

The process wastewater and domestic wastewater generated in various areas of the plant are 100% compliant with regulations through the wastewater treatment system, as described below.

### Site assessment

The Company's plants are primarily located in industrial zones, none of which are situated within national water source protection areas. This results in a low sensitivity to environmental impact. The discharge of wastewater is managed according to the methods and watercourses approved by regulatory authorities. Currently, three plants discharge treated wastewater directly into channel rivers (one each in Taiwan, China, and Malaysia), while the rest discharge into industrial zone wastewater treatment plants.

### Optimization of treatment process

For new and expanded processes, we need to assess and review the impact of various environmental issues in advance and formulate preventive measures to minimize the impact of wastewater discharge.

### Effective wastewater treatment facilities

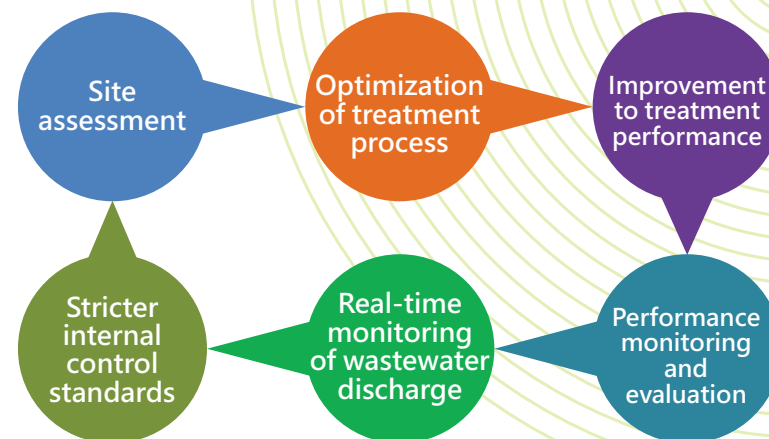
When production conditions or regulations change, timely assessments of wastewater treatment effectiveness are conducted. Investments are made as needed to upgrade the performance of wastewater treatment facilities, enhancing treatment efficiency. Treatment methods are tailored to the characteristics of the wastewater, such as aerobic biological treatment, MBR treatment, and anaerobic treatment methods.

### Stricter internal water quality standards

We establish stricter standards for quality of discharged water. Each plant has set stringent standards that are stricter than what is stipulated in the law. When the quality of discharged water is close to the standards, we will follow it up and will not discharge the water if it does not meet our stringent standards.

### Wastewater discharge monitoring

Establish online monitoring facilities for wastewater to provide real-time surveillance of discharge conditions.



## Wastewater Discharge Quality and Management

Eternal strictly enforces wastewater stream separation, ensuring that process wastewater and clean drainage are collected through separate pipelines. This approach enhances the quality of treated effluent and enables effective reuse of discharged water after further treatment, thereby reducing overall wastewater discharge. In 2024, the effluent quality standards vary across the Company's facilities in Taiwan (Lu-Chu, Da-Fa, Ping-Nan plants, and Xi-zhi Plant), mainland China (South China Plant 1 and 2, Chengdu, Chongqing, Guangdong, Zhuhai, Hubei Slitting Plant, East China, Kunshan Chemical, Tianjin, Changshu, and Suzhou plants), and Malaysia. All facilities met their respective discharge water quality standards in 2024.

## Control Measures to Prevent Soil and Groundwater Pollution

To eliminate environmental incidents related to soil and groundwater pollution, Eternal implements the following management and control measures for new and existing underground pipelines and tanks with potential pollution concerns. In 2023, the Company initiated an investigation and assessment of existing underground facilities. By the end of 2024, one underground tank and three underground pits had been decommissioned, emptied, cleaned, and sealed in accordance with regulations. For continued use, a total of 23 underground pits have been upgraded with improved anti-leakage measures. As of 2024, 95% of the improvement work for underground tanks, pits, and pipelines across all Company sites has been completed, and the remaining work is ongoing.

### 📍 New installations:

- ① Storage tanks, pits, pipelines, and other potentially polluting structures should be prioritized for above-ground installation.
- ② Tanks and pits must be designed to prevent leaks and resist corrosion, with plans for regular leakage inspections.
- ③ The completion and acceptance of new tanks, pits, and pipelines must be tested for full water, PT, and holding pressure.

### 📍 Existing: Depending on the factual situation, the following measures are implemented.

- ① Discontinue underground pipelines and tanks, and seal them after emptying and checking that no residue remains.
- ② Pipelines that cannot be above ground should be replaced with open ditches or exposed conduits to facilitate inspections and thickness measurements.
- ③ The renewed underground tanks and ponds shall be lined with leakage prevention measures, such as stain-less steel, vinyl resin, FRP and other lining materials.
- ④ The underground tanks and pipelines shall be tested for leakage at regular intervals.
- ⑤ Annual visual and leakage inspections of reclaimed underground tanks.
- ⑥ Identify high contamination potential sites and install groundwater monitoring wells. The soil and groundwater contamination monitoring operations have been commissioned by a third party on an annual basis and have not resulted in any contamination to date.

## ● Abnormal Discharge Management

The wastewater and rainwater discharges to the outside of the plant are equipped with gates that are always closed to prevent polluted water from flowing out of the plant in case of abnormal events. Accidental water collection measures have been established in each plant area and can be directed to the wastewater treatment facilities in the plant and discharged after treatment to meet the standards to prevent the accidental water from flowing out of the plant.

# Air Pollution Discharge Management

Scope of disclosure: Factories in Taiwan, China, and Malaysia

## ● Management Approach

Enabling the public and employees to have clean air and a healthy living and working environment is Eternal's mission at the heart of air pollution management.

## ● Impact

Total suspended particles (TSP) have an adverse impact on human respiratory function. Sulfur oxides (SO<sub>x</sub>) have a pungent odor and result in acid rain, and nitrogen oxides (NO<sub>x</sub>) can also lead to acid rain, while raising the ozone concentration in the atmosphere. The volatile organic compounds (VOCs) from equipment components cause a more direct impact on the health of on-site workers than the three elements mentioned above and also affect the ozone concentration in the atmosphere.

## ● Management Method

### Policy and Commitment

Eternal is committed to the use of cleaner energy, source reduction in manufacturing processes and the adoption of BACT pollution control equipment to continuously improve air emission performance.

### Management Goal

Using the three-year average emissions from 2018 to 2020 as the baseline year:  
SO<sub>x</sub> : 41.56 tons, NO<sub>x</sub> : 152.06 tons, TSP : 14.45 tons, VOCs : 111.77 tons



|      |                                     |
|------|-------------------------------------|
| SOx  | Reduce by 90% by 2025, 95% by 2030. |
| NOx  | Reduce by 30% by 2025, 40% by 2030. |
| TSP  | Reduce by 20% by 2025, 30% by 2030. |
| VOCs | Reduce by 5% by 2025, 10% by 2030.  |

## Action Plan

- 📍 Evaluate technical feasibility and regulatory compliance.
- 📍 Organize the project team in each plant to promote the implementation.
- 📍 Regularly review the effectiveness of the tracking and monitor the continued effectiveness of the system.

## Grievance Mechanism

When nearby residents have doubts about emissions from the plant, they can communicate or file a complaint through Eternal's official website, telephone, or email, and we will respond to it in a timely manner as per the management procedures.

## Current Status of Air Pollution Emissions

The main air pollutants emitted by Eternal (SOx, NOx, TSP, VOCs) have shown continuous reduction in emissions due to the implementation of reduction measures over the years.

## Air Pollution Emission Management Performance of Eternal:

① From 2022 to 2024, Eternal's air pollutant emissions have all decreased compared to the baseline year. However, in 2024, emissions of NOx, TSP, and VOCs increased compared to 2023. In addition to the increased production volume in 2024, changes in product mix and adjustments to air pollution calculation standards in Mainland China contributed to a notable rise in air pollutant emission data compared to 2023—specifically, NOx increased by 24.74%, TSP by 132.09%, and VOCs by 79.31%.

Despite this, the 2024 emission levels of all air pollutants still show reductions when compared to the baseline average (2018-2020). However, the reduction performance of TSP remains an area requiring further improvement.

- 📍 SOx down by 95.0%
- 📍 NOx down by 42.2%
- 📍 TSP down by 1.7%
- 📍 VOCs down by 26.4%

Emissions of major pollutants from stationary sources in Taiwan, China, and Malaysia from 2022 to 2024 are shown below

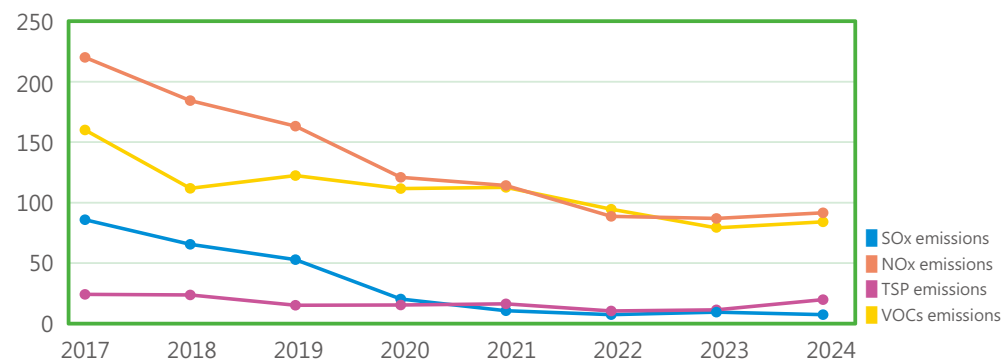
Unit: tons

| Year                                                                      | Region         | Sox emissions | Nox emissions | TSP emissions | VOCs emissions |
|---------------------------------------------------------------------------|----------------|---------------|---------------|---------------|----------------|
| Using the three-year average emissions from 2018 to 2020 as the base year | All regions    | 41.56         | 152.06        | 14.45         | 111.77         |
| 2022                                                                      | Taiwan         | 0.85          | 48.24         | 1.33          | 70.67          |
|                                                                           | Mainland China | 0.97          | 34.53         | 5.61          | 19.45          |
|                                                                           | Malaysia       | 0.91          | 1.34          | 0.18          | 0.32           |
|                                                                           | Total          | 2.73          | 84.11         | 7.12          | 90.44          |
| 2023                                                                      | Taiwan         | 1.26          | 43.59         | 2.23          | 61.42          |
|                                                                           | Mainland China | 1.53          | 36.74         | 5.36          | 13.68          |
|                                                                           | Malaysia       | 1.80          | 1.86          | 0.06          | 0.48           |
|                                                                           | Total          | 4.58          | 82.20         | 7.65          | 75.58          |
| 2024                                                                      | Taiwan         | 0             | 41.97         | 1.44          | 57.66          |
|                                                                           | Mainland China | 1.96          | 45.83         | 12.44         | 24.53          |
|                                                                           | Malaysia       | 0.12          | 0.08          | 0.32          | 0.03           |
|                                                                           | Total          | 2.08          | 87.89         | 14.20         | 82.22          |

Note: The emissions from stationary sources (exhaust pipes) are calculated based on the results of the inspection conducted by a commissioned inspection agency that is certified by the local government or online inspection results.

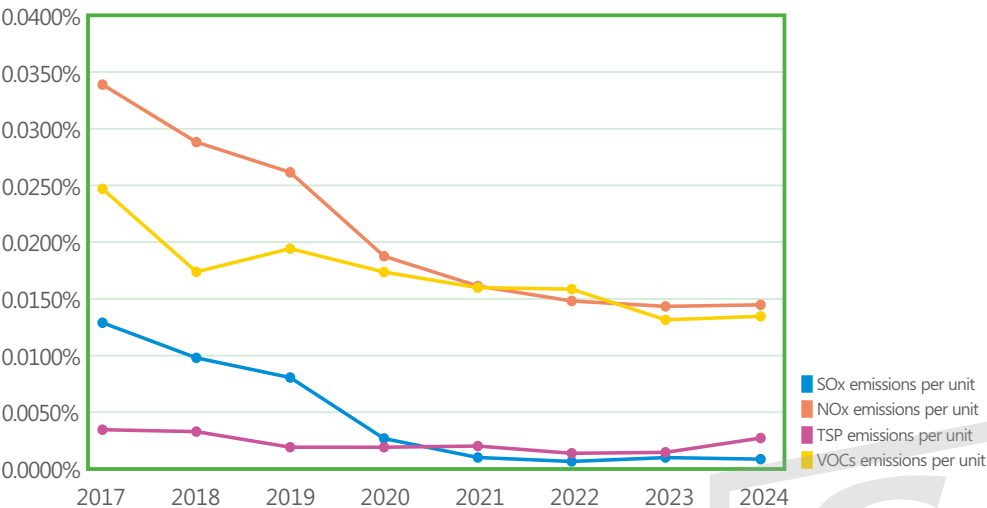
## Eternal's air pollution emissions (tons) showed a downward trend from 2017-2024

Air pollutant emissions (tons) from 2017-2024



Eternal's air pollution emissions per unit of capacity (tons/tons) showed a downward trend from 2017-2024

Air pollution emissions per unit (tons/tons) from 2017-2024



Air Pollution Emission Reduction Management Measures

To fulfill policy commitments and management goals, Eternal has not only researched the best available control technologies, but has also proactively implemented emission reduction measures that go beyond regulatory requirements. These measures include switching from heavy fuel oil to cleaner energy sources such as natural gas, optimizing and upgrading pollution control equipment, and enhancing the collection and treatment of fugitive air pollutants. In addition, the Company has established a comprehensive monitoring system—comprising self-monitoring, online monitoring, and project-based monitoring—to track pollutant emissions in real time and provide data for source-level analysis and reduction planning. Examples of Eternal’s air pollution reduction management measures are as follows:

Vacuum Adsorption and Desorption System Upgrade Project at the Lu-Chu Plant

Previously, process exhaust gases were collected in a sealed manner and directed to a scrubber for treatment before being discharged. After evaluation, the scrubber was replaced with a vacuum adsorption and desorption system to enhance VOCs control efficiency. Upon installation, the system demonstrated an operational removal efficiency of over 90%.



Following the implementation of this optimized solution, actual VOCs emissions were reduced from 29,953.52 kg to 5,657 kg per year, resulting in an annual reduction of 24,296.52 kg. This reflects an 81.1% improvement in VOC removal efficiency through the upgrade of the air pollution control equipment.

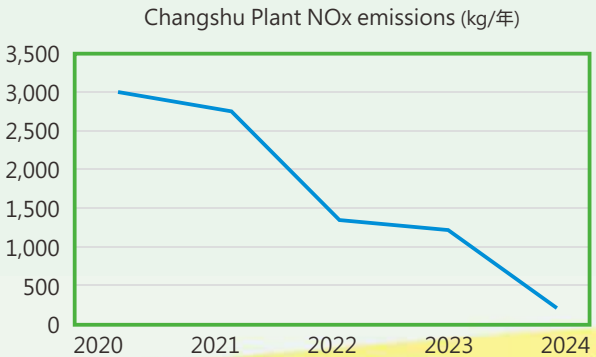
Denitrification System Retrofit Project at the Changshu Plant

Although the Changshu Plant had already installed a denitrification system as part of its air pollution control equipment, further upgrades were implemented to continuously optimize and reduce air pollutant emissions. The following measures were taken to enhance exhaust gas treatment efficiency:

- ① The existing two-layer high-temperature SCR catalyst was replaced with a three-layer catalyst system combining SCR and SCO to improve NOx removal efficiency.
- ② The quality of the urea used in the process was upgraded to significantly reduce impurities generated during thermal decomposition.
- ③ Operating parameters of the exhaust fan were optimized to ensure more efficient airflow control.



In 2024, the total air pollutant emissions were 462.69 kg/year, a 73.2% reduction compared to the average emissions of 1,725 kg/year in 2022-2023. Specifically, NOx emissions in 2024 were 206.32 kg/year, representing an 84% reduction from the 2022-2023 average of 1,291 kg/year.



## Optimization of the Storage Tank Exhaust Collection System at the Zhuhai Materials Plant

Previously, VOC-laden exhaust gas released through the storage tank breather valves was routed through sealed pipelines to a condenser and then to a water seal tank for treatment. As part of the plant's optimization efforts, the exhaust gas previously vented from the water seal tank is now further treated using activated carbon before being discharged into the atmosphere. This upgrade effectively reduces VOCs emissions and minimizes air pollution.



## Environmental Improvements in Raw Material Feeding and Packaging Areas

- ① At the Changshu Plant, a VOCs emission reduction project was implemented for specific production lines. Measures included sealing the original feed ports, converting open workspaces into enclosed areas, and installing additional ventilation and exhaust systems. These efforts helped minimize fugitive VOCs emissions.
- ② At the Suzhou Materials Plant, chemical raw materials were originally fed manually from drums. Following a process evaluation, the feeding method was upgraded to a sealed pipeline system, eliminating VOCs emissions during material transfer.
- ③ At the Lu-Chu Plant, the packaging of drum-contained chemical products (acrylate monomers) was automated and fully enclosed, eliminating the need for manual handling and preventing any VOC release during the packaging process.

By optimizing and improving the environmental conditions of production areas, these plants have not only reduced VOCs emissions into the surrounding environment, but also improved indoor air quality—offering a safer and more comfortable workplace for employees.



Suzhou Materials Plant



Changshu Plant



Lu-Chu Plant

## Waste Management

Scope of disclosure: Factories in Taiwan, China, and Malaysia

### Positive and Negative Impacts

Eternal purchases raw materials from upstream suppliers, produces products that meets customers' needs through its proprietary manufacturing process, and then delivers our products to customers around the world. Various types of wastes are generated from the procurement process, production process, and the compliant treatment of process emissions and wastewater, which have negative impacts, for example:

#### 📍 Resource waste and increased production costs

Valuable raw materials that are not properly used become waste, leading to the need to purchase additional raw materials to meet production demands. This results in resource waste and increased production costs as waste disposal fees rise with growing environmental awareness.

#### 📍 Damage to Company reputation

If waste is mishandled during the disposal process, whether handled internally or outsourced, it can lead to legal violations, environmental harm, and negative impacts on the Company's reputation.

In waste management, in addition to reducing the negative impacts of waste, research and development at the source and effective production management can positively impact the Company, such as:

#### ① Establishing a circular economy business model for sustainable development:

By rethinking the use of Earth's resources through material search, R&D, production, and sales, we can maximize resource utilization. This approach helps achieve both resource sustainability and corporate sustainability.

#### ② Providing waste reduction solutions for the supply chain:

With a holistic view of the industrial chain, from raw material supply to end sales, and leveraging Eternal's R&D strengths, the Company can establish optimal chemical material supply services. This leads to a win-win cooperation model, benefiting both parties.



## ● Negative Impact on Value Chain

Eternal's activities or business relationships involving potential negative impacts are described as follows:

### 📍 Upstream (supplier):

Waste generated from raw material packaging: Terms in procurement contracts include:

- ① Require suppliers to recycle raw material packaging containers.
- ② Require suppliers to provide large packaging or bulk raw materials according to the company's production conditions.

### 📍 Mid-stream (the Company and employees):

Waste generated from production activities includes:

- ① Quality control sampling or filter material waste from production activities.
- ② Waste from cleaning tanks during the replacement of production equipment.
- ③ High-concentration process wastewater generated from chemical reactions.
- ④ Scrap materials generated to meet customer specifications.
- ⑤ Raw material packaging containers and transport pallets.
- ⑥ Peripheral waste from the replacement of old equipment.
- ⑦ Waste generated from the treatment of pollution control (prevention) equipment.
- ⑧ Scrap metal, paper waste, plastic waste, and domestic waste.

### 📍 Downstream (customers or waste treatment plants):

- ① Returned goods due to customer quality inspection failures.
- ② Waste disposal handled by the Company itself or outsourced to contractors.

## ● Policy and Commitment

📍 Eternal's commitment in the "Safety, Health and Environmental Policy" is to "prevent any harm or adverse impact on the environment through the design of manufacturing processes, and to actively research and develop green and energy-saving products in order to reduce the environmental impact and improve the efficiency of resource use". Therefore, Eternal's waste management policy adopts the 4R objectives of reduce waste at the source, reuse raw materials in the process, recycling, and waste regeneration, and actively implements waste management in order to reduce the production of wastes, with a view to realizing the concept of sustainability of the Earth's resources.

📍 Waste that cannot be treated through the 4R measure should be disposed of and honestly declared in accordance with local government waste regulations.

📍 In order to reduce the impact of high-hazardous wastes on the environment, especially for hazardous wastes to reduce and reuse at source, and to develop relevant management measures and process improvements.

## ● Management Measures for Significant Impact of Waste

Eternal has implemented measures to manage the significant impact of waste. Based on the significant impact of waste on Eternal's negative and positive impacts, the value chain, and the Company's policies and commitments, Eternal has formulated waste management objectives, and has tracked the effectiveness of these objectives in the three areas of management organization operations, process source optimization, and end management, and has implemented these measures throughout the Company.

### ● Eternal's Waste Management Target

Waste reuse rate of **60%** in 2025 and **70%** in 2030.  
Hazardous waste reuse rate of **50%** in 2025 and **60%** in 2030.

### 📍 Management organization operations

The Company's plants in Taiwan, China, and Malaysia have all obtained ISO 14001 Environmental Management System certification. Each year, they submit reduction plans according to the Company's policy goals. The performance of these reduction plans is tracked in the quarterly Group Safety and Environment Committee meetings, and the Group evaluates the performance of the plants at the end of each year, highlighting those that are performing well or lagging behind. (Detailed information is provided in the sections on "Environmental Management System" and "Group Safety and Environment Committee")

## 📍 Process source optimization

Through analysis and review of waste generation sources, supply chain issues are coordinated separately by procurement and sales systems with suppliers and customers. For process waste reduction optimization involving production processes, these are managed and tracked in the Group Process Technology Monthly Meetings and the quarterly Process Technology Committee meetings, with waste reduction projects being promoted to domestic and international production sites.

Example:

### Reduce waste at the source

- ① Use of waste solvent after distillation and purification.
- ② Solvents used in the cleaning process can be reused multiple times with enhanced management.
- ③ Concentration and reduction of high-concentration wastewater generated from chemical reactions in the process.
- ④ Procurement of high-strength plastic pallets to replace wooden pallets, reducing waste pallet generation.
- ⑤ Use of large packaging, bulk, or recyclable containers for raw materials or product packaging to promote reuse.
- ⑥ Treatment of wastewater sludge after drying and volume reduction.
- ⑦ Research on solutions to improve filtration efficiency and reduce the output of waste filter materials.

### Reuse raw materials in the process

- ① Process quality control sampling waste resin optimized from manual operation to direct process recycling.
- ② Cutting waste material is stripped and sorted, then either reused in the process or sent for recycling or disposal.

## Recycling

Dumped empty barrels of raw material packaging containers are cleaned by a qualified vendor and then repurchased for reuse.

## Waste regeneration

Based on the principle of extending the lifecycle of waste, seek appropriate reuse and processing vendors to convert waste into energy, such as Solid Recovered Fuel (SRF).

## Management and Audit for Outsourcing Waste

Materials or packaging that are determined to be no longer usable must be handled legally and compliantly to avoid negative impacts on Eternal. If conditions permit, Eternal should handle the waste internally as a priority. If not feasible, the waste should be entrusted to a qualified local processing facility for compliant treatment, with a preference for outsourcing to facilities that offer recycling or reuse options. Currently, Eternal's plants do not export waste for treatment abroad. The basic management principles for outsourced treatment are as follows:

### 📍 Determine Eternal's waste composition

Entrust a qualified third-party testing company to analyze the composition of the waste generated at the plant to confirm waste classification and the alignment of the selected processing vendor's qualifications.

### 📍 Vendor qualification and contract signing

Conduct a review of the vendor's qualification documents before signing a contract. New vendors must undergo a site inspection, and contracts are signed only after review by all relevant departments through electronic document processing.

### 📍 Waste disposal control

The qualification of the waste disposal vehicle shall be reviewed again before entering the factory. The waste shall be declared before the vehicle leaves the factory.

### 📍 Waste clearance and treatment audits

Conduct periodic tracking of clearance vehicles via follow-up or GPS monitoring, and perform on-site inspections of processing vendors to ensure that waste is disposed of legally according to regulatory authority standards.

### 📍 Implementing internal audit

Follow the audit mechanism of the ISO 14001 environmental management system, establish an audit mechanism for both the factory and the company to ensure that waste is monitored and managed in terms of production, storage, recording, and disposal declaration.

● Communication and Negotiation with Stakeholders on Waste Reduction Actions

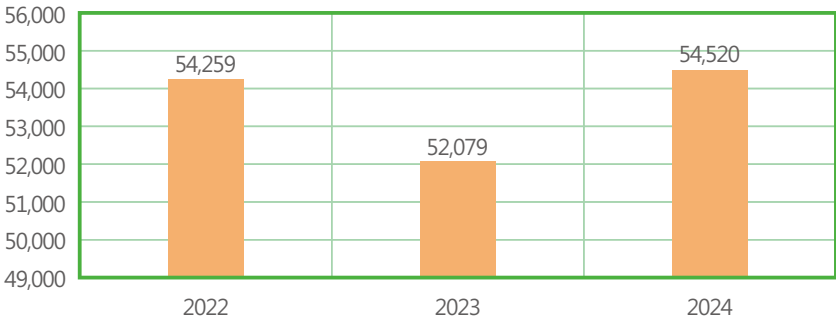
Stakeholder engagement plays a key role in achieving our waste reduction goal. Therefore, it is necessary for the main responsible units of the waste reduction project to communicate and coordinate with their stakeholders to do the same. Taking supplier negotiation as an example, the procurement unit will make sure the supplier will cooperate through negotiation and contracts. If there is any inconsistency or abnormality with the contract terms during the execution period, the plant will report to the procurement unit and then ask the supplier to improve. For waste reduction projects implemented within the factory, we will hold meetings to explain our engineering plans or management measures, train personnel and use the company's Management of Change (MOC) system to keep track of the projects to achieve our reduction goal.

● Waste Output

In 2024, business waste from Taiwan, China, and Malaysia plants was processed locally and not exported across borders. Waste generation volumes were calculated based on the respective regulations and reporting requirements of local authorities at each site. Aggregated data from 2022 to 2024 shows that Eternal's total waste volume remained relatively stable during this period. The Company remains committed to continuous waste reduction, implementing environmentally friendly management measures while also aiming to lower waste treatment costs.

| Year                | 2022                           | 2023   | 2024   |
|---------------------|--------------------------------|--------|--------|
| Production site     | Waste output (metric ton/year) |        |        |
| Factories in Taiwan | 8,536                          | 7,244  | 8,406  |
| Factories in China  | 41,916                         | 40,444 | 42,304 |
| Malaysia            | 3,807                          | 4,391  | 3,810  |
| FactoryTotal        | 54,259                         | 52,079 | 54,520 |

Waste output (metric ton/year)



Note: The waste output quantity in this chart refers to the amount of waste that must be reported according to regulations, excluding waste classified as "preparation for reuse" and "recovery" under GRI definitions.

● Waste Classification and Disposal

Classification and disposal methods

● According to the new version of the GRI 306: Waste 2020 Topic Standards, waste classification includes direct disposal and disposal transfer, where disposal transfer includes "preparation for reuse," "recycling," and "recovery." This year, Eternal has not only conducted "recycling" statistics according to the regulations and reporting requirements of local authorities at each plant but has also carried out detailed statistics for "preparation for reuse" and "recovery".

● Definition of waste disposal and transfer:

- ① Preparation for reuse: Inspect, clean, or repair products or components that have become waste to prepare them to be used for the same purpose.
- ② Recycling: Reprocess products or components that have become waste to produce new materials.
- ③ Recovery: Prepare products, components, or materials that are ready to become waste through any operational means, so that they can be used to replace new products, components, or materials that were intended for the same purpose.

● Waste is classified and disposed of depending on its composition. The waste from our factories in Taiwan, China, and Malaysia in 2024 is shown as below:





Unit: metric tons

| 2024                |                                          | Factories in Taiwan |            | Factories in China |            | Malaysia Factory |            | Total   |
|---------------------|------------------------------------------|---------------------|------------|--------------------|------------|------------------|------------|---------|
|                     |                                          | Out of factory      | In factory | Out of factory     | In factory | Out of factory   | In factory |         |
| Hazardous waste     |                                          |                     |            |                    |            |                  |            |         |
| Direct disposal     | Incineration (excluding energy recovery) | 307                 | 0          | 2,783              | 16,412     | 80               | 2,117      | 21,683  |
|                     | Incineration (including energy recovery) | 436                 | 2,065      | 1,306              | 8,781      | 0                | 0          | 12,587  |
|                     | Landfill                                 | 0                   | 0          | 147                | 0          | 0                | 0          | 147     |
|                     | Other disposal means                     | 4                   | 0          | 8,269              | 0          | 0                | 0          | 8,273   |
| Disposal transfer   | Preparation for reuse                    | 0                   | 1,637      | 4,225              | 4,523      | 0                | 482        | 10,867  |
|                     | Recycling                                | 110                 | 0          | 3,051              | 0          | 1,455            | 0          | 4,616   |
|                     | Other recycling means                    | 7,422               | 15,214     | 6,823              | 54,824     | 0                | 116        | 84,400  |
| Total               |                                          | 8,279               | 18,915     | 26,590             | 84,540     | 1,535            | 2,715      | 142,575 |
| Non-hazardous waste |                                          |                     |            |                    |            |                  |            |         |
| Direct disposal     | Incineration (excluding energy recovery) | 471                 | 0          | 28                 | 0          | 0                | 0          | 499     |
|                     | Incineration (including energy recovery) | 719                 | 0          | 0                  | 0          | 0                | 0          | 719     |
|                     | Landfill                                 | 47                  | 0          | 0                  | 0          | 0                | 0          | 47      |
|                     | Other disposal means                     | 4                   | 0          | 0                  | 0          | 0                | 0          | 4       |
| Disposal transfer   | Preparation for reuse                    | 9                   | 617        | 158                | 668        | 0                | 230        | 1,683   |
|                     | Recycling                                | 4,244               | 0          | 1,541              | 0          | 159              | 0          | 5,944   |
|                     | Other recycling means                    | 0                   | 3,026      | 4,800              | 4,813      | 0                | 0          | 12,639  |
| Total               |                                          | 5,494               | 3,643      | 6,528              | 5,481      | 159              | 230        | 21,534  |

- Notes:
- The reuse rate (recycling ratio) of hazardous waste in Eternal in 2024 was 60.70%.
  - Other disposal means include solidification treatment, chemical treatment, and heat treatment.
  - For our plants in China, dangerous waste is listed as hazardous waste according to China's "Directory of National Hazardous Wastes" (2021).
  - According to the new GRI 306 Topic Standards, recycling does not include energy recycling when reporting waste.

📍 Compiling Eternal's waste classification and disposal schedules for 2022 to 2024, the Company added two new categories of waste preparation for reuse and other recycling operations as defined by GRI in 2023. Ongoing process improvements and administrative management efforts have increased the quantity of waste disposal and transfer, thus enhancing the waste reuse rate. The consolidated data is presented in the table below:

| Year                          |                                          | 2022           |            |        | 2023           |            |         |
|-------------------------------|------------------------------------------|----------------|------------|--------|----------------|------------|---------|
|                               |                                          | Out of factory | In factory | Total  | Out of factory | In factory | Total   |
| Hazardous waste (metric tons) |                                          |                |            |        |                |            |         |
| Direct disposal               | Incineration (excluding energy recovery) | 2,288          | 25,290     | 27,578 | 2,168          | 21,796     | 23,965  |
|                               | Incineration (including energy recovery) | 1,220          | 11,282     | 12,502 | 1,815          | 14,929     | 16,744  |
|                               | Landfill                                 | 156            | 0          | 156    | 229            | 0          | 229     |
|                               | Other disposal means                     | 79             | 0          | 79     | 20             | 0          | 20      |
|                               | Total direct disposal                    | 3,743          | 36,571     | 40,314 | 4,233          | 36,725     | 40,958  |
| Disposal transfer             | Preparation for reuse                    | 0              | 0          | 0      | 2,913          | 4,845      | 7,758   |
|                               | Recycling                                | 6,347          | 0          | 6,347  | 4,965          | 0          | 4,965   |
|                               | Other recycling means                    | 0              | 0          | 0      | 11,510         | 69,471     | 80,981  |
|                               | Total disposal transfer                  | 6,347          | 0          | 6,347  | 19,388         | 74,316     | 93,704  |
| Total                         |                                          | 10,090         | 36,571     | 46,661 | 23,621         | 111,040    | 134,662 |

| Year                          |                                          | 2024           |            |         |
|-------------------------------|------------------------------------------|----------------|------------|---------|
|                               |                                          | Out of factory | In factory | Total   |
| Hazardous waste (metric tons) |                                          |                |            |         |
| Direct disposal               | Incineration (excluding energy recovery) | 3,155          | 18,529     | 21,683  |
|                               | Incineration (including energy recovery) | 1,742          | 10,845     | 12,587  |
|                               | Landfill                                 | 147            | 0          | 147     |
|                               | Other disposal means                     | 8,273          | 0          | 8,273   |
|                               | Total direct disposal                    | 13,317         | 29,374     | 42,691  |
| Disposal transfer             | Preparation for reuse                    | 4,225          | 6,641      | 10,867  |
|                               | Recycling                                | 4,616          | 0          | 4,616   |
|                               | Other recycling means                    | 14,245         | 70,155     | 84,400  |
|                               | Total disposal transfer                  | 23,087         | 76,796     | 99,883  |
| 總量                            |                                          | 36,404         | 106,170    | 142,575 |

| Year                              |                                          | 2022           |            |       | 2023           |            |        |
|-----------------------------------|------------------------------------------|----------------|------------|-------|----------------|------------|--------|
|                                   |                                          | Out of factory | In factory | Total | Out of factory | In factory | Total  |
| Non-hazardous waste (metric tons) |                                          |                |            |       |                |            |        |
| Direct disposal                   | Incineration (excluding energy recovery) | 353            | 0          | 353   | 453            | 0          | 453    |
|                                   | Incineration (including energy recovery) | 696            | 0          | 696   | 477            | 0          | 477    |
|                                   | Landfill                                 | 124            | 0          | 124   | 80             | 0          | 80     |
|                                   | Other disposal means                     | 432            | 0          | 432   | 0              | 0          | 0      |
|                                   | Total direct disposal                    | 1,605          | 0          | 1,605 | 1,011          | 0          | 1,011  |
| Disposal transfer                 | Preparation for reuse                    | 0              | 0          | 0     | 71             | 1,832      | 1,903  |
|                                   | Recycling                                | 5,993          | 0          | 5,993 | 5,146          | 0          | 5,146  |
|                                   | Other recycling means                    | 0              | 0          | 0     | 0              | 7,585      | 7,585  |
|                                   | Total disposal transfer                  | 5,993          | 0          | 5,993 | 5,217          | 9,417      | 14,634 |
| Total                             |                                          | 7,598          | 0          | 7,598 | 6,227          | 9,417      | 15,644 |

| Year                              |                                          | 2024           |            |        |
|-----------------------------------|------------------------------------------|----------------|------------|--------|
|                                   |                                          | Out of factory | In factory | Total  |
| Non-hazardous waste (metric tons) |                                          |                |            |        |
| Direct disposal                   | Incineration (excluding energy recovery) | 499            | 0          | 499    |
|                                   | Incineration (including energy recovery) | 719            | 0          | 719    |
|                                   | Landfill                                 | 47             | 0          | 47     |
|                                   | Other disposal means                     | 4              | 0          | 4      |
|                                   | Total direct disposal                    | 1,269          | 0          | 1,269  |
| Disposal transfer                 | Preparation for reuse                    | 167            | 1,515      | 1,683  |
|                                   | Recycling                                | 5,944          | 0          | 5,944  |
|                                   | Other recycling means                    | 4,800          | 7,839      | 12,639 |
|                                   | Total disposal transfer                  | 10,911         | 9,354      | 20,266 |
| Total                             |                                          | 12,180         | 9,354      | 21,534 |

## Waste Recycling Rate and Trends

According to Eternal's waste management policy, recycling and regeneration are prioritized. Each plant continuously enhances waste reuse rates and regeneration processes to promote sustainable use of Earth's resources.

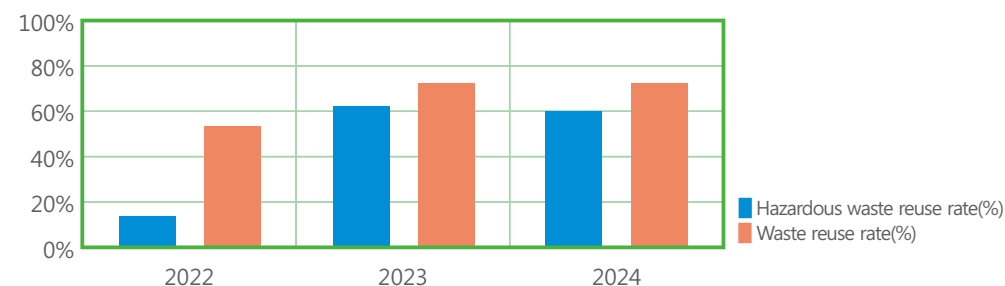
Eternal is required to report and disclose the amount of waste generated in accordance with the regulations of the local authorities. Waste reuse rate (%) = Total disposal transfer / (Total disposal transfer + Total direct disposal)\*100% In 2023, Eternal implemented GRI-defined statistics for "preparation for reuse" and "recovery". Starting from the 2023 ESG report, the Company has disclosed three years of waste and hazardous waste reuse rates.

The target for waste reuse rate by 2025 is 60%. In 2024, the waste reuse rate achieved was 73.02%, surpassing the target. For hazardous waste, the 2025 target is 50%, and the 2024 hazardous waste reuse rate was 60.70%, also meeting the target. Eternal improves the lifecycle of hazardous industrial waste primarily through source reduction and regeneration measures, achieving the Company's waste reuse management goals.

Eternal waste and hazardous waste reuse rate

| Year | Waste reuse rate (%) | Hazardous waste reuse rate (%) |
|------|----------------------|--------------------------------|
| 2022 | 53.4                 | 13.6                           |
| 2023 | 72.1                 | 62.3                           |
| 2024 | 73.02                | 60.7                           |

Waste and Hazardous waste reuse rate(%)



## Waste Regeneration

### Film Material Regeneration at the Lu-Chu Plant

Previously, all used film materials at the Lu-Chu Plant were treated as waste and sent for incineration without sorting. In 2024, by reclassifying the waste film, reusable portions were identified and resold, thereby reducing the amount of waste generated. As a result, 117.17 tons of waste film were diverted from waste treatment in 2024.



## Environmental Regulatory Compliance

Scope of disclosure: Factories in Taiwan, China, and Malaysia

## Management Approach

The Company pays close attention to relevant local and international environmental regulations, and compliance therewith and draft risk assessments related to greenhouse gas, air pollution, water pollution, waste, noise, and chemicals.

The Company invests resources, actively participates in relevant meetings to formulate laws and regulations held by relevant industry associations, competent authorities, and experts, understands stakeholders' concerns, communicates and interacts with stakeholders when necessary, and keeps abreast of legislative trends to draw up countermeasures for plants in advance, thereby enabling the Company to meet external expectations.

## Impact

Receipt of fines for violation of laws and regulations will have a significant impact on the Company's image and investors' willingness to invest.

## Management Method

### Policies and systems

- 📍 The Company's safety and environmental policies include [comply with regulations and meet all requirements] which are exemplified in Eternal's culture of compliance with laws, integrity, and moral values.
- 📍 Implement compliance inspection measures and identify compliance with new or amended government policies regularly, conduct compliance assessment, and respond and track.
- 📍 Conduct audits, inspections, and on-site inspections regularly, to check plants' compliance, and track non-compliant units until the improvement is completed.

### Goals

"Zero fine" is the goal that we continue to strive to achieve.

### Grievance mechanism

- 📍 Internal communication channels include: Regulatory compliance inspections, employee education and training, proposal improvement system, telephone, and meetings.
- 📍 External communication channels include: Telephone, mail, visits, and opinion survey forms.

## Environmental Violations between 2022 to 2024

### Environmental fines and improvement

The Company adopts a company-wide notification and analogy investigation, formulate improvement measures, conduct regular audits, adopt monitoring and tracking mechanisms based on deficiencies identified in external audits, to meet legal standards and achieve the goal of zero fine within the Company.

Environmental violations between 2022 to 2024 are as follows:



| Year | Factory        | Date of violation | Details of violation                                                                           | Amount of fine | Improvement project                                                                                                                                                                                                                                                                                                                                                                                       |
|------|----------------|-------------------|------------------------------------------------------------------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2022 | Changshu Plant | 2022/11/27        | Device component (LDAR) VOC exceeding standard                                                 | 29,000(CNY)    | <ul style="list-style-type: none"> <li>● Component leakage risk level and self-check.</li> <li>● Frequent self-checks after component operations.</li> <li>● Non typical component self-checks.</li> <li>● Infrared instrument scanning and inspection.</li> <li>● Inspected by a commissioned inspection company for data comparison.</li> <li>● The list of components is always up to date.</li> </ul> |
|      | Tianjin Plant  | 2022/8/1          | The concentration of VOC emission in sample connections exceeded the standards                 | 100,000(CNY)   | <ul style="list-style-type: none"> <li>● Optimize the RTO pre-treatment system and dampers.</li> <li>● Add a deep cooling device for process waste gas.</li> </ul>                                                                                                                                                                                                                                        |
|      | Tianjin Plant  | 2022/12/7         | No proof of environmental impact assessment approval procedures for the styrene exhausts vents | 30,000(CNY)    | <ul style="list-style-type: none"> <li>● Blind seal and add a breathing valve with a flame arrester.</li> <li>● Add a dedicated micro-oxygen nitrogen sealing device for styrene storage tanks.</li> </ul>                                                                                                                                                                                                |
| 2023 |                | -                 | None                                                                                           | 0              | -                                                                                                                                                                                                                                                                                                                                                                                                         |
| 2024 | Da-Fa Plant    | 2024/4/19         | Failure to submit the Toxic Chemical Detection and Alarm Plan within the specified timeframe   | 100,000(NTD)   | <ul style="list-style-type: none"> <li>● The approval letter for the plan has been reissued.</li> <li>● Establish a business control table, review and verification mechanisms, and optimize the frequency of equipment inspections and calibrations.</li> <li>● Personnel undergo regular training, and preventive audits are carried out.</li> </ul>                                                    |

Note: Violations of environmental laws and regulations that resulted in a fine of NT\$100,000 or more are disclosed.

## Green R&D Innovation

Scope of disclosure: Factories in Taiwan, China, and Malaysia

### ● Impact

With the rising average temperature of the Earth threatening human living spaces and the emergence of extreme weather challenging our ability to adapt, the gradual destruction of the environment is causing our beautiful planet to lose its original splendor. Restoring the vitality of the Earth and ensuring the sustainable and happy survival of life on our planet is an urgent and critical issue that demands immediate action. As a leading supplier of various materials, Eternal prioritizes R&D innovation and environmental sustainability. The Company is committed to the continuous development of low-carbon products, implementing resource recycling and reuse, and reducing carbon emissions. Additionally, Eternal focuses on promoting environmentally friendly products and green chemical safety alternatives to minimize negative environmental impacts, aiming to leave a beautiful and sustainable environment for future generations.

### ● Development approaches and policies

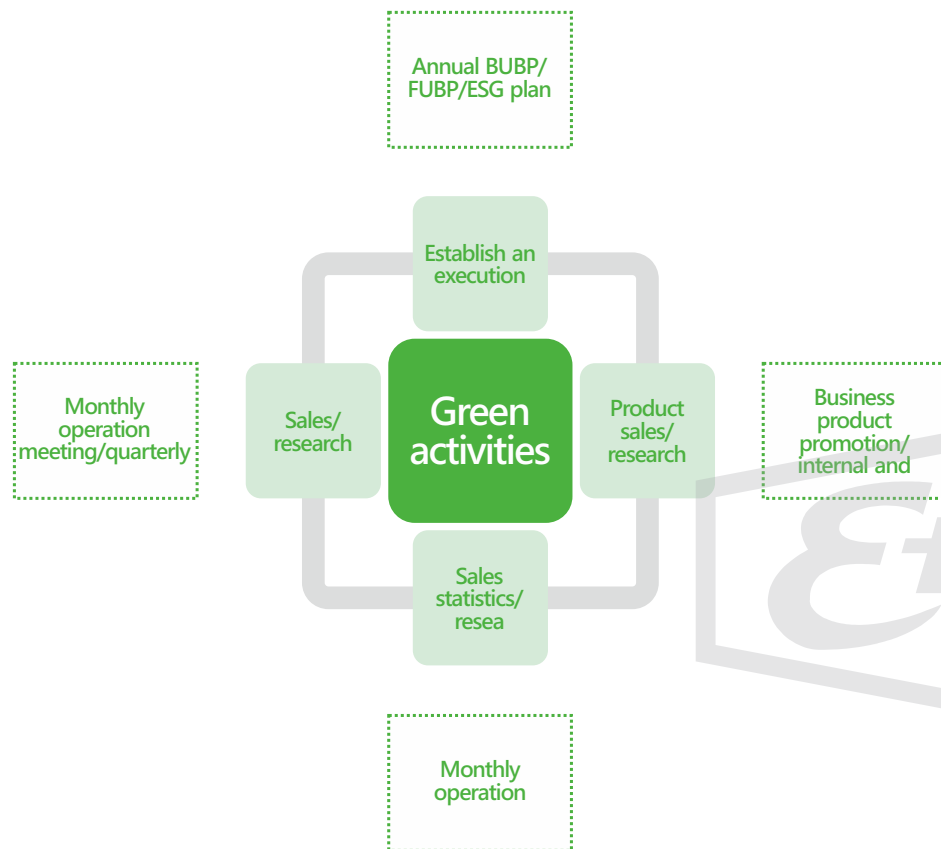
To develop materials that reduce environmental pollution, green energy, and recyclable materials, we aim to develop sustainable products that are both innovative and eco-friendly, thereby creating green values and enhancing competitiveness.

The policy on the green innovative technologies that we continue to implement is as follows:

- Develop low-polluting and eco-friendly products to reduce VOCs emissions.
- Emphasize resource reuse and incorporate the concept of circular economy into product design.
- Develop environmentally friendly/green energy materials to promote low-carbon transformation.

## Effectiveness Assessment and Tracking

Develop a green activity plan, regularly track research progress for improvement according to PDCA, and calculate sales of relevant green products.



## Target

### Medium to Long Term Goals

|                                    | 2030 Vision | SDGs Measures |
|------------------------------------|-------------|---------------|
| Green R&D Product Sales Proportion | 30%         |               |

## 2024 Results

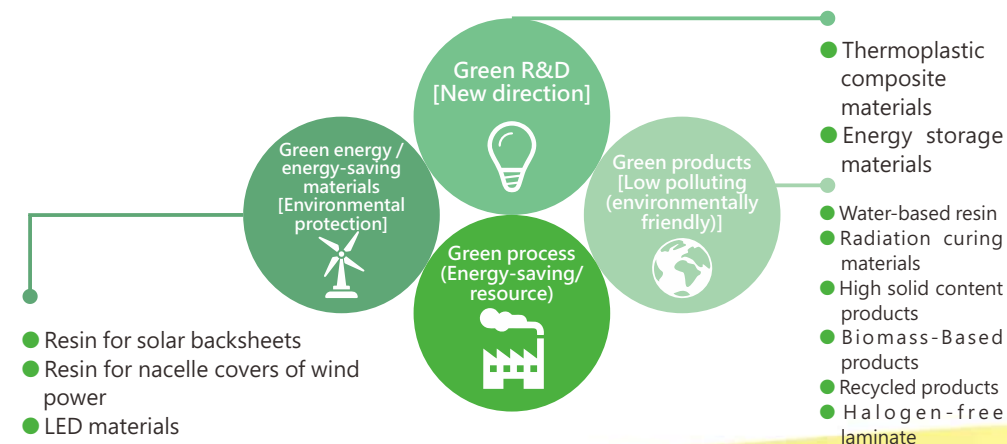
|                                               | 2024              |
|-----------------------------------------------|-------------------|
| Green R&D Product Sales                       | 8.3 billion       |
| Green R&D Product Sales Proportion            | 18.8%             |
| Use of Substances of Very High Concern (SVHC) | No new types used |

## 2025 Goals

|                                    | 2025 Goals                                                           |
|------------------------------------|----------------------------------------------------------------------|
| Green R&D Product Sales Proportion | 20%                                                                  |
| Use of Triphenyl Phosphate         | Fully substituted                                                    |
| SDS Database Digitization          | The digital management platform for the SDS database is 30% complete |

## Green R&D Products

With innovative R&D in mind, we will develop low pollution and environmentally friendly green products to reduce the harm to the Earth's environment and biological health. We will also develop green energy / energy-saving materials as part of the green energy-saving campaign. We will continue to invest R&D resources in green activities to develop new products.



## Green products

### ● "Water-based resin"

As the Company complies with the government's laws and regulations and puts great emphasis on environmental protection, we have spared no effort in the development of water-based resins. We have reduced VOCs from the beginning of product design, developed eco-friendly coatings, and reduced VOCs emissions during the resin production process. Meanwhile, we take actions to actively replace the chemicals of high concern with water-based products, to alleviate the harm to the environment during the production process or when such products are used by end customers, thereby meeting the environmental protection requirements of a low-carbon economy.

We have developed a variety of water-based products, including aqueous polyurethane dispersions and water-soluble acrylic, and aqueous emulsion or hydrogel that does not contain formaldehyde or APEO. Aqueous polyurethane is a new generation of green and environmentally friendly technology. It uses water as its dispersion medium. It is a non-toxic, environmentally friendly, and non-flammable substance that has been widely used in various fields such as textiles, leather, inks, and adhesives.

### Waterborne PUD for Breathable Waterproofing

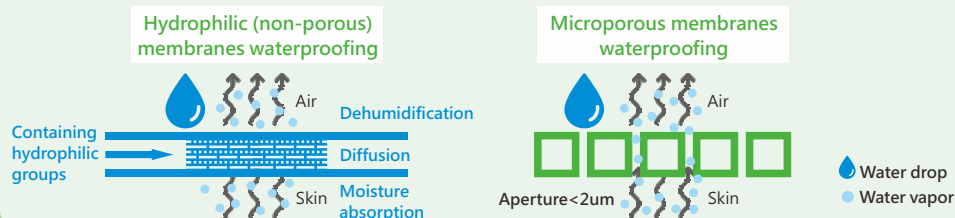
With increasingly stringent global environmental regulations, traditional solvent-based PU coatings—due to their high solvent content and associated wastewater discharge—emit significant levels of VOCs, requiring costly gas recovery systems to meet compliance standards. In response, waterborne polyurethane (PU) dispersion (PUD) technology has become a major area of innovation and adoption across the industry.

At the same time, the use of PTFE and other PFAS-based materials is subject to tightening restrictions. According to bluesign® standards, as of 2023, no new materials containing PFAS may be registered, and beginning in 2025, all bluesign®-certified products must be completely PFAS-free. The European Chemicals Agency (ECHA) is likewise preparing broad PFAS restrictions anticipated to take effect in 2025, further accelerating the shift toward safer, environmentally responsible alternatives.

Waterborne PU dispersions not only significantly reduce VOC emissions but also deliver a hand feel and performance comparable to solvent-based PU systems. These materials meet the demanding requirements of breathable waterproofing applications while also complying with current environmental and safety standards. Their excellent compatibility with existing coating and textile processing lines makes them a preferred option for manufacturers seeking to align with green manufacturing practices.

Both types offer high-performance waterproofing combined with moisture vapor transmission, enabling comfortable and durable solutions for functional textiles and coatings. By adopting waterborne PUDs, manufacturers can reduce environmental impact without compromising product quality—helping them meet evolving regulatory demands while improving competitiveness in eco-conscious markets.

Based on their moisture permeability mechanisms, waterborne breathable PU membranes can be categorized into two types:



### Waterborne Acrylic Polyol Dispersions

The newly developed waterborne acrylic polyol dispersion features low solvent content, aligning with modern environmental standards while offering excellent freeze-thaw stability at low temperatures. It delivers performance on par with traditional solvent-based systems, with enhanced durability and chemical resistance that ensure reliable protection across a wide range of climate conditions. This versatility broadens its application potential and enables it to meet the diverse performance requirements of end users.



Moreover, the core-shell acrylic-modified design contributes to exceptional optical properties—achieving high gloss, enhanced fullness, and an overall superior visual appearance. These decorative effects not only improve the aesthetic appeal of the final coating but also elevate the product's value in appearance-critical applications.

### Waterborne FEVE Emulsions

We have developed a series of waterborne FEVE emulsions that are free from APEO, PFOA, and PFOS, and exhibit low toxicity—fully aligned with current environmental and safety regulations. These emulsions are suitable for high-performance, single-component exterior coatings used in architectural façades, curtain wall insulation systems, and thermal insulation coatings.

Engineered with a robust polymer backbone, these resins offer outstanding weather resistance and long-term structural stability. By incorporating aerospace-grade nanotechnology and selected inorganic minerals, the resulting coatings significantly reduce thermal conductivity and achieve solar reflectance rates exceeding 90%. This helps minimize heat absorption in buildings, effectively enhancing energy efficiency while delivering a durable, integrated barrier with thermal insulation, waterproofing, and soundproofing performance. Additionally, the system provides excellent mold resistance, further supporting long-term building envelope protection.

These waterborne FEVE solutions are designed to meet the rising demands of modern green architecture by offering a multifunctional coating system—combining durability, environmental compliance, and energy-saving performance. Target applications include chemical storage tank exteriors, building façades, bridge piers, and exposed raw concrete surfaces.



Chemical storage tank bodies; building exterior wall paint; bridge piers; raw concrete



## Water-Based Polyester Dispersion for Baking Coatings

The developed water-based polyester dispersion addresses the hydrolysis issues commonly seen in traditional polyester systems, delivering excellent long-term storage stability. It retains the inherent advantages of polyester—such as toughness and impact resistance—while also offering superior pigment wetting, dispersion, and recoatability, along with outstanding adhesion to metal substrates.

This formulation enhances formulation flexibility and reduces overall production costs and material usage, supporting more efficient and sustainable manufacturing. In terms of aesthetics, the dispersion delivers high gloss and vibrant color development, while its excellent silver flake orientation enables broader applicability across a range of decorative and functional coatings.

With a VOC content below 50 g/L, the dispersion meets stringent environmental regulations and reflects our commitment to sustainable innovation. It aligns with the industry's increasing focus on low-VOC, low-hazard coating solutions, offering a viable pathway toward more environmentally responsible coating systems.

## Development of permanent PVC vehicle wrap water-based adhesive

Currently, the market for acrylic pressure-sensitive adhesives used on PVC substrates is predominantly dominated by solvent-based products. Although some water-based products have replaced lower-end solvent-based products, they often suffer from issues such as low adhesion, adhesive residue, and significant shrinkage due to performance limitations. With the increasing awareness of environmental and safety concerns and the push from national policies, Eternal has designed and developed a



Finished adhesive film (raw adhesive/added black paste)

high-performance, eco-friendly water-based acrylic pressure-sensitive adhesive. This product is free from APEO and can replace solvent-based acrylic pressure-sensitive adhesives for use on PVC substrates. It matches the performance of solvent-based acrylic pressure-sensitive adhesives, offering excellent adhesion, some repositionability, and resistance to PVC shrinkage.

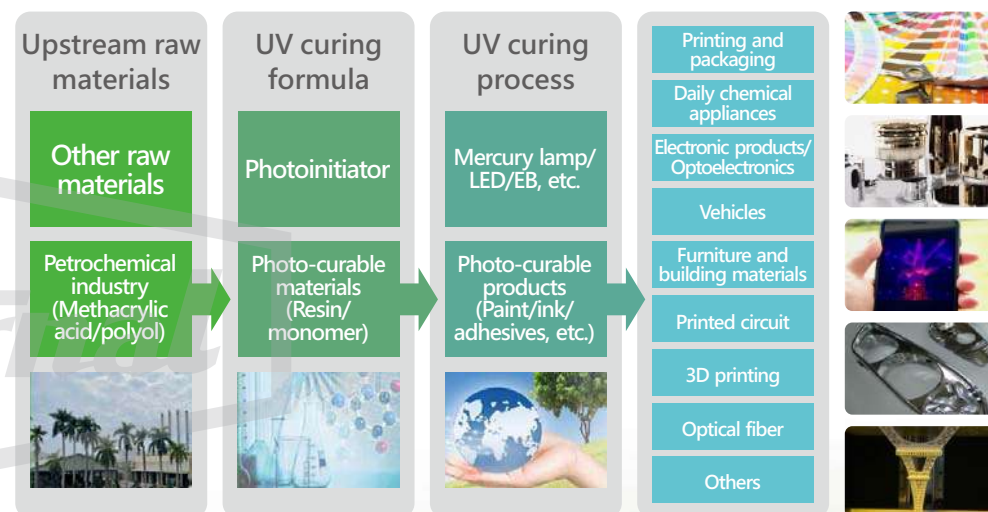
## ●Photo-curable materials

We have developed photo-curable technology and relevant novel materials for nearly 30 years. Our photo-curable coatings are lit by UV/LED light to induce a series of free radical polymerization reactions through photoinitiators within unsaturated reactive species, and the cross-linking polymerization is completed in an instant in only 0.1 to several seconds, turning the liquid coatings into a solid state. Due to the instantaneous growth of the polymer molecular weight of the coating, it endows it with high hardness, chemical resistance, and weather resistance properties, making it suitable for thermal sensitive substrate coatings. Conventional coatings use a large number of solvents, which can harm personnel and the environment during the application process. Photocuring technology do not have the aforementioned disadvantages and the energy consumption is only 1/5 to 1/10 of that compassion of solvent based thermal curing systems. It is

an energy-saving, environmentally friendly, and efficient industrial technology.

Photo-curable materials are also widely used in various coatings (such as daily necessities, cases of electronic products, furniture, and hard coatings), inks (such as offset printing, flexo printing, inkjet printing, and varnish), adhesives (such as optical adhesives, pressure-sensitive adhesives, transfer adhesives, and hotmelt adhesives), and even in 3D printing and acrylic lenses (as the diagram of the UV light-curing industry chain). In the future, we will actively develop water-based UV materials and adopt biomass raw materials, to achieve the emission peak and carbon neutrality.

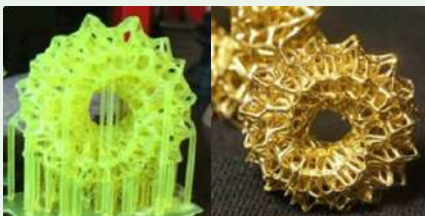
## UV curing industry chain



## UV-curable LCD 3D printing material

3D printing is based on the principle of additive manufacturing, where materials are layered to build objects. As a form of "additive manufacturing," it offers advantages such as reduced material and energy consumption, as well as high customization capabilities. Once the 3D printer is designed, the marginal cost decreases as production scales up.

The Company has developed UV-curable LCD 3D printing materials. Compared to traditional subtractive manufacturing processes, this material requires no solvents, generates no post-processing waste, and can be processed without heating or mechanical stirring. It also delivers excellent hardness, resolution, and formability for printed objects.



Jewelry casting



Clear aligners/Dental implant surgical guides

## Environmentally friendly printing varnish

Compared to traditional printing varnishes, UV varnishes can reduce VOCs and minimize energy consumption. However, some UV monomers and photoinitiators can pose health and environmental risks. To address this, Eternal has developed a more eco-friendly formulation of UV printing varnish that is solvent-free and does not contain TMPTA or benzophenone, contributing to environmental protection.



## Water-based UV resin for electronic product plastic parts

Currently, water-based UV resins are increasingly replacing solvent-based UV coatings in the surface finishing of products (computer, communication, and consumer electronics)—such as laptops, mobile phones, and home appliances. These resins effectively reduce VOCs emissions during coating processes, while also enhancing surface aesthetics and providing added protective functions. Depending on the application, they can be formulated as high-gloss or matte topcoats, and as metallic or solid-color monocoats, thereby increasing product value.



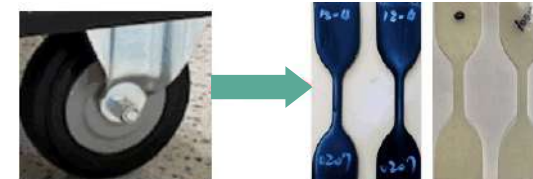
Water-based UV matte topcoat



Water-based UV metallic monocoat

## ● "High solid content products"

Eternal is committed to protecting the environment by developing a range of high solid content resins, including polyaspartic esters, polyester polyols, powder coating resins, and moisture-cured polyurethanes. These solid coating technologies, with solid contents exceeding 80%, significantly reduce VOC emissions and energy consumption during baking and curing processes. By minimizing the reliance on solvents, these products serve as sustainable alternatives to traditional solvent-based coating systems.



Application of polyester polyols in PU related products

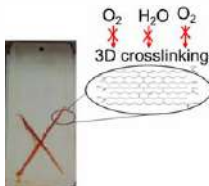
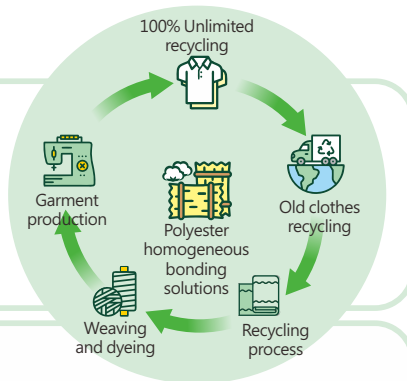
To date, we have supplied over 12,000 metric tons of high solid content resins to the market. These resins not only meet performance demands but also support environmental goals by lowering the overall carbon footprint of coating operations and contributing to a more sustainable value chain.

## ● "Biomass-Based Products"

Petroleum is a non-renewable resource, and the production and use of petroleum-derived resins contribute significantly to pollution and greenhouse gas emissions, leading to climate change and environmental degradation. In response, Eternal is advancing the development of resins derived from renewable resources that are naturally recyclable and emit less carbon during production and application.

We utilize bio-based raw materials—such as fatty acids and cardanol extracted from recycled vegetable oils—to manufacture alkyd resins and epoxy crosslinking agents. More recently, we have expanded our R&D efforts into bio-based polyols to further reduce dependence on petrochemical feedstocks and enhance resource circularity. These efforts lay the groundwork for reducing the carbon footprint of coating products.





Fatty acids extracted from vegetable oil to produce water-based alkyd resins for corrosion prevention purposes.



Application of epoxy bridging agent in anti-corrosion using cashew phenols and other biomass raw materials.

## ● "Recycling products"

### "Recycling PET for reuse"

Eternal has developed a chemical recycling method for PET, which degrades colored PET bottle flakes and converts them into the chemical raw materials needed for synthetic resins, addressing waste disposal issues.

In collaboration with Nippon Paint Coatings (Taiwan), Eternal has successfully developed an rPET-based coil coating resin made from recycled PET bottles. While Taiwan recycled approximately 120,000 metric tons of PET containers in 2023, much of it was processed into short-lived products such as textiles and packaging. To extend the lifecycle of these materials, we adopted a chemical depolymerization process that breaks down PET waste and re-synthesizes it into high-performance polyester resin. This resin is then formulated into a durable coil coating using Nippon Paint Coatings (Taiwan)'s proprietary technology.

This innovation not only diverts PET from short-term use but also replaces a portion of fossil-derived materials, resulting in up to a 22.7% reduction in carbon emissions. It represents a meaningful step toward a circular economy and low-carbon future in the coatings industry.

### rPET coil coating resin

Eternal, in collaboration with Nippon Paint Coatings (Taiwan), has successfully developed an rPET-based coil coating resin that transforms discarded PET bottles into high-performance coatings. In 2023, Taiwan recycled approximately 120,000 metric tons of PET containers. However, most of these were processed into short-lived products such as textiles and packaging, which are quickly discarded again. To address this issue, Eternal and Nippon Paint Coatings (Taiwan) jointly developed an rPET coil coating. Through chemical depolymerization, recycled PET is broken down and re-synthesized into high-quality polyester resin. This resin is then combined with Nippon Paint Coatings (Taiwan)'s proprietary formulation to create a durable coil coating. This innovative technology transforms single-use PET into long-lasting materials, significantly extending its lifecycle. It also replaces part of the fossil-based raw materials, reducing carbon emissions by up to 22.7%.



Recycled PET



Grinding and Depolymerization



Regenerated Resin



Coil Coating

### Button resin obtains GRS certification

The textile industry, with a focus on environmental sustainability, promotes the use of recycled materials through internationally recognized recycling standards. Eternal has incorporated recycled PET into button resins and achieved GRS certification. In 2024, sales of 30% recycled PET button resin reached 485 tons.





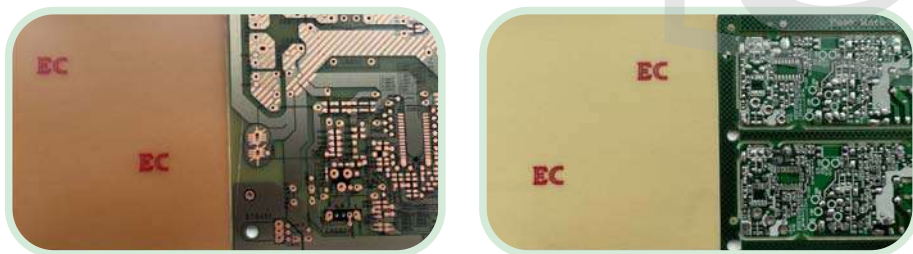
## "Recycling and reuse of by-products from processes"

The Company distills the alcohol by-products generated in the resin production process and the solvents recovered from the production of amino resins and recycles and reuses the waste chemical raw materials in finished resin products through purification or a designed formula and special quality control measures without affecting the quality of the products, to reduce waste for less burden on the environment.

## ● "Halogen-free laminate"

Printed circuit boards (PCBs) integrate electronic components and are essential to the advancement of today's electronic products. However, the environmental impact associated with PCB manufacturing has become an increasing concern. In response to global green initiatives such as the adoption of lead-free processes and halogen-free laminate materials, the selection of environmentally responsible substrate materials has become a critical focus in sustainable electronic design.

Halogen-free materials refer to components, coatings, and manufacturing processes that do not contain halogen elements. This technology aligns with environmental regulations like RoHS, as bromine-containing polymers can release toxic and corrosive substances when burned or exposed to high temperatures. These substances not only degrade electronic components, reducing their potential for reuse and recycling, but also pose a threat to atmospheric health by contributing to ozone layer depletion. Therefore, the transition to halogen-free materials plays a key role in reducing environmental harm and promoting a circular, sustainable electronics industry.



For the copper-clad laminate, it is essential to address the issues of lead (Pb) and halogen. In response to the halogen-free environmental requirements, halogen-free materials are mainly used to replace the halogenated flame retardants added in the laminate. Phosphorus-containing epoxy resin is used to replace the bromine-containing epoxy resin. Reactive flame retardants are preferred, as they offer improved product stability and compliance with halogen-free standards. According to international regulations, the content of chlorine (Cl) or bromine (Br) should not exceed 900 ppm individually, or 1,500 ppm in total. The lead-free conversion is to change the solder material, and its high-temperature assembly is the basic procedure, and the laminate material must resist the temperature of the lead-free process.

### Eternal Materials' Halogen-Free CCL solutions:

**ETL-CEM1-507** : A V-0 grade halogen-free CEM-1 composite laminate, designed for high-end power supply boards, lighting systems, and LED applications. It offers excellent insulation and thermal stability, while meeting global environmental regulations.

**ETL-XPC-207** : A halogen-free FR-1 paper-based laminate, suitable for household appliances, automotive audio systems, LEDs, and traditional lighting power boards. Its low water absorption rate improves material reliability and long-term performance.

In November 2024, the European Chemicals Agency (ECHA) officially listed Triphenyl Phosphate (TPP) as a Substance of Very High Concern (SVHC) due to its potential endocrine-disrupting properties. In response to this new regulatory development, Eternal Materials has proactively initiated research and evaluation of alternative substances that meet both environmental and safety standards. These actions include a thorough review of current product compositions and a commitment to ensuring full compliance with the latest REACH regulations.

Beyond regulatory compliance, these efforts also reflect Eternal's commitment to sustainability-driven innovation. By enhancing the environmental profile of its products, the company strengthens its market competitiveness and ensures long-term alignment with global ecological trends and customer expectations.

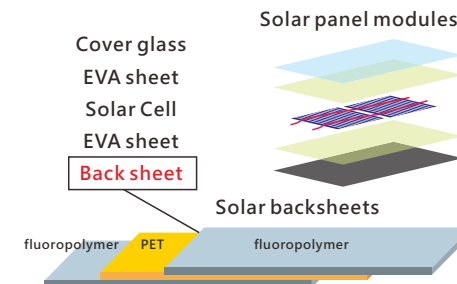
## Green energy / energy-saving materials

### ● "Resin for Solar Backsheets"

To support the green energy transition, Eternal has developed specialized fluorocarbon resins for use in solar backsheet applications. These resins exhibit excellent adhesion to PET substrates while providing outstanding structural integrity, as well as resistance to acids, alkalis, UV exposure, and deformation. Such properties are essential for ensuring long-term durability and protection of solar module backsheets.

Under conditions of high temperature, humidity, and prolonged UV exposure, our fluorocarbon resin systems prevent delamination, chalking, and cracking of the backsheet surface and inner PET layers—significantly extending the operational lifespan of the solar modules.

Moreover, our laminated backsheet coatings are designed with cost efficiency in mind, helping manufacturers reduce production costs while accelerating the broader adoption of solar energy technologies.



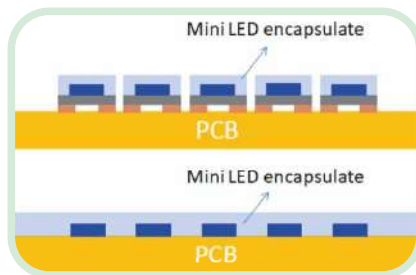
## ● "Encapsulation Material's of Mini-LED/LED"

Since the end of the 20th century, the display industry has evolved from traditional CRTs (cathode ray tubes) to liquid crystal displays (LCD) mostly used in computers, televisions, mobile phones, or tablet screens. An LCD panel cannot emit light itself unless is used with a backlight module to display color through the LCD layer and color filter. Even though LCD panels are still much thinner than CRT displays, and the market is consistently seeking lightweight displays and actively developing Mini LED display technology, a backlight module panel technology that combines energy conservation and high contrast and resolution.

Mini LED technology sits between traditional LED and Micro LED technologies. When paired with flexible substrates, it enables high-curvature backlighting. Mini LEDs feature local dimming design, offering improved color rendering and energy efficiency. This technology provides LCD panels with more refined HDR zones and approaches OLED thickness, achieving up to 80% energy savings. It is ideal for applications in mobile phones, televisions, automotive displays, and gaming laptops due to its focus on energy efficiency, slim form factor, HDR capabilities, and versatile backlighting options. With local dimming design, it can produce high color rendering and brightness that create better resolution than OLED displays, saves energy at least 50% better than OLED, and has longer service life. We look to forward to its future development.

Our silicon material team has gained an insight into the research of key silicon packaging materials for miniaturized LED chip displays to gear up for new Mini/Micro LCD displays. With its robust testing capabilities for advanced instrument, the R&D team has been making breakthroughs. With high activity packaging reaction polymerization rate, low modulus, anti-warpage and anti-adhesion properties, the material of this optical organic silicon packaging adhesive can produce integrated Mini LED backlights that can be packaged in a whole plate for mass production to achieve high partition (small chip spacing) and a thinner size. It can be used in 3C products such as tablets, laptops, high-end televisions and screens. Its Mini LED backlit LCD can produce high contrast images, and the brightness (nit value) of the panel is higher than that of OLED panels. The display has a longer life and better power saving effect than OLED and traditional LCD panels. Since 2021, we have begun mass production of our Mini LED packaging adhesives in an electronic grade production workshop with low dust emissions to produce more industrial products.

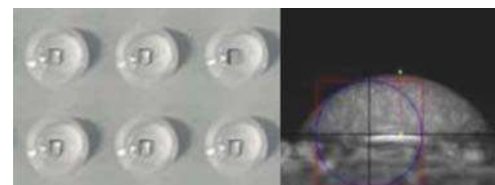
In addition to the packaging material for Mini LEDs, Eternal's silicon material can also be used for chip packaging in LED bulbs. Compared to traditional energy-saving bulbs, LED bulbs require lower wattage to produce the same brightness (lumen). Generally speaking, the luminous efficiency of energy-saving bulbs is about 60 lm/W, while that of LED bulbs is about 100 lm/W. With the same brightness, LED bulbs save about 60% of energy.



## Development Project

- Adhesive System: Thixotropic Silicone
- Applications: TV / Monitor / Automotive Backlight Mini LEDs
- Packaging Type: COB Mini LED Convex/Concave Lens Packaging
- Packaging Process: Jet-type Piezo Valve Dispensing

|     | Prod.                                  | LF Series (A/B) | HSF745V1A/B         |
|-----|----------------------------------------|-----------------|---------------------|
| 固化前 | Viscosity(cP)                          | 7,000~15,000    | 14,000              |
|     | Thixotropic coefficient                | 1.5~5.0         | 4.5                 |
|     | Dispensing shape                       | Convex lens     | Concave/Convex lens |
|     | Refractive index                       | 1.41 (low)      | 1.50 (mid)          |
| 固化後 | Penetration rate(%)<br>(300nm, 450nm)  | >98             | >95                 |
|     | Lens thrust (kgf)                      | 0.2~0.3         | 1~2                 |
|     | Lens diameter change rate after baking | <1              | <1                  |



Convex lens (hemispherical shape)



Concave lens (with a central depression)

## Green R&D [New Direction]

Eternal actively develops green products and green energy materials. Currently, 40% of our R&D projects are related to green products. We will continue to develop new green products in alignment with the government policy, including "thermoplastic composite materials" and "energy storage materials" to provide high-quality eco-friendly products and reduce or avoid raw materials that are harmful to the environment or human body, thereby fulfilling our corporate social responsibility.

## ● "Thermoplastic composite materials"

Long Fiber Reinforced Thermoplastic (LFT) are composite materials composed of a thermoplastic resin matrix reinforced with long fibers. LFT offers advantages such as high specific strength, high stiffness, excellent toughness, and low creep, enabling injection-molded products to effectively replace aluminum parts. This results in both lightweight products and energy savings through automated processing, supporting carbon reduction goals.

In 2024, we developed injection molding methods using LFT materials to replace bicycle components originally manufactured with aluminum alloys. This innovation delivers lightweight products and significantly faster processing times, greatly reducing production energy consumption and associated carbon emissions. Additionally, in our drone propeller development, we used high-strength injection-molded thermoplastic composite materials to replace thermoset composites and metal propellers, enhancing the recyclability of composite products.

Eternal's LFT development status in 2024 is as follows:

- 📍 Replacing metal materials with LFT thermoplastic composites in the bicycle, electric vehicle, and aerospace industries, achieving lightweight products and faster processing.
- 📍 Using LFT thermoplastic composites to replace thermoset composites in manufacturing large-size drone propellers.

### Applications of thermoplastic composites in product lightweighting:



Bicycle lock accessories



Drone propeller

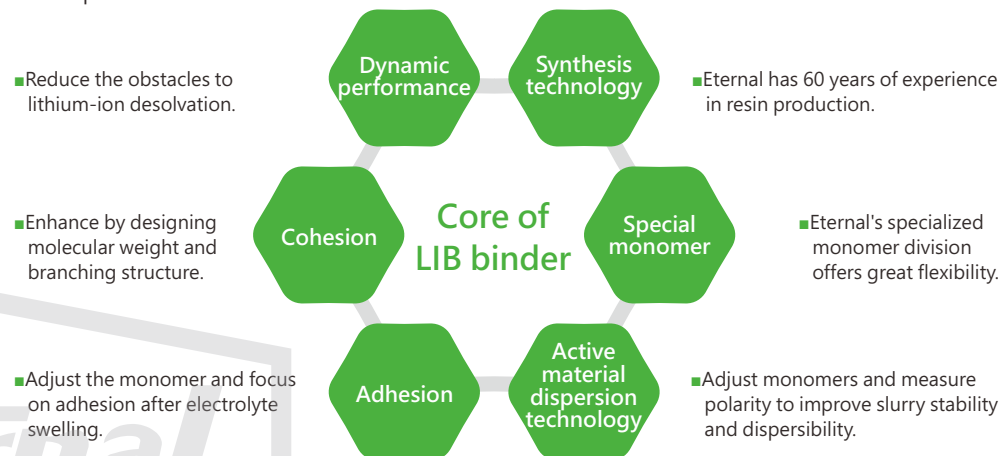
## ● "Lithium batteries and energy storage materials"

Lithium-ion batteries (LIBs) have become the primary power source for electric vehicles (EVs) due to their high energy density, long cycle life, and low manufacturing cost. According to the International Energy Agency (IEA), over 145 million EVs will be in use globally by 2030, driving rapid growth in the LIB market. However, this surge also presents challenges related to energy density improvements and resource sustainability, including the need to enhance battery range and ensure environmentally responsible disposal of end-of-life batteries. Developing LIB materials with higher energy density, environmental friendliness, and recyclability has thus become a critical goal. Traditional LIB manufacturing mainly uses oil-based PVDF as the binder and active materials. The production of these binders involves energy-intensive processes and requires relatively high additive amounts, which further limits the battery's energy density performance. To address these issues, Eternal has developed a novel water-based binder as an alternative to conventional oil-based PVDF. This water-based binder offers significant environmental benefits and requires a lower additive amount than oil-based PVDF and traditional CMC/SBR systems, achieving the following advantages:

- **Increased energy density:** The reduced binder content allows more active material to be incorporated into the electrode, significantly boosting battery energy density.
- **Lower overall impedance:** Compared with CMC/SBR systems, the water-based binder forms a more uniform electrode structure, reducing interfacial impedance and enhancing charge/discharge efficiency.

- **High structural stability:** The binder provides excellent adhesion, maintaining electrode integrity throughout charge/discharge cycles, resulting in high capacity and long cycle life.

In summary, Eternal's new water-based binder simultaneously addresses the environmental and performance limitations of traditional oil-based binders, offering a breakthrough solution to improve lithium battery energy density and reduce impedance. This innovative technology is expected to play a pivotal role in advancing the lithium battery industry toward sustainable development.



## ● "Polymer electrolytes for solid-state batteries"

In response to global carbon reduction efforts, the shift from fuel-based energy to electric storage has become a major development focus. Among these transitions, converting fuel-powered vehicles to electric vehicles (EVs) is a strategic priority for many countries. As part of this shift, automotive battery energy density requirements are projected to increase from 350 Wh/kg to 400 Wh/kg. Due to the limitations of existing materials and safety concerns regarding liquid content in battery cells, solid-state electrolyte development presents a valuable opportunity and application.



1.6 Ah Quasi-Solid-State Electrolyte Pouch Cell after Full Charging Puncture Test

Eternal leverages its core polymer synthesis technology to modify polymer functional groups, controlling polymer characteristics and tailoring their electrochemical performance. This approach maintains stable battery capacity while advancing environmental sustainability. Moreover, by regulating polymer properties, the technology reduces the risk of thermal runaway in battery components, alleviating safety concerns associated with EV battery applications. This promotes wider EV adoption, contributing to green energy goals and carbon reduction efforts beneficial to society. Through expanding polymer applications in energy storage components, Eternal further enhances its core polymer technology capabilities.



## Management of Chemical Safety

### Management Approach

Ensure people's health and convenience of life brought by high industrialization, effectively control the risks of chemical substances, and improve the value and quality of human life.

### Commitment

- Focus on source management and systematically manage chemicals.
- Gather green chemical information from around the world to continue to promote green and safe chemical alternatives.
- Clearly label chemicals to allow users to understand the hazards and increase the safety of use.

### 2024 Results

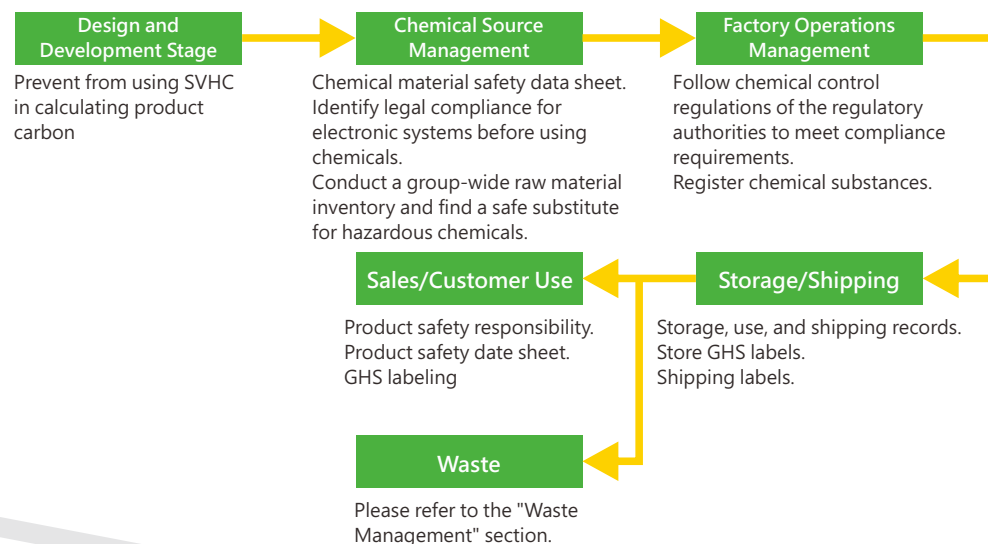
- Completed the standard registration of 19 existing chemical substances in Taiwan.
- Implemented source-level control of chemical substance usage, with no addition of new SVHC types.

### Chemical Safety Management Procedure

We will impose 12 green chemical principles in our product design and development stage to exclude chemicals that are harmful to the environment or human health. To support the global effort to achieve net zero emissions, we will calculate carbon emissions from the product during its R&D stage and take into account product emissions when designing and developing a product.

Conduct chemical safety management while taking into account the lifecycle of the chemical. Before using a chemical, we will check and control the source of the chemical, and use an electronic system to identify the types of the chemical to ensure compliance with international laws and environmental regulations. We will gather green chemical information from around the world, inspect the use of chemicals on a regular basis to reduce the use or prohibit the use of toxic chemicals, and seek alternative green chemicals.

### Chemical Safety Management Procedure



### Factory Operations Management

Eternal pays attention to international chemical laws and regulations, regularly checks regulations, conducts compliance identification, and evaluates company procedure compliance. We continue to improve our operating procedures using PDCA, develops relevant chemical management procedures, and ensures that the operations of each factory comply with local regulations. We also hold education, training, and advocacy campaigns to make our employees more aware of chemical hazards and regulations.

To fully communicate the hazards of chemicals, the name and hazard information of the chemicals should be clearly marked in the local language in chemical storage sites, while shipping and loading, and on the containers. SDS should be prepared at the workplace to ensure easy access to the chemical hazards information. Operators need to wear qualified protective equipment to protect themselves and use chemicals safely. The safety and environmental protection unit at each plant will conduct inspections regularly or from time to time to confirm the effectiveness of the implementation. Record the amount and status of the chemical being used based on the characteristics of the chemical, such as the storage of public hazardous materials or toxic and substances of concern, to comply with regulations and reduce chemical risks.

### Chemical Substances Registration

According to local chemical substance registration regulations, we have registered our chemical substances in the European Union, Taiwan, and other countries.

## Chemical Substances Registration

Declaration of new and existing chemical substances in Taiwan with 1643 chemical substances declared in 2023.

We have completed standard registration of 19 existing chemical substances in Taiwan.

Completed 25 registrations in REACH.

China: completed 366 registrations.

South Korea: completed 1 registration and 210 pre-registrations; filed 4 polymer exemption applications.

Turkey: completed 113 pre-registrations.

United States: filed 13 polymer exemption applications.

Canada: filed 4 polymer exemption applications.

Philippines: filed 3 polymer exemption applications.

Completed 16 DUIN submissions in UK.

## ● Product Safety Management

Through legal verification and identification, we can keep up to date and comply with regulatory requirements related to product production and sales, analyze product composition, provide product safety data sheets and labels, communicate hazard information, develop remedial and response measures for customers.

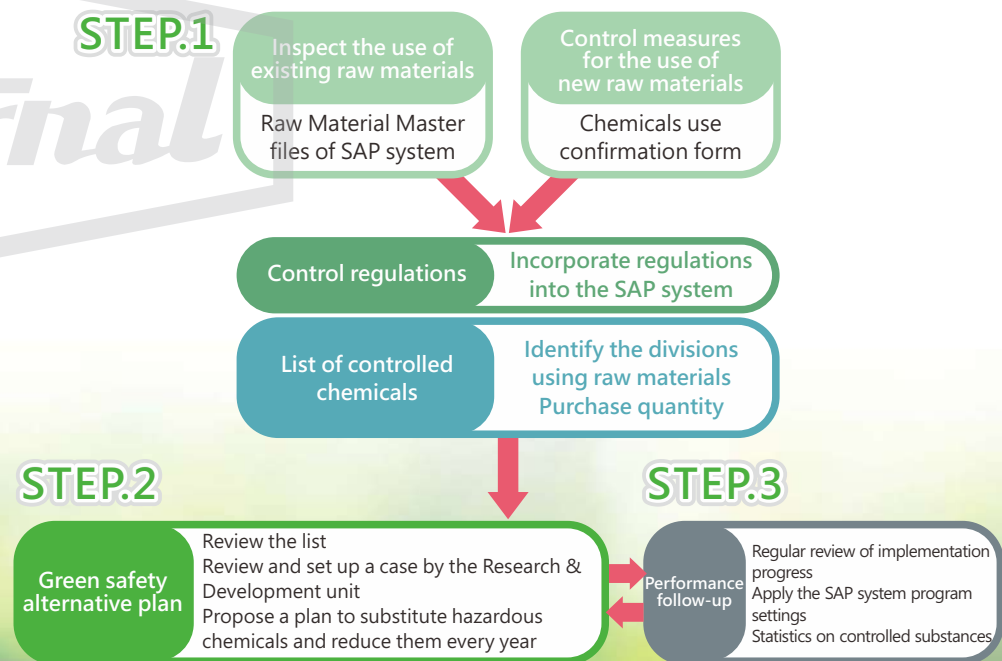
## ● Chemical testing

We have an instrument analysis team under the Research & Development Division and a full range of analysis equipment for chemical composition and impurities, while having personnel dedicated to operating the instruments for analysis and judgment. We have an oxygen bomb and a microwave digestion system for the pretreatment equipment for metal impurities and perform quantitative analysis with ICP-AES and ICP-MS; adopt GC/MS, GC/MS/MS, HPLC, LC/MS, and GC/FID to analyze chemical substances, to perform analysis of substances of interest in advance. We register or obtain inspection reports from certified laboratories regarding finished goods to be sold externally as per the content of ingredients, local government regulations, and clients' requirements to ensure compliance.

## Promote green and safe chemical alternatives

- 📍 In the future, there will be no new use of substances on the SVHC list, and the use of SVHC substances will be gradually reduced.
- 📍 The raw materials used for the development of new products should be reviewed by the control department. If controlled chemicals are used, they should be carefully evaluated by the head of the Research & Development unit and approved by the senior executive before being used to avoid misuse and ensure the transparency of use.
- 📍 We inspect master files of existing chemical raw materials used by the Group and confirm the list of controlled chemicals used by each business unit.
- 📍 Each business unit using such chemicals will draw up a green safe chemical substitution plan, and the technical management unit will follow up on the performance and regularly review the implementation results.

## Implementation Procedure for Green and Safe Chemical Substitutes for Toxic Chemicals



## Awarded the 3rd Green Chemistry Application and Innovation Award by the Ministry of Environment.

In accordance with the 12 Principles of Green Chemistry, we develop and design safer products to replace organic solvents and substances of concern. These efforts earned us the 3rd Green Chemistry Application and Innovation Award.



## BPA-NI interior coating resin

We are introducing a range of polymer polyesters specially designed to replace traditional epoxy coatings in food cans, and completely free from BPA. The new products offer several outstanding features that will enhance safety and reliability in the food packaging sector.

The polymer polyester boasts superior hardness and flexibility. It enhances the durability of food can shells while adapting to various usage environments to ensure the preservation and quality of the food. This new material exhibits exceptional resistance to sterilization, making it suitable for high-temperature and high-pressure sterilization processes, thereby ensuring comprehensive protection for food during packaging. Its antimicrobial properties contribute to the safety and hygiene of the final product. Additionally, this polymer polyester is free from genotoxic components and does not contain endocrine-disrupting substances, ensuring that food remains uncontaminated by harmful substances and safeguarding consumer health.

In terms of applications, the material is ideally suited for beverage lids, D&I food cans and single-component aerosol cans. Its excellent applicability and manufacturability allow for flexibility in food packaging design, while providing more options to meet the diverse needs of the market.

Overall, this BPA-free polymer polyester represents an advanced solution for the future of food packaging. With its superior physical properties, sterilization resistance, and non-toxic characteristics, it will be a key driver in advancing the food packaging industry towards healthier, safer, and more environmentally friendly solutions.



## N-Methyl-2-pyrrolidone replacement in waterborne polyurethane dispersion

In response to industry concerns about restricted substances in coating processes, Eternal has improved the formula for anti-fingerprint coatings using waterborne polyurethane dispersion (PUD). We have successfully replaced N-Methyl-2-pyrrolidone (NMP) with N-Ethyl-2-Pyrrolidone (NEP) in our products. This enhancement has been well received by our customers. We remain committed to improving environmental performance and ensuring compliance with relevant industry standards and regulations to meet market and customer needs.





# Tolerance in the Workplace

## Human Resources Management Policy

Talents are Eternal's most valuable assets. We are therefore committed to increasing the human capital of employees (knowledge, skills, and attitude) to ensure the effective implementation of manpower and to achieve the Company's overall business goals. We also assist employees in the development of their professional skills and organizational capacity.

### Policies

- Selection: Attract outstanding talents that meet the corporate culture
- Training: Cultivate talents and improve organizational capacity
- Employment: Increase talent use and contribution
- Retention: Retain excellent talents
- Employee relations: Improve employees' work satisfaction

### Management System

- The Company implements human resource affairs in accordance with relevant human resource management rules. We regularly review and propose improvement plans.
- We continue to implement the Talent Quality-management System (TTQS) and use systematic management to attain training effects and talent development.

### Targets and Objectives

- Value human rights: The Company is committed to compliance with international regulations for corporate social responsibility and relevant domestic labor laws and regulations. We uphold principles, such as "respect for human rights", "prohibition of unlawful discrimination", "prohibition of child labor", "prohibition of forced labor", "placing the right person in the right position", and "providing a safe and comfortable work environment for employees." Zero child labor, zero incidents of forced labor, and zero complaints of illegal discrimination are the most basic requirements of the Company's management policies.
- Employment recruitment and retention: We treat all employees fairly and appropriately, and assign employees to suitable tasks. We also maintain and enhance a fair and healthy environment for talent development. Due to the implementation of appropriate talent retention

measures, the turnover rate of employees under the management of the parent company has been less than 5% in past years, and the turnover rate of our subsidiaries in mainland China has been less than 10%. The figures show that our human resources measures can retain talents effectively.

- Learning and career development: We improve human capital and assist employees in the development of their professional skills and organizational capacity. The Group's training policy aims to attain at least 30 training hours per person per year.
- Salary and benefits: The Company makes suitable adjustments to its overall compensation policy each year through assessments of prevailing salary levels on the market and macroeconomic indicators, to attract and retain outstanding employees.

### Grievance mechanism

- The Company's employees and job seekers can provide feedback on work-related matters or the Company with the Employee Complaint Mailbox.
- If the Company's employees need to give feedback on matters related to illegal harm in the workplace, they can directly file a complaint to the human resources unit. The human resources unit will organize a complaint handling committee in accordance with the Workplace Protective Measures Complaint Procedures, and aim to close the case within three months.

## Respect for Human Rights

Eternal is committed to complying with international regulations for corporate social responsibility and related domestic labor laws and regulations. We uphold principles, such as "respect for human rights", "prohibition on illegal discrimination", "prohibition of child labor", "prohibition on forced labor", "placing the right person in the right position", and "providing a safe and comfortable work environment for employees." The Company does not discriminate against employees or offer them preferential treatment due to race, class, language, ideology, religion, party affiliation, nationality, place of birth, gender, sexual orientation, age, marriage, appearance, facial features, physical or mental disabilities, or labor union membership. To fully express our determination to protect human rights, Eternal adheres to internationally recognized human rights standards such as the International Bill of Human Rights and the International Labor Organization's Core Treaty on Labor Standards Protection, and publicly disclose "Eternal Human Rights Policy" on the company's website

<https://www.eternal-group.com/WebData/Director02>. In addition to clearly describing its application to stakeholders such as the company itself, supply chain, and partners, and regularly reviewing internal employee rights related measures and procedures, the policy is committed to safeguarding and implementing labor rights. In 2024, our global operating sites had no significant violations of human rights.

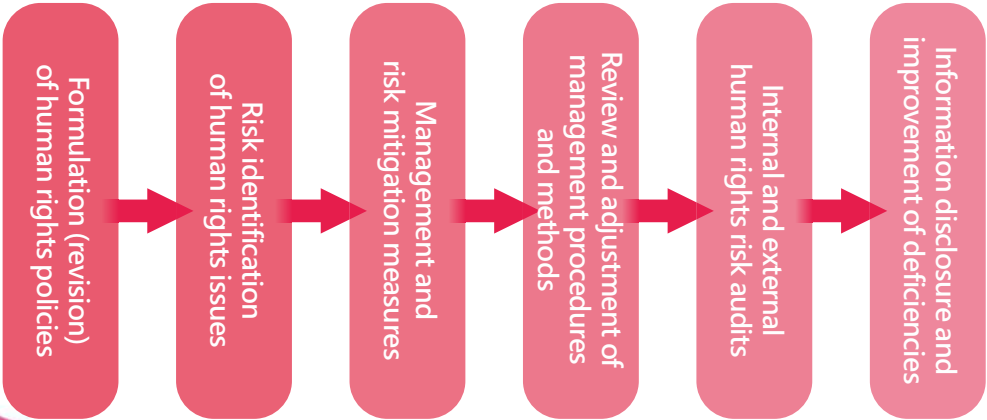
A total of three important operating sites were assessed for human rights issues and impact, accounting for 68.4% of all sites. We conducted the assessment by having employees sign a labor contract, which is 100% in compliance with the local labor regulations.

| 2024                                              | Taiwan | China  | Malaysia | Total |
|---------------------------------------------------|--------|--------|----------|-------|
| Total number of employees                         | 1916   | 2230   | 283      | 4429  |
| Number of employees who signed a written contract | 518    | 2230   | 283      | 3031  |
| %                                                 | 27.0%  | 100.0% | 100.0%   | 68.4% |

Notes: ① The above three regions are the Company's important operating sites.  
② Employees refer to full-time personnel, contract workers, and dispatched workers.  
③ New employees recruited after May 18, 2018 in Taiwan have signed a written labor contract.

### ● Establish Human Rights Due Diligence Management

To ensure that all of our operating sites comply with labor human rights management policy and each supervisor and employee can implement this policy in their daily life, we began to establish a human rights due diligence procedure starting from the fourth quarter of 2022.



Eternal Human Rights Policy was approved by the president and chairman in October 2018 and then reviewed and approved again by the newly elected president in June, 2019 to keep up to date with domestic and international human rights situations. In addition, the risk identification of human rights issues is based on relevant international human rights issues, internal and external audit key points to identify human rights issues that should be given more attention, review internal management procedures, and develop mitigation measures. Human rights management focuses on issues such as "child labor and underage labor", "prohibition on forced labor", and "prohibition of workplace violations". Subsequent identification of material topics will be integrated to initiate risk prevention and uphold the Company's human rights policy.

Eternal will review policies and internal standards to ensure the comprehensiveness of all management measures. Relevant human rights risks can be effectively controlled and reduced through internal electronic system management, internal and external audits, smooth communication channels, and training.

### Zero Child Labor and Underage Labor Management

All Eternal's operational sites comply with standards of the international community, local laws and regulations, and Eternal's corporate social responsibility standards. The Personnel Employment Management Procedures explicitly prohibit the employment of child laborers under the age of 16, and any action that may result in the employment of child laborers is not permitted. After review this year, we confirm that we do not have hired child laborers under the age of 16 (inclusive) and young workers under 18 years old.

Although there is no possibility of employing child labor, Eternal has established remedial measures for child labor hiring practices to implement risk control and fulfill social responsibility. Once a violation is confirmed, it must be immediately reported to the head of the Human Resources Department, who will report to the senior management. The Human Resources Department shall provide solutions (including terminating contracts, contacting parents or legal guardians to escort them home, providing necessary compensation, training human resources recruiters for identification, and enhancing the identification system) and duly implement and record them.

Relevant control measures include employment procedures (job candidates recruited are required to provide photocopies of their national ID cards, academic certificates, and relevant materials), and an age warning function of the personnel management system to ensure that there is no possibility of recruitment of child laborers and underage laborers by accident in the recruitment process. If it is confirmed that a person aged between 16

and 18 has been employed, the human resources unit will ensure that the minors do not engage in dangerous or hazardous work, that their normal daily working hours shall not exceed eight hours a day, and that the total number of working hours a week shall not exceed 40 hours. They are also not permitted to work between 8:00 p.m. and 6:00 a.m. Moreover, when they work for two consecutive hours, they shall rest for at least 15 minutes, and they shall take a day off on either Saturday or Sunday per week as a holiday on which they are not permitted to work.

### Prohibition on Forced Labor

Eternal provides good working conditions and reasonable working hours to all employees to ensure that they provide labor services on a voluntary basis. The Company respects employees' freedom and rights, including the freedom of employment and the freedom of resignation. In addition, the Company may not impose unreasonable restrictions on employees' freedom of movement in the workplace.

The specific measures for the prohibition on forced labor include the prohibition on requiring employees to pay a deposit or hand over any important document, such as education certification, diplomas, national ID card, or the original copy of the passport at the beginning or during the period of employment; all employees must be hired on a voluntary basis and no coercion or fraud shall be permitted to induce employees to work for the Company; employee's freedom of movement during break time and their actions that are unrelated to work shall be respected; employees may refuse to work overtime for justifiable reasons if the work requires overtime work; no individual shall be discriminated against, threatened, intimidated, insulted, or deprived of his/her normal wages; supervisors may not use methods, such as obstruction of freedom, assault, abuse, or threats when they are responsible for providing job support, assistance, or work assignments; after employees have completed the procedures required by law, they have the right to leave their jobs and their departure may not be delayed in any form.

To implement effective management, specific regulations are provided in related procedures, employee handbook, new hire training, and supervisor courses which explain the definitions and consequences of forced labor as well as complaint channels for employees.

### No Illegal Discrimination in the Workplace

All Eternal's operational sites comply with standards of the international community, local laws and regulations and Eternal's corporate social responsibility standards. We have implemented internal regulations on employment management, prevention of sexual harassment and workplace violence, as well as internal control and verification procedures to eliminate unlawful discrimination and to ensure equality in employment.

In addition, we teach employees and supervisors about their rights and interests and the impact of violations of laws in new hire training, employee handbook, and supervisor courses to protect employees from illegal harm in the workplace (including workplace violence and sexual harassment). To ensure smooth communication and complaint channels, the Company has set up a complaint channel (the mailbox and telephone number of the Director of Human Resources Department) and various communication channels, including the message function on the Company's official website, the mailboxes of plant managers, and regular Employee Welfare Committee and labor-management meetings, to spare no effort in maintaining workplace safety and health. In the case of illegal harm in the workplace, the Company shall organize a complaint handling committee in accordance with the Workplace Protective Measures Complaint Procedures and aim to close the case within three months. We received three complaints from employees in Taiwan during 2024. After understanding and investigating the complaints, we completed the internal communication and work environment maintenance process and have continued to raise employees' awareness of their rights in the workplace to maintain the safety of the work environment for all employees.

| Region/Year | Region                      | Taiwan    |                           | Mainland China and other regions |                           |
|-------------|-----------------------------|-----------|---------------------------|----------------------------------|---------------------------|
|             | Incident category           | Complaint | Processed and case closed | Complaint                        | Processed and case closed |
| 2022        | Sexual harassment incidents | 0         | 0                         | 0                                | 0                         |
|             | Workplace violence          | 1         | 1                         | 0                                | 0                         |
|             | Other complaints            | 1         | 1                         | 0                                | 0                         |
| 2023        | Sexual harassment incidents | 0         | 0                         | 0                                | 0                         |
|             | Workplace violence          | 1         | 1                         | 0                                | 0                         |
|             | Other complaints            | 0         | 0                         | 0                                | 0                         |
| 2024        | Sexual harassment incidents | 0         | 0                         | 0                                | 0                         |
|             | Workplace violence          | 3         | 3                         | 0                                | 0                         |
|             | Other complaints            | 0         | 0                         | 0                                | 0                         |



Table of Issues of Concern

| Key focus            | No child labor                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Prohibition on forced labor                                                                                                                                                                                                                                                                                                                                                                          | No illegal harm and discrimination in the workplace                                                                                                                                                                                                                                                                         |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Impact               | To maintain social equality and labor rights, the company has strict regulations regarding the age of new employees                                                                                                                                                                                                                                                                                                                                                           | To safeguard labor rights and prevent forced labor from impacting all employees.                                                                                                                                                                                                                                                                                                                     | If there are no clear regulations to prevent workplace violations and discrimination, it will have an impact on all and new employees                                                                                                                                                                                       |
| Those being affected | The Company and all staff                                                                                                                                                                                                                                                                                                                                                                                                                                                     | The Company and all staff                                                                                                                                                                                                                                                                                                                                                                            | The Company and all staff                                                                                                                                                                                                                                                                                                   |
| Goals and approaches | The "Personnel Employment Management Procedures" clearly stipulates that child laborers who have not reached the age of 16 shall not be employed, and the hired employees shall be inspected to ensure that there are no violations                                                                                                                                                                                                                                           | According to the "Eternal Human Rights Policy", all employees shall provide labor services on a voluntary basis, employees' freedom and rights shall be respected, including the freedom of employment and the freedom of resignation. Meanwhile, it is not allowed to impose unreasonable restrictions on employees' freedom of movement in the workplace to achieve the goal of zero forced labor. | All Eternal's operational sites comply with standards of the international community, local laws and regulations, and Eternal's corporate social responsibility standards, and we have implemented internal regulations on employment management, prevention of sexual harassment, and workplace violence.                  |
| Risk assessment      | Applicants shall provide identification documents (such as national ID cards and academic certificates) to confirm whether they are 16 years old or older.                                                                                                                                                                                                                                                                                                                    | In addition to internal system management of working hours, we monitor the situation through the Company's internal communication channels.                                                                                                                                                                                                                                                          | We monitor it through communication channels and the grievance system.                                                                                                                                                                                                                                                      |
| Mitigation measures  | Since the beginning of recruitment, we have implemented the recruitment process in accordance with the law to prevent child labor.                                                                                                                                                                                                                                                                                                                                            | We set a reminder function in the overtime application system and inspect the overtime situation at each plant regularly.                                                                                                                                                                                                                                                                            | We teach employees and supervisors about their rights and interests and the impact of violations of laws in new employee orientation, the employee handbook, and supervisor courses to protect employees from illegal harm and discrimination in the workplace, while ensuring smooth communication and grievance channels. |
| Remedial measures    | There is no concern about this issue. However, if happens, it shall be reported to the head of the Human Resources Department immediately, who will report to the senior management. The Human Resources Department will put forth solutions (including terminating contracts, contacting parents or legal guardians to escort them home, providing necessary compensation, training human resources recruiters for identification, and enhancing the identification system). | If there is evidence of forced labor, we will assist the head of the unit to implement improvement measures.                                                                                                                                                                                                                                                                                         | A complaint handling committee will be organized in accordance with the Workplace Protective Measures Complaint Procedures, and a case shall be closed within three months.                                                                                                                                                 |

## Human Rights Protection Measures and Training

With a commitment to safeguarding labor rights, the Company has not only rolled out and implemented the internal control and inspection system, but also continues to conduct training related to human rights protection for new employees, supervisors, and existing employees. In 2024, the total number of human rights training hours in Taiwan was 503 hours, with an average of 0.3 hours of training for each trainee; whereas the total number of human rights training hours in China was 464.9 hours, with an average of 0.2 hours of training for each trainee. The number of total training hours in Malaysia was 99.98 hours, or 0.4 hours per trainee. The number of trainees in these regions has achieved a 100% completion rate. We also increase awareness of human rights protection through the announcement of the Eternal Human Rights Policy on the official website. We will continue to implement relevant training activities to protect labor rights and interests.

### Human rights training includes the following:

- Provide relevant education on laws and regulations in the new employee orientation, including prohibition of workplace violence, prohibition of child labor, anti-discrimination, anti-sexual harassment, and relevant laws and regulations, and provide a healthy and safe environment.
- Provide online courses on workplace violence prevention and control, including workplace violence (including sexual harassment) prevention, and violence incident handling and complaint methods.
- The training program for new supervisors includes content on preventing workplace violence (including sexual harassment), related penalties, the responsibilities of supervisors in preventing such issues, and the complaint process.

## Employee Communication Channels

Eternal attaches great importance to communication between employees and the management. We look forward to establishing positive relations with employees through positive interactions. Eternal holds labor-management meetings and meetings of the Employee Welfare Committee each quarter to communicate with employees on key management tasks, labor conditions, and employee welfare policies. Additionally, the Company respects employees' rights to legally form associations and organize unions. Therefore, subsidiaries in Taiwan and China each have their own unions, with 83.6% of the entire Group's employees participating in union organizations. Some subsidiaries have signed collective agreements with their unions (including Kunshan Chemical Plant, Guangdong Plant, Changshu Plant, PM South China Plant, and Suzhou Materials Plant), representing 28.1% of Eternal's total regular employees.

We hold regular labor-management meetings in Taiwan every year. When there are significant changes in Company issues or laws/policies, we also hold communication meetings to negotiate and discuss these matters. In 2024, we held 4 labor-management meetings and senior management seminars and 4 meetings of the Employee Welfare Committee in Taiwan. Business units also convene monthly interdepartmental meetings to discuss the Company's policies, communicate ideas, and discuss employee remuneration and benefits. We gradually compiled opinions and provided them to the management as one of the sources of support for system implementation. The plants in mainland China convene meetings of the labor unions, employee representatives, and plant management meetings. These meetings consist of different types of staff representatives and supervisors who meet from time to time when necessary or attend government meetings, training programs, and activities. Multiple communication and interaction modes are implemented in each plant to respond to local conditions and needs. Therefore, when there is a change in the law or a significant change in internal operations (if there is a change in operations with a need to notify employees, employees will be notified before the deadline as stipulated in law), the Company and employees can disclose information through multiple communication channels and quickly provide information and opinions to create a positive work environment. Thus, the Company does not rely solely on signing collective agreements for labor-management communication. Effective communication and consensus are achieved through other channels and meetings to ensure harmonious labor relations.

Since 2018, Eternal has conducted an employee engagement survey every two years. The 2024 survey covered operations in Taiwan, subsidiaries in Mainland China, and the Malaysia plant, with a total of 4,346 employees participating—representing 90% of the Group's workforce. A total of 3,919 responses were collected, achieving a response rate of 90%. The 2024 engagement score reached 58%, reflecting a 4% improvement from the previous survey in 2022 (which recorded 53.8%). The lowest scoring areas remained consistent with the prior survey: Talent Deployment, Performance Management, and Executive Leadership. These results indicate that there is still room for improvement in internal performance evaluation practices, communication from senior leadership, and employees' understanding of the Company's vision and development direction. Based on the analysis of the 2024 results, the following improvement actions are planned: 1. Strengthen talent acquisition efforts through enhanced campus recruitment campaigns, sponsorship of student events such as the Annual Chemistry Conference and "Da Hua Cup," and collaboration with top university departments to increase the Company's appeal to young talent. 2. Enhance the linkage between compensation, bonuses, and organizational/personal performance, and increase the proportion of variable pay to ensure that high performers are meaningfully rewarded, moving away from an equal distribution approach. 3. Although promotions are currently performance-based, the Company's relatively flat structure and lack of a publicly communicated promotion system may result in low employee perception. Further efforts will be made to promote understanding of the link between performance and advancement. 4. Encourage business unit leaders to increase their presence at production sites to boost morale and visibility, while continuing regular town hall meetings and quarterly morning sessions. The next employee engagement survey will be conducted in 2026. The Company will continue implementing the above initiatives to further enhance employee engagement.

## ■ Unpaid Parental Leave

To help employees meet their personal needs and take care of their families, the Company implemented relevant matters in accordance with the regulations in the "Act of Gender Equality in Employment" (including setting up breastfeeding rooms, the contracts signed by the plants in Taiwan with children daycare institutions). When an employee needs a longer leave of absence due to military service, caring for an infant, serious injury or illness, etc., he/she can apply for unpaid leave and be reinstated at the end of the period. These measures are taken to help employees respond to special circumstances. In 2024, a total of 23 employees applied for parental leave, including 12 male and 11 female employees. The reinstatement and retention rates are shown below.

| Year                                                                                           | 2022 |        |       |
|------------------------------------------------------------------------------------------------|------|--------|-------|
| Item/Gender                                                                                    | Male | Female | Total |
| Number of employees eligible for parental leave during the year (A)                            | 136  | 29     | 165   |
| Number of applicants for parental leave during the year (B)                                    | 13   | 7      | 20    |
| Number of employees expected to be reinstated from parental leave during the year (C)          | 10   | 8      | 18    |
| Number of employees actually reinstated during the year (D)                                    | 9    | 8      | 17    |
| Reinstatement rate (D/C)                                                                       | 90%  | 100%   |       |
| Number of employees reinstated in the previous year (E)                                        | 2    | 4      | 6     |
| Number of employees reinstated in the previous year and have worked for more than one year (F) | 1    | 4      | 5     |
| Retention rate after parental leave (F/E)                                                      | 50%  | 100%   |       |

| Year                                                                                           | 2023 |        |       |
|------------------------------------------------------------------------------------------------|------|--------|-------|
| Item/Gender                                                                                    | Male | Female | Total |
| Number of employees eligible for parental leave during the year (A)                            | 136  | 28     | 164   |
| Number of applicants for parental leave during the year (B)                                    | 9    | 7      | 16    |
| Number of employees expected to be reinstated from parental leave during the year (C)          | 7    | 8      | 15    |
| Number of employees actually reinstated during the year (D)                                    | 6    | 7      | 13    |
| Reinstatement rate (D/C)                                                                       | 86%  | 88%    |       |
| Number of employees reinstated in the previous year (E)                                        | 9    | 8      | 17    |
| Number of employees reinstated in the previous year and have worked for more than one year (F) | 7    | 7      | 14    |
| Retention rate after parental leave (F/E)                                                      | 78%  | 88%    |       |

| Year                                                                                           | 2024 |        |       |
|------------------------------------------------------------------------------------------------|------|--------|-------|
| Item/Gender                                                                                    | Male | Female | Total |
| Number of employees eligible for parental leave during the year (A)                            | 119  | 30     | 149   |
| Number of applicants for parental leave during the year (B)                                    | 12   | 11     | 23    |
| Number of employees expected to be reinstated from parental leave during the year (C)          | 13   | 6      | 19    |
| Number of employees actually reinstated during the year (D)                                    | 12   | 5      | 17    |
| Reinstatement rate (D/C)                                                                       | 92%  | 83%    |       |
| Number of employees reinstated in the previous year (E)                                        | 6    | 7      | 13    |
| Number of employees reinstated in the previous year and have worked for more than one year (F) | 6    | 6      | 12    |
| Retention rate after parental leave (F/E)                                                      | 100% | 86%    |       |

With 2024 as the example, the data for other years are calculated in the same way.

Note 1: Calculation of the number of employees eligible for unpaid parental leave: The number of employees who had applied for maternity leave and paternity leave from 2022 to 2024.

Note 2: Reinstatement rate calculation formula: Number of employees reinstated after parental leave in 2024 / Number of employees who shall be reinstated after parental leave in 2024 x 100%

Note 3: Retention rate calculation formula: Number of employees employed by the Company for 12 months after reinstatement from parental leave in 2023 / Number of employees reinstated after parental leave in 2023 x 100%

## ● Employee Recruitment

### Management Approach

We attract excellent and suitable talents to join Eternal and maintain and enhance a fair and healthy environment for talent development.

| Talent Attraction and Retention                                   | 2024 Achievements                                   | 2025 Goals    |
|-------------------------------------------------------------------|-----------------------------------------------------|---------------|
| The parent company's turnover rate shall be less than 5%          | The parent company's turnover rate was 5.9%         | Less than 5%  |
| The turnover rate of subsidiaries in China shall be less than 10% | The turnover rate of subsidiaries in China was 6.6% | Less than 10% |

Eternal upholds the principles of "respect for human rights" and "placing the right person in the right position" in its Employment Policy. We comply with local labor laws and regulations and we respect all talents by providing them with fair opportunities for interviews and selections in the recruitment process.

In terms of work location distribution, approximately 41% of our employees are located in Eternal's main operational sites in Taiwan. Our overseas subsidiaries are located in mainland China, United States, Japan, Thailand, Vietnam, India, Indonesia, Korea, Italy, and other regions. Eternal also recognizes the importance of employee diversity. In addition to recruiting a large number of employees in Taiwan, China and Malaysia, we also recruit talents actively from around the world.

We firmly believe that only with the value of localization and diversity in an inclusive workplace where all employees are fairly treated can the Company continue to thrive. We provide fair employment and promotion opportunities for all employees regardless of their gender, religion, race, nationality, or political orientation. Our employment policy of "respecting human rights" and "use right people in the right place" helps the company fully utilize local human resources and develop a diverse culture to meet local needs of our subsidiaries around the world and gain an advantage.

| Key focus             | Employ local talent to promote diversity and inclusion, ensuring fair appointment and equal development opportunities                                                                                                                                                                                                                                                                                               |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Impact                | In terms of appointment, internal promotion, and personnel development, we will treat all employees fairly regardless of their culture, gender, race, or nationality to prevent a biased policy that may affect personnel development and manpower utilization.                                                                                                                                                     |
| Those being affected  | All staff                                                                                                                                                                                                                                                                                                                                                                                                           |
| Policy and Commitment | <ul style="list-style-type: none"> <li>● The Company has established procedures for personnel recruitment and management, as well as measures for employee promotion management as the standard for recruiting and promote talent who is in tune with the Company's development.</li> <li>● Eternal Human Rights Policy pledges to respect human rights and treat all employees and stakeholders fairly.</li> </ul> |



| Key focus                                | Employ local talent to promote diversity and inclusion, ensuring fair appointment and equal development opportunities                                                                                                                                                                                                                                                                                                                                                                                |
|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Effectiveness Assessment and Tracking    | <ul style="list-style-type: none"> <li>● Establish the Remuneration Committee to provide competitive salaries for potential talent and reflect the Company's operational performance on employees' income with a transparent remuneration police.</li> <li>● Establish the Personnel Review Committee made up of the operating and functional chiefs of each business unit to fairly promote local outstanding talent from across the Group as high-level supervisors to develop locally.</li> </ul> |
| Specific actions and mitigation measures | <ul style="list-style-type: none"> <li>● When there is biased personnel utilization and salary policies, any employee can appeal to the Human Resources Department and the Labor Union.</li> <li>● The members of the Personnel Review Committee also have the Human Resources Department keep track of job vacancies of important positions to recruit outstanding talent from the globe to promote inclusion.</li> </ul>                                                                           |

## ● Manpower Structure

As of the end of December 2024, the Group had a total of 4,659 employees, representing a minimal increase of 0.1% compared to the previous year. This includes 4,642 regular employees, 17 contracted employees, and no dispatched employees. We have 1,910 employees in Taiwan, including 1,612 indirect employees and 298 direct employees, and have seen a decrease of 1.3% compared to 2023. The ratio of male to female is 77% to 23%. 68% of employees are aged 30 to 50, and 61% of our colleagues have more than 10 years of service. We have 2,230 employees in China, including 1,585 indirect employees and 645 direct employees, and have seen an increase of 0.5% compared to the end of last year. The ratio of male and female employees is 75% and 25%. Employees aged 30 to 50 accounted for 76% of all employees and 45% of the employees have served at the Company for more than 10 years. We have 519 full-time employees in other regions, including 328 indirect employees and 191 direct employees and have seen an increase of 4.2% compared to the end of last year. The ratio of male to female is 75% to 25%. 48% of employees are aged 30 to 50, and 19% of our colleagues have more than 10 years of service. As Eternal is a manufacturing company, we have a higher proportion of male employees (female employees account for 24% of all employees). However, we still have a significant number of female executives (16.5%). Our recruitment, promotion, performance evaluation, and salary systems for employees are not affected by gender. To protect the employment rights of people with disabilities, the Group hired 29 employees with disabilities, accounting for 0.6% of the total employees.



|      | Region                     | Taiwan |        |          | China |        |          | Other regions |        |          |
|------|----------------------------|--------|--------|----------|-------|--------|----------|---------------|--------|----------|
|      | Item                       | Male   | Female | Subtotal | Male  | Female | Subtotal | Male          | Female | Subtotal |
| 2022 | Regular employees          | 1573   | 454    | 2027     | 1697  | 558    | 2255     | 416           | 134    | 550      |
|      | Temporary(contract)workers | 7      | 4      | 11       | 0     | 0      | 0        | 13            | 10     | 23       |
|      | Dispatched workers         | 0      | 0      | 0        | 0     | 0      | 0        | 0             | 0      | 0        |
|      | Total                      | 1580   | 458    | 2038     | 1697  | 558    | 2255     | 429           | 144    | 573      |
| 2023 | Regular employees          | 1480   | 447    | 1927     | 1670  | 548    | 2218     | 363           | 120    | 483      |
|      | Temporary(contract)workers | 6      | 2      | 8        | 0     | 2      | 2        | 10            | 5      | 15       |
|      | Dispatched workers         | 0      | 0      | 0        | 0     | 0      | 0        | 0             | 0      | 0        |
|      | Total                      | 1486   | 449    | 1935     | 1670  | 550    | 2220     | 373           | 125    | 498      |
| 2024 | Regular employees          | 1456   | 446    | 1902     | 1681  | 546    | 2227     | 387           | 126    | 513      |
|      | Temporary(contract)workers | 6      | 2      | 8        | 0     | 3      | 3        | 4             | 2      | 6        |
|      | Dispatched workers         | 0      | 0      | 0        | 0     | 0      | 0        | 0             | 0      | 0        |
|      | Total                      | 1462   | 448    | 1910     | 1681  | 549    | 2230     | 391           | 128    | 519      |

Note 1: Other regions include Japan, Thailand, USA, Vietnam, India, Indonesia, Malaysia, Korea, and Italy.

Note 2: Regular employees refer to employees who are permanently hired and both parties sign non fixed-term labor contracts; contract workers refer to temporary employees who sign a fixed-term labor contract between the two parties; dispatched workers refer to personnel dispatched by a dispatch company to work at Eternal, but they are not part of Eternal.

Note 3: Regular employees, contract workers, and dispatched workers are all full-time employees.

Note 4: Eternal does not hire "employees without guaranteed hours" or "part-time employees".

| Manpower Structure in Taiwan |                        |                 | 2022 |     |        |      | 2023  |      |     |        | 2024 |       |      |     |        |      |       |
|------------------------------|------------------------|-----------------|------|-----|--------|------|-------|------|-----|--------|------|-------|------|-----|--------|------|-------|
| Item                         |                        |                 | Male | %   | Female | %    | Total | Male | %   | Female | %    | Total | Male | %   | Female | %    | Total |
| Item Functions               | Director labor         |                 | 326  | 16% | 11     | 1%   | 337   | 293  | 15% | 9      | 0%   | 302   | 290  | 15% | 8      | 0.4% | 298   |
|                              | Managerial positions   |                 | 324  | 16% | 46     | 2%   | 370   | 321  | 17% | 46     | 2%   | 367   | 307  | 16% | 47     | 2%   | 354   |
|                              | Professional positions |                 | 930  | 46% | 401    | 20%  | 1331  | 872  | 45% | 394    | 20%  | 1266  | 865  | 45% | 393    | 21%  | 1258  |
| Age                          | Director labor         | <30 years old   | 64   | 3%  | 0      | 0.0% | 64    | 52   | 3%  | 0      | 0%   | 52    | 45   | 2%  | 0      | 0%   | 45    |
|                              |                        | 30-50 years old | 220  | 11% | 6      | 0.3% | 226   | 206  | 11% | 5      | 0%   | 211   | 205  | 11% | 4      | 0%   | 209   |
|                              |                        | >50 years old   | 42   | 2%  | 5      | 0.2% | 47    | 35   | 2%  | 4      | 0%   | 39    | 40   | 2%  | 4      | 0%   | 44    |
|                              | Indirect labor         | <30 years old   | 82   | 4%  | 31     | 2%   | 113   | 69   | 4%  | 29     | 1%   | 98    | 54   | 3%  | 22     | 1%   | 76    |
|                              |                        | 30-50 years old | 858  | 42% | 303    | 15%  | 1161  | 825  | 43% | 294    | 15%  | 1119  | 798  | 42% | 293    | 15%  | 1091  |
|                              |                        | >50 years old   | 314  | 15% | 113    | 6%   | 427   | 299  | 15% | 117    | 6%   | 416   | 320  | 17% | 125    | 7%   | 445   |
| Years of service             | Less than 1 year       |                 | 101  | 5%  | 30     | 1%   | 131   | 50   | 3%  | 16     | 1%   | 66    | 72   | 4%  | 20     | 1%   | 92    |
|                              | 1-3years               |                 | 281  | 14% | 73     | 4%   | 354   | 261  | 13% | 82     | 4%   | 343   | 195  | 10% | 59     | 3%   | 254   |
|                              | 4-5years               |                 | 95   | 5%  | 13     | 1%   | 108   | 88   | 5%  | 19     | 1%   | 107   | 113  | 6%  | 36     | 2%   | 149   |
|                              | 6-10years              |                 | 245  | 12% | 69     | 3%   | 314   | 238  | 12% | 55     | 3%   | 293   | 205  | 11% | 49     | 3%   | 254   |
|                              | 11-15years             |                 | 251  | 12% | 74     | 4%   | 325   | 245  | 13% | 80     | 4%   | 325   | 231  | 12% | 77     | 4%   | 308   |
|                              | 16 years or more       |                 | 607  | 30% | 199    | 10%  | 806   | 604  | 31% | 197    | 10%  | 801   | 646  | 34% | 207    | 11%  | 853   |
| Total                        |                        |                 | 1580 | 78% | 458    | 22%  | 2038  | 1486 | 77% | 449    | 23%  | 1935  | 1462 | 77% | 448    | 23%  | 1910  |

| Manpower Structure in China |                        |                 | 2022 |     |        |     | 2023  |      |     |        | 2024   |       |      |     |        |     |       |
|-----------------------------|------------------------|-----------------|------|-----|--------|-----|-------|------|-----|--------|--------|-------|------|-----|--------|-----|-------|
| Item                        |                        |                 | Male | %   | Female | %   | Total | Male | %   | Female | %      | Total | Male | %   | Female | %   | Total |
| Item Functions              | Director labor         |                 | 584  | 26% | 46     | 2%  | 630   | 527  | 23% | 14     | 1%     | 541   | 538  | 24% | 15     | 1%  | 553   |
|                             | Managerial positions   |                 | 380  | 17% | 85     | 4%  | 465   | 389  | 17% | 89     | 4%     | 478   | 382  | 17% | 95     | 4%  | 477   |
|                             | Professional positions |                 | 733  | 33% | 427    | 19% | 1160  | 754  | 33% | 447    | 20%    | 1201  | 761  | 34% | 439    | 20% | 1200  |
| Age                         | Director labor         | <30 years old   | 131  | 6%  | 6      | 0%  | 137   | 81   | 4%  | 1      | 0%     | 82    | 80   | 4%  | 2      | 0%  | 82    |
|                             |                        | 30-50 years old | 427  | 19% | 39     | 2%  | 466   | 412  | 18% | 13     | 1%     | 425   | 494  | 22% | 15     | 1%  | 509   |
|                             |                        | >50 years old   | 26   | 1%  | 1      | 0%  | 27    | 34   | 1%  | 0      | 0%     | 34    | 54   | 2%  | 0      | 0%  | 54    |
|                             | Indirect labor         | <30 years old   | 138  | 6%  | 97     | 4%  | 235   | 137  | 6%  | 91     | 4%     | 228   | 132  | 6%  | 79     | 4%  | 211   |
|                             |                        | 30-50 years old | 823  | 36% | 408    | 18% | 1231  | 831  | 37% | 436    | 19%    | 1267  | 737  | 33% | 438    | 20% | 1175  |
|                             |                        | >50 years old   | 152  | 7%  | 7      | 0%  | 159   | 175  | 8%  | 9      | 0%     | 184   | 184  | 8%  | 15     | 1%  | 199   |
| Years of service            | Less than 1 year       |                 | 134  | 6%  | 38     | 2%  | 172   | 135  | 6%  | 30     | 1%     | 165   | 125  | 6%  | 21     | 1%  | 146   |
|                             | 1-3years               |                 | 213  | 9%  | 79     | 4%  | 292   | 256  | 11% | 104    | 5%     | 360   | 263  | 12% | 105    | 5%  | 368   |
|                             | 4-5years               |                 | 172  | 8%  | 65     | 3%  | 237   | 152  | 7%  | 56     | 2%     | 208   | 130  | 6%  | 43     | 2%  | 173   |
|                             | 6-10years              |                 | 432  | 19% | 136    | 6%  | 568   | 408  | 18% | 128    | 6%     | 536   | 408  | 18% | 132    | 6%  | 540   |
|                             | 11-15years             |                 | 339  | 15% | 110    | 5%  | 449   | 326  | 14% | 108    | 5%     | 434   | 311  | 14% | 109    | 5%  | 420   |
|                             | 16 years or more       |                 | 407  | 18% | 130    | 6%  | 537   | 393  | 17% | 124    | 5%     | 517   | 444  | 20% | 139    | 6%  | 583   |
| Total                       |                        |                 | 1697 | 75% | 558    | 25% | 2255  | 1670 | 74% | 550    | 0.2426 | 2220  | 1681 | 75% | 549    | 25% | 2230  |

| Manpower Structure in Other Regions |                        |                 | 2022 |     |        |     | 2023  |      |     |        | 2024 |       |      |     |        |     |       |
|-------------------------------------|------------------------|-----------------|------|-----|--------|-----|-------|------|-----|--------|------|-------|------|-----|--------|-----|-------|
| Item                                |                        |                 | Male | %   | Female | %   | Total | Male | %   | Female | %    | Total | Male | %   | Female | %   | Total |
| Item Functions                      | Director labor         |                 | 194  | 34% | 19     | 3%  | 213   | 177  | 36% | 11     | 2%   | 188   | 183  | 35% | 8      | 2%  | 191   |
|                                     | Managerial positions   |                 | 67   | 12% | 9      | 2%  | 76    | 70   | 14% | 9      | 2%   | 79    | 78   | 15% | 10     | 2%  | 88    |
|                                     | Professional positions |                 | 168  | 29% | 116    | 20% | 284   | 126  | 25% | 105    | 21%  | 231   | 130  | 25% | 110    | 21% | 240   |
| Age                                 | Director labor         | <30 years old   | 81   | 14% | 2      | 0%  | 83    | 85   | 17% | 3      | 1%   | 88    | 84   | 16% | 3      | 1%  | 87    |
|                                     |                        | 30-50 years old | 75   | 13% | 12     | 2%  | 87    | 58   | 12% | 3      | 1%   | 61    | 67   | 13% | 2      | 0%  | 69    |
|                                     |                        | >50 years old   | 38   | 7%  | 5      | 1%  | 43    | 34   | 7%  | 5      | 1%   | 39    | 32   | 6%  | 3      | 1%  | 35    |
|                                     | Indirect labor         | <30 years old   | 87   | 15% | 50     | 9%  | 137   | 86   | 17% | 43     | 9%   | 129   | 76   | 15% | 40     | 8%  | 116   |
|                                     |                        | 30-50 years old | 115  | 20% | 62     | 11% | 177   | 91   | 18% | 58     | 12%  | 149   | 110  | 21% | 69     | 13% | 179   |
|                                     |                        | >50 years old   | 33   | 6%  | 13     | 2%  | 46    | 19   | 4%  | 13     | 3%   | 32    | 22   | 4%  | 11     | 2%  | 33    |
| Years of service                    | Less than 1 year       |                 | 69   | 12% | 27     | 5%  | 96    | 90   | 18% | 33     | 7%   | 123   | 58   | 11% | 24     | 5%  | 82    |
|                                     | 1-3years               |                 | 129  | 23% | 44     | 8%  | 173   | 92   | 18% | 33     | 7%   | 125   | 127  | 24% | 43     | 8%  | 170   |
|                                     | 4-5years               |                 | 74   | 13% | 34     | 6%  | 108   | 53   | 11% | 18     | 4%   | 71    | 50   | 10% | 14     | 3%  | 64    |
|                                     | 6-10years              |                 | 65   | 11% | 15     | 3%  | 80    | 73   | 15% | 21     | 4%   | 94    | 82   | 16% | 25     | 5%  | 107   |
|                                     | 11-15years             |                 | 39   | 7%  | 14     | 2%  | 53    | 40   | 8%  | 13     | 3%   | 53    | 47   | 9%  | 13     | 3%  | 60    |
|                                     | 16 years or more       |                 | 53   | 9%  | 10     | 2%  | 63    | 25   | 5%  | 7      | 1%   | 32    | 27   | 5%  | 9      | 2%  | 36    |
| Total                               |                        |                 | 429  | 75% | 144    | 25% | 573   | 373  | 75% | 125    | 25%  | 498   | 391  | 75% | 128    | 25% | 519   |

Note 1: Direct labor is defined as onsite personnel in direct contact with products.  
Note 2: Managerial roles are defined as employees with managerial responsibilities.

Note 3: Professional roles are defined as non-direct labor or managerial personnel.  
Note 4: Other regions include Japan, Thailand, USA, Vietnam, India, Indonesia, Malaysia, Korea, and Italy.

## Talent Recruitment

As times change, Eternal believes that only active recruitment and talent retention can allow talents to support the Company in global competition and challenges, and maintain long-term competitive advantages. Eternal organizes multiple community talent recruitment activities and campus recruiting activities each year. We venture into communities and campuses to promote the Company's R&D technologies and scholarship activities for chemistry departments at major universities in Taiwan to recruit suitable and outstanding talents.

In 2024, we employed a total of 123 people in Taiwan. To promote the Company's growth momentum and employment diversity, we recruited new employees under the age of 30, accounting for 31% of the total new employees while employing a total of 185 people in China with the number of new employees under the age of 30 accounting for 52% of the total employees as well as 94 people in other regions with the number of new employees under the age of 30 accounting for 51% of the total employees, adding to the momentum of the Company's continuous growth.

### New Hires and Turnovers in Taiwan in 2022

| Item                                                                                             | Indirect labor |           |        |        |         |       | Director labor |           |        |        |        |       | Total  |
|--------------------------------------------------------------------------------------------------|----------------|-----------|--------|--------|---------|-------|----------------|-----------|--------|--------|--------|-------|--------|
|                                                                                                  | Total          | By gender |        | By age |         |       | Total          | By gender |        | By age |        |       |        |
|                                                                                                  |                | Male      | Female | <30    | 30~50   | >50   |                | Male      | Female | <30    | 30~50  | >50   |        |
| Number of new employees                                                                          | 161            | 89        | 72     | 53     | 88      | 20    | 49             | 47        | 2      | 18     | 28     | 3     | 210    |
| Number of employees at the beginning of the year                                                 | 1,745          | 1,287     | 458    | 129    | 1,182   | 434   | 353            | 344       | 9      | 81     | 226    | 46    | 2,098  |
| Number of employees at the end of the year                                                       | 1,701          | 1,254     | 447    | 113    | 1,161   | 427   | 337            | 326       | 11     | 64     | 226    | 47    | 2,038  |
| (Number of employees at the beginning of the year +Number of employees at the end of the year)/2 | 1,723          | 1,270.5   | 452.5  | 121    | 1,171.5 | 430.5 | 345            | 335       | 10     | 72.5   | 226    | 46.5  | 2,068  |
| New hire rate (%)                                                                                | 9.34%          | 7.01%     | 15.91% | 43.80% | 7.51%   | 4.65% | 14.20%         | 14.03%    | 20.00% | 24.83% | 12.39% | 6.45% | 10.15% |
| Number of departed employees                                                                     | 65             | 48        | 17     | 22     | 42      | 1     | 42             | 42        | 0      | 16     | 26     | 0     | 107    |
| Turnover rate (%)                                                                                | 3.77%          | 3.78%     | 3.76%  | 18.18% | 3.59%   | 0.23% | 12.17%         | 12.54%    | 0.00%  | 22.07% | 11.50% | 0.00% | 5.17%  |



## New Hires and Turnovers in China in 2022

| Item                                                                                             | Indirect labor |           |        |        |       |       | Director labor |           |        |        |        |       | Total  |
|--------------------------------------------------------------------------------------------------|----------------|-----------|--------|--------|-------|-------|----------------|-----------|--------|--------|--------|-------|--------|
|                                                                                                  | Total          | By gender |        | By age |       |       | Total          | By gender |        | By age |        |       |        |
|                                                                                                  |                | Male      | Female | <30    | 30~50 | >50   |                | Male      | Female | <30    | 30~50  | >50   |        |
| Number of new employees                                                                          | 128            | 85        | 43     | 71     | 56    | 1     | 114            | 110       | 4      | 57     | 57     | 0     | 242    |
| Number of employees at the beginning of the year                                                 | 1618           | 1095      | 523    | 230    | 1273  | 115   | 627            | 581       | 46     | 133    | 477    | 17    | 2245   |
| Number of employees at the end of the year                                                       | 1625           | 1113      | 512    | 235    | 1231  | 159   | 630            | 584       | 46     | 137    | 466    | 27    | 2255   |
| (Number of employees at the beginning of the year +Number of employees at the end of the year)/2 | 1622           | 1104      | 518    | 233    | 1252  | 137   | 629            | 583       | 46     | 135    | 472    | 22    | 2250   |
| New hire rate (%)                                                                                | 7.89%          | 7.70%     | 8.31%  | 30.54% | 4.47% | 0.73% | 18.14%         | 18.88%    | 8.70%  | 42.22% | 12.09% | 0.00% | 10.76% |
| Number of departed employees                                                                     | 96             | 69        | 27     | 42     | 53    | 1     | 105            | 105       | 0      | 48     | 57     | 0     | 201    |
| Turnover rate (%)                                                                                | 5.92%          | 6.25%     | 5.22%  | 18.06% | 4.23% | 0.73% | 16.71%         | 18.03%    | 0.00%  | 35.56% | 12.09% | 0.00% | 8.93%  |

## New Hires and Turnovers in other regions in 2022

| Item                                                                                             | Indirect labor |           |        |        |        |        | Director labor |           |        |        |        |       | Total  |
|--------------------------------------------------------------------------------------------------|----------------|-----------|--------|--------|--------|--------|----------------|-----------|--------|--------|--------|-------|--------|
|                                                                                                  | Total          | By gender |        | By age |        |        | Total          | By gender |        | By age |        |       |        |
|                                                                                                  |                | Male      | Female | <30    | 30~50  | >50    |                | Male      | Female | <30    | 30~50  | >50   |        |
| Number of new employees                                                                          | 73             | 53        | 20     | 48     | 21     | 4      | 28             | 23        | 5      | 12     | 15     | 1     | 101    |
| Number of employees at the beginning of the year                                                 | 336            | 219       | 117    | 142    | 141    | 53     | 253            | 230       | 23     | 130    | 81     | 42    | 589    |
| Number of employees at the end of the year                                                       | 360            | 235       | 125    | 137    | 177    | 46     | 213            | 194       | 19     | 83     | 87     | 43    | 573    |
| (Number of employees at the beginning of the year +Number of employees at the end of the year)/2 | 348            | 227       | 121    | 140    | 159    | 50     | 233            | 212       | 21     | 107    | 84     | 43    | 581    |
| New hire rate (%)                                                                                | 20.98%         | 23.35%    | 16.53% | 34.41% | 13.21% | 8.08%  | 12.02%         | 10.85%    | 23.81% | 11.27% | 17.86% | 2.35% | 17.38% |
| Number of departed employees                                                                     | 39             | 24        | 15     | 13     | 17     | 9      | 20             | 17        | 3      | 11     | 7      | 2     | 59     |
| Turnover rate (%)                                                                                | 11.21%         | 10.57%    | 12.40% | 9.32%  | 10.69% | 18.18% | 8.58%          | 8.02%     | 14.29% | 10.33% | 8.33%  | 4.71% | 10.15% |

## New Hires and Turnovers in Taiwan in 2023

| Item                                                                                             | Indirect labor |           |        |        |       |       | Director labor |           |        |        |       |       | Total |
|--------------------------------------------------------------------------------------------------|----------------|-----------|--------|--------|-------|-------|----------------|-----------|--------|--------|-------|-------|-------|
|                                                                                                  | Total          | By gender |        | By age |       |       | Total          | By gender |        | By age |       |       |       |
|                                                                                                  |                | Male      | Female | <30    | 30~50 | >50   |                | Male      | Female | <30    | 30~50 | >50   |       |
| Number of new employees                                                                          | 63             | 55        | 8      | 11     | 50    | 2     | 25             | 25        | 0      | 12     | 13    | 0     | 88    |
| Number of employees at the beginning of the year                                                 | 1696           | 1249      | 447    | 112    | 1151  | 433   | 337            | 326       | 11     | 63     | 229   | 45    | 2033  |
| Number of employees at the end of the year                                                       | 1633           | 1193      | 440    | 98     | 1119  | 416   | 302            | 293       | 9      | 52     | 211   | 39    | 1935  |
| (Number of employees at the beginning of the year +Number of employees at the end of the year)/2 | 1664.5         | 1221      | 443.5  | 105    | 1135  | 424.5 | 319.5          | 309.5     | 10     | 57.5   | 220   | 42    | 1984  |
| New hire rate (%)                                                                                | 3.78%          | 4.50%     | 1.80%  | 10.48% | 4.41% | 0.47% | 7.82%          | 8.08%     | 0.00%  | 20.87% | 5.91% | 0.00% | 4.44% |
| Number of departed employees                                                                     | 82             | 51        | 31     | 43     | 37    | 2     | 31             | 31        | 0      | 12     | 16    | 3     | 113   |
| Turnover rate (%)                                                                                | 4.93%          | 4.18%     | 6.99%  | 40.95% | 3.26% | 0.47% | 9.70%          | 10.02%    | 0.00%  | 20.87% | 7.27% | 7.14% | 5.70% |

## New Hires and Turnovers in China in 2023

| Item                                                                                             | Indirect labor |           |        |        |       |       | Director labor |           |        |        |        |       | Total |
|--------------------------------------------------------------------------------------------------|----------------|-----------|--------|--------|-------|-------|----------------|-----------|--------|--------|--------|-------|-------|
|                                                                                                  | Total          | By gender |        | By age |       |       | Total          | By gender |        | By age |        |       |       |
|                                                                                                  |                | Male      | Female | <30    | 30~50 | >50   |                | Male      | Female | <30    | 30~50  | >50   |       |
| Number of new employees                                                                          | 117            | 86        | 31     | 74     | 42    | 1     | 89             | 89        | 0      | 35     | 53     | 1     | 206   |
| (Number of employees at the beginning of the year +Number of employees at the end of the year)/2 | 1690           | 1154      | 537    | 247    | 1271  | 172   | 550            | 532       | 18     | 94     | 426    | 30    | 2240  |
| New hire rate (%)                                                                                | 6.92%          | 7.46%     | 5.78%  | 29.96% | 3.30% | 0.58% | 16.20%         | 16.73%    | 0.00%  | 37.23% | 12.46% | 3.33% | 9.20% |
| Number of departed employees                                                                     | 109            | 81        | 28     | 52     | 56    | 1     | 68             | 66        | 2      | 33     | 35     | 0     | 177   |
| Turnover rate (%)                                                                                | 6.45%          | 7.02%     | 5.22%  | 21.05% | 4.41% | 0.58% | 12.37%         | 12.41%    | 11.43% | 35.11% | 8.23%  | 0.00% | 7.90% |

## New Hires and Turnovers in Other regions in 2023

| Item                                                                                             | Indirect labor |           |        |        |        |       | Director labor |           |        |        |        |       | Total  |
|--------------------------------------------------------------------------------------------------|----------------|-----------|--------|--------|--------|-------|----------------|-----------|--------|--------|--------|-------|--------|
|                                                                                                  | Total          | By gender |        | By age |        |       | Total          | By gender |        | By age |        |       |        |
|                                                                                                  |                | Male      | Female | <30    | 30~50  | >50   |                | Male      | Female | <30    | 30~50  | >50   |        |
| Number of new employees                                                                          | 78             | 46        | 32     | 49     | 28     | 1     | 45             | 44        | 1      | 34     | 9      | 2     | 123    |
| Number of employees at the beginning of the year                                                 | 276            | 170       | 106    | 125    | 127    | 24    | 158            | 153       | 5      | 71     | 55     | 32    | 434    |
| Number of employees at the end of the year                                                       | 310            | 196       | 114    | 129    | 149    | 32    | 188            | 177       | 11     | 88     | 61     | 39    | 498    |
| (Number of employees at the beginning of the year +Number of employees at the end of the year)/2 | 293            | 183       | 110    | 127    | 138    | 28    | 173            | 165       | 8      | 80     | 58     | 36    | 466    |
| New hire rate (%)                                                                                | 26.62%         | 25.14%    | 29.09% | 38.58% | 20.29% | 3.57% | 26.01%         | 26.67%    | 12.50% | 42.77% | 15.52% | 5.63% | 26.39% |
| Number of departed employees                                                                     | 82             | 51        | 31     | 43     | 37     | 2     | 31             | 31        | 0      | 12     | 16     | 3     | 113    |
| Turnover rate (%)                                                                                | 27.99%         | 27.87%    | 28.18% | 33.86% | 26.81% | 7.14% | 17.92%         | 18.79%    | 0.00%  | 15.09% | 27.59% | 8.45% | 24.25% |

## New Hires and Turnovers in Taiwan in 2024

| Item                                                                                             | Indirect labor |           |        |        |       |       | Director labor |           |        |        |        |       | Total |
|--------------------------------------------------------------------------------------------------|----------------|-----------|--------|--------|-------|-------|----------------|-----------|--------|--------|--------|-------|-------|
|                                                                                                  | Total          | By gender |        | By age |       |       | Total          | By gender |        | By age |        |       |       |
|                                                                                                  |                | Male      | Female | <30    | 30~50 | >50   |                | Male      | Female | <30    | 30~50  | >50   |       |
| Number of new employees                                                                          | 78             | 53        | 25     | 24     | 51    | 3     | 45             | 45        | 0      | 14     | 31     | 0     | 123   |
| Number of employees at the beginning of the year                                                 | 1624           | 1186      | 438    | 93     | 1111  | 420   | 298            | 290       | 8      | 52     | 209    | 37    | 1922  |
| Number of employees at the end of the year                                                       | 1612           | 1172      | 440    | 76     | 1091  | 445   | 298            | 290       | 8      | 45     | 209    | 44    | 1910  |
| (Number of employees at the beginning of the year +Number of employees at the end of the year)/2 | 1618           | 1179      | 439    | 84.5   | 1101  | 432.5 | 298            | 290       | 8      | 48.5   | 209    | 40.5  | 1916  |
| New hire rate (%)                                                                                | 4.82%          | 4.50%     | 5.69%  | 28.40% | 4.63% | 0.69% | 15.10%         | 15.52%    | 0.00%  | 28.87% | 14.83% | 0.00% | 6.42% |
| Number of departed employees                                                                     | 76             | 56        | 20     | 16     | 55    | 5     | 37             | 36        | 1      | 9      | 28     | 0     | 113   |
| Turnover rate (%)                                                                                | 4.70%          | 4.75%     | 4.56%  | 18.93% | 5.00% | 1.16% | 12.42%         | 12.41%    | 12.50% | 18.56% | 13.40% | 0.00% | 5.90% |



## New Hires and Turnovers in China in 2024

| Item                                                                                             | Indirect labor |           |        |        |       |       | Director labor |           |        |        |        |       | Total |
|--------------------------------------------------------------------------------------------------|----------------|-----------|--------|--------|-------|-------|----------------|-----------|--------|--------|--------|-------|-------|
|                                                                                                  | Total          | By gender |        | By age |       |       | Total          | By gender |        | By age |        |       |       |
|                                                                                                  |                | Male      | Female | <30    | 30~50 | >50   |                | Male      | Female | <30    | 30~50  | >50   |       |
| Number of new employees                                                                          | 76             | 57        | 19     | 47     | 29    | 0     | 109            | 106       | 3      | 50     | 59     | 0     | 185   |
| Number of employees at the beginning of the year                                                 | 1679           | 1143      | 536    | 228    | 1267  | 184   | 541            | 527       | 14     | 82     | 425    | 34    | 2220  |
| Number of employees at the end of the year                                                       | 1585           | 1053      | 532    | 211    | 1175  | 199   | 645            | 628       | 17     | 82     | 509    | 54    | 2230  |
| (Number of employees at the beginning of the year +Number of employees at the end of the year)/2 | 1632           | 1098      | 534    | 220    | 1221  | 192   | 593            | 578       | 16     | 82     | 467    | 44    | 2225  |
| New hire rate (%)                                                                                | 4.66%          | 5.19%     | 3.56%  | 21.41% | 2.38% | 0.00% | 18.38%         | 18.35%    | 19.35% | 60.98% | 12.63% | 0.00% | 8.31% |
| Number of departed employees                                                                     | 56             | 44        | 12     | 20     | 36    | 0     | 90             | 88        | 2      | 42     | 47     | 1     | 146   |
| Turnover rate (%)                                                                                | 3.43%          | 4.01%     | 2.25%  | 9.11%  | 2.95% | 0.00% | 15.18%         | 15.24%    | 12.90% | 51.22% | 10.06% | 2.27% | 6.56% |

## New Hires and Turnovers in Other regions in 2024

| Item                                                                                             | Indirect labor |           |        |        |        |        | Director labor |           |        |        |        |        | Total  |
|--------------------------------------------------------------------------------------------------|----------------|-----------|--------|--------|--------|--------|----------------|-----------|--------|--------|--------|--------|--------|
|                                                                                                  | Total          | By gender |        | By age |        |        | Total          | By gender |        | By age |        |        |        |
|                                                                                                  |                | Male      | Female | <30    | 30~50  | >50    |                | Male      | Female | <30    | 30~50  | >50    |        |
| Number of new employees                                                                          | 62             | 37        | 25     | 29     | 29     | 4      | 32             | 31        | 1      | 19     | 13     | 0      | 94     |
| Number of employees at the beginning of the year                                                 | 312            | 187       | 125    | 132    | 150    | 30     | 188            | 173       | 15     | 92     | 57     | 39     | 500    |
| Number of employees at the end of the year                                                       | 328            | 208       | 120    | 116    | 179    | 33     | 191            | 183       | 8      | 87     | 69     | 35     | 519    |
| (Number of employees at the beginning of the year +Number of employees at the end of the year)/2 | 320            | 198       | 123    | 124    | 165    | 32     | 190            | 178       | 12     | 90     | 63     | 37     | 510    |
| New hire rate (%)                                                                                | 19.38%         | 18.73%    | 20.41% | 23.39% | 17.63% | 12.70% | 16.89%         | 17.42%    | 8.70%  | 21.23% | 20.63% | 0.00%  | 18.45% |
| Number of departed employees                                                                     | 57             | 34        | 23     | 33     | 22     | 2      | 37             | 33        | 4      | 10     | 18     | 13     | 94     |
| Turnover rate (%)                                                                                | 17.81%         | 17.22%    | 18.78% | 26.61% | 13.37% | 6.35%  | 19.53%         | 18.54%    | 34.78% | 11.17% | 28.57% | 35.14% | 18.45% |

Note 1: New hire rate = Direct (indirect) new recruits in the category / [(Number of direct (indirect) employees in the region at the beginning of 2024 + Number of direct (indirect) employees in the region at the end of 2024) / 2]

Note 2: Turnover rate = Direct (indirect) employee turnover in the category / [(Number of direct (indirect) employees in the region at the beginning of 2024 + Number of direct (indirect) employees in the region at the end of 2024) / 2]

To retain outstanding talents and continue to facilitate the internal talent mobility, Eternal has provided various incentive measures for employees with different qualifications and professional skills including newcomer orientation training, employee care and motivation, reward for long-serving and outstanding employees, internal job rotations, promotions, salary structure adjustments, and various incentives for strengthening the management system. We seek to actively establish a healthy system and excellent work environment. During 2024, the percentage of the vacancies filled by internal employees at the section level or above was 97.1% in Taiwan, 96.8% in China, and 77.5% in Malaysia plant. This has shown that we have worked to facilitate internal mobility. A high proportion of the professional vacancies was filled by internal outstanding personnel through job promotion.

The turnover rate in Taiwan has remained stable with an annual turnover rate of 5.9% and a new hire rate of approximately 6.4%. In mainland China, the annual turnover rate was approximately 6.6% and the new hire rate was approximately 8.3%. In other regions, the annual turnover rate was approximately 18.5% and the new hire rate was approximately 18.5%. This has indicated the vibrant development of Eternal's human resources.

## ● Fair Employment of Local Talents

To promote localized employment in our global sites to bring together advantages of excellent people from different countries and prevent unfair employee treatment that may impact local operations. The proportion of senior executives in Taiwan served by local employees is 100%; 33% in China; 44% in other regions.

| Region        | Senior executive | Senior executives served by local employees | %    |
|---------------|------------------|---------------------------------------------|------|
| Taiwan        | 15               | 15                                          | 100% |
| China         | 27               | 9                                           | 33%  |
| Other regions | 9                | 4                                           | 44%  |

Note: Senior executives are defined as managers ranked Assistant Vice President and above.

| Key focus                                | Stable employment relationship                                                                                                                                                                                                                                                                                                                                                                                               |
|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Impact                                   | Excellent, diversified, and stable employees in a company can contribute to the smooth operation of human resources. Without them, production and operation costs, internal stability, and driving force of the company will be affected.                                                                                                                                                                                    |
| Those being affected                     | All staff                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Policy and Commitment                    | <ul style="list-style-type: none"> <li>● Eternal Human Rights Policy pledges to respect human rights and treat all employees and stakeholders fairly.</li> <li>● The Company imposes relevant welfare policies on all employees regardless of their gender, race, age, or union membership status. All employees who apply for parental leave can enjoy Company benefits and return to work after parental leave.</li> </ul> |
| Effectiveness Assessment and Tracking    | The Company conducts a biennial employee engagement survey to understand the employees' attitudes towards the Company's retention, promotion, and contributions, and follow up on action plans.                                                                                                                                                                                                                              |
| Specific actions and mitigation measures | Any employee who has undergone unlawful infringement can appeal to the Human Resources Department and the Labor Union.                                                                                                                                                                                                                                                                                                       |

## ● Talent Cultivation and Development

### Management Approach

Eternal helps employees obtain the necessary knowledge, attitude, and skills to achieve the goals of the organization and the individual employee in accordance with the requirements for the development of the Company and the organization's manpower plans to improve efficiency and quality.

| Education and Training Policy                                                                                                                                                                                                           | 2024 Achievements                                            | 2025 Goals                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------------|
| The Company is committed to developing employees' professional skills and organizational capabilities, enhancing the quality of human capital, and ensuring effective utilization of human resources to achieve overall business goals. | The Group's average number of training hours was 45.7 hours. | The average number of training hours per person per year is at least 30 hours. |

## Learning system

The learning system follows the needs of business development and workforce planning in the organization; Eternal is committed to helping employees obtain the necessary knowledge, attitude, and skills to achieve the goals of the organization and the individual employee in accordance with the requirements for the development of the Company and the organization's manpower plans to improve efficiency and quality. Eternal has planned a training system for all employees at all levels that is suitable for their individual responsibilities. The Company offers different training courses and development methods for core competencies, management competencies, professional competencies, and self-development. Since 2015, the Company has built the Eternal Digital Learning Platform which mainly contains courses on functional training courses and training courses for new recruits. In addition, Eternal has partnered with external language training organizations to introduce a digital language learning model so that employees can improve themselves anytime, anywhere. Due to impact of the pandemic, the Company encourages all units to develop digital courses to prevent mass gathering. In 2024, Eternal designed 132 digital courses with a total of 19,006 learning hours. By doing this, learning resources can be shared across the Company to create a learning environment where employees can learn anytime, anywhere.

Eternal's training system is provided below. Employees on all levels follow their respective training development paths for training and development. The trainees are divided into the three following categories:

## Eternal Training System

| Target                 |                                                          | Off-JT<br>(Off-The-Job Training)                                                                           |                                                               |                                               |                                                                                                        |                                          | OJT<br>(On-The-Job Training) |                                                    |                                                                                                                                                                          | SD<br>(Self-Development) |  |
|------------------------|----------------------------------------------------------|------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------|--------------------------------------------------------------------------------------------------------|------------------------------------------|------------------------------|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--|
| Managerial personnel   | Business administration                                  | Corporate governance/business management training                                                          |                                                               |                                               |                                                                                                        | Master of management on-the-job training | Internal lecturer training   | Quality / environment, safety, and health training | Reading books and magazines and job rotations/substitutes, project assignment, deputy supervisor training, (enhanced) assignment to overseas subsidiaries, and mentoring |                          |  |
|                        | Senior management                                        | Overseas long-term training                                                                                | Senior management training                                    |                                               |                                                                                                        |                                          |                              |                                                    |                                                                                                                                                                          |                          |  |
|                        | Mid-level management                                     |                                                                                                            | Mid-management training                                       |                                               |                                                                                                        |                                          |                              |                                                    |                                                                                                                                                                          |                          |  |
|                        | Entry-level management                                   |                                                                                                            | Training for new managers and entry-level management training |                                               |                                                                                                        |                                          |                              |                                                    |                                                                                                                                                                          |                          |  |
|                        | Functional management                                    | Functional professional training                                                                           |                                                               |                                               |                                                                                                        | Internal auditor training                |                              |                                                    |                                                                                                                                                                          |                          |  |
| Business and marketing | Training for sales cycle and internal control procedures |                                                                                                            | Industry platform lectures                                    |                                               |                                                                                                        |                                          |                              |                                                    |                                                                                                                                                                          |                          |  |
| R&D and technology     | Quality system tools                                     | Introduction to the Group' s core process technologies, results presentation seminars, and patent training |                                                               |                                               |                                                                                                        |                                          |                              |                                                    |                                                                                                                                                                          |                          |  |
| Manufacturing quality  |                                                          | Professional manufacturing quality training                                                                |                                                               | Manufacturing supervision operations training |                                                                                                        |                                          |                              |                                                    |                                                                                                                                                                          |                          |  |
| New recruits           | Profession level                                         | Pre-service training                                                                                       |                                                               |                                               | Lectures for new recruits (profession level), plant tours, and courses on products and industry trends |                                          |                              | Professional training of each department           |                                                                                                                                                                          |                          |  |
|                        | Operation level                                          |                                                                                                            |                                                               | Lectures for new recruits (operation level)   |                                                                                                        |                                          |                              |                                                    |                                                                                                                                                                          |                          |  |



## New recruits

All new recruits are required to attend "pre-service training/professional training of each department" and "lectures for new recruits". "Pre-service training/professional training of each department" is provided within three months after the first day of employment. The main contents include basic safety and health courses, basic employee rules and regulations, and professional competencies of the department. The "lectures for new recruits" are divided into those for employees and lecturer-level employees. They are provided with courses on the organization of the Company, rules and regulations, career development for Eternal's employees, Eternal's culture, company products, and industry trends. The Company also arranges an optional course called the "Factory Tour" for new employees to gain a better understanding of the Company's management, system and culture. These courses help integrate new recruits into the organization and help them adapt to our corporate culture and the work environment more quickly.



Lectures by the founder for new recruits

## Managerial personnel

We arrange corresponding training courses for managers based on the needs of different managerial levels to equip our managers with necessary management skills. We provide training for new managers, TWI training for lower-level supervisors, HPM training, and courses on performance interviewing skills, employee sensitivity, team motivation, Carnegie management, and management seminars based on the annual training priorities. The Company also offers customized training courses for assigned managers based on their individual training needs. We help them understand related local systems and regulations before they are sent on their assignments.



TWI training for lower-level supervisors

## All employees

The Company offers courses to meet employees' needs for their different professional competencies, including process, R&D, sales and marketing, environment and safety, and body-mind balance/work-life balance. The parent company offered 207 different types of courses in 2024 based on key training points to provide knowledge and skills training to employees in different professional fields and enable them to fully leverage their talents at work.



Firefighting training (training in other places)

## ● Learning and Participation

Due to the impact of COVID-19, the Company reduced the number of physical courses to avoid mass gathering and focused on promoting digital learning models, and each unit developed its own digital courses (132 new courses); the Group's reading hours increased by 60% compared to 2023 (a total of 19,006 hours). In terms of physical courses, the focus is on mid-to-senior management and advanced professional training, and on increasing the proportion of on-the-job training for grassroots employees. In Taiwan, the total training hours (both physical and online) amounted to 53,027.1 hours, with an average training time of 27.8 hours per employee, and a total training expenditure of NT\$4.26 million. In China, the total training hours were 143,086 hours, with an average training time of 64.2 hours per employee, and a total training cost of over NT\$4.6 million. At the Malaysia plant, which has experienced steady workforce growth in recent years, a series of management training programs have been introduced. In 2024, in addition to regular safety and health courses, training for new supervisors and managerial skills development was also launched. As a result, total training hours amounted to 5,990 hours, with an average of 21.5 hours per employee, and training expenses of approximately NT\$760,000.

In addition, to promote the development of professional competencies, each unit in Taiwan has begun to establish a career development blueprint for each position, and continued to accumulate its own self-developed professional competency textbooks year by year. Through the development of professional competencies, as well as the learning-by-doing and self-directed learning models, talents' abilities in various positions can be developed from the grassroots level.

## 2022 Training Records

| Region            | Employee Category      | Male           |                     |                            | Female         |                     |                            | Total          |                     |                            |
|-------------------|------------------------|----------------|---------------------|----------------------------|----------------|---------------------|----------------------------|----------------|---------------------|----------------------------|
|                   |                        | Training hours | Number of employees | Average hours per employee | Training hours | Number of employees | Average hours per employee | Training hours | Number of employees | Average hours per employee |
| Taiwan            | Direct labor           | 5,112.0        | 326                 | 15.7                       | 61.9           | 11                  | 5.6                        | 5,173.9        | 337                 | 15.4                       |
|                   | Managerial positions   | 7,737.1        | 324                 | 23.9                       | 1,176.9        | 46                  | 25.6                       | 8,914.0        | 370                 | 24.1                       |
|                   | Professional positions | 15,817.5       | 930                 | 17.0                       | 4,891.8        | 401                 | 12.2                       | 20,709.3       | 1,331               | 15.6                       |
|                   | Subtotal               | 28,666.6       | 1,580               | 18.1                       | 6,130.7        | 458                 | 13.4                       | 34,797.2       | 2,038               | 17.1                       |
| Mainland China    | Direct labor           | 33,204         | 584                 | 56.9                       | 929            | 46                  | 20.2                       | 34,133         | 630                 | 54.2                       |
|                   | Managerial positions   | 14,848         | 380                 | 39.1                       | 2,791          | 85                  | 32.8                       | 17,639         | 465                 | 37.9                       |
|                   | Professional roles     | 29,472         | 733                 | 40.2                       | 15,443         | 427                 | 36.2                       | 44,915         | 1,160               | 38.7                       |
|                   | Subtotal               | 77,524         | 1,697               | 45.7                       | 19,163         | 558                 | 34.3                       | 96,687         | 2,255               | 42.9                       |
| Plant in Malaysia | Direct labor           | 1,274          | 69                  | 18.5                       | 40             | 1                   | 40.0                       | 1,314          | 70                  | 18.8                       |
|                   | Managerial positions   | 1,625          | 25                  | 65.0                       | 548            | 7                   | 78.3                       | 2,173          | 32                  | 67.9                       |
|                   | Professional roles     | 8              | 98                  | 0.1                        | 59             | 50                  | 1.2                        | 66             | 148                 | 0.4                        |
|                   | Subtotal               | 2,907          | 192                 | 15.1                       | 647            | 58                  | 11.1                       | 3,553          | 250                 | 14.2                       |
| Total             |                        | 109,097        | 3,469               | 31.4                       | 25,940         | 1,074               | 24.2                       | 135,037        | 4,543               | 29.7                       |

## 2023 Training Records

| Region            | Employee Category      | Male           |                     |                            | Female         |                     |                            | Total          |                     |                            |
|-------------------|------------------------|----------------|---------------------|----------------------------|----------------|---------------------|----------------------------|----------------|---------------------|----------------------------|
|                   |                        | Training hours | Number of employees | Average hours per employee | Training hours | Number of employees | Average hours per employee | Training hours | Number of employees | Average hours per employee |
| Taiwan            | Direct labor           | 14,340.1       | 293                 | 48.9                       | 920.3          | 9                   | 102.3                      | 15,260.5       | 302                 | 50.5                       |
|                   | Managerial positions   | 9,034.1        | 321                 | 28.1                       | 856.4          | 46                  | 18.6                       | 9,890.5        | 367                 | 26.9                       |
|                   | Professional positions | 19,780.6       | 872                 | 22.7                       | 6,566.8        | 394                 | 16.7                       | 26,347.4       | 1,266               | 20.8                       |
|                   | Subtotal               | 43,154.8       | 1,486               | 29.0                       | 8,343.5        | 449                 | 18.6                       | 51,498.4       | 1,935               | 26.6                       |
| Mainland China    | Direct labor           | 38,721         | 527                 | 73.5                       | 902            | 14                  | 64.4                       | 39,623         | 541                 | 73.2                       |
|                   | Managerial positions   | 18,998         | 389                 | 48.8                       | 3,092          | 89                  | 34.7                       | 22,090         | 478                 | 46.2                       |
|                   | Professional roles     | 37,939         | 754                 | 50.3                       | 15,016         | 447                 | 33.6                       | 52,955         | 1,201               | 44.1                       |
|                   | Subtotal               | 95,658         | 1,670               | 57.3                       | 19,010         | 550                 | 34.6                       | 114,668        | 2,220               | 51.7                       |
| Plant in Malaysia | Direct labor           | 582            | 84                  | 6.9                        | 0              | 0                   | #DIV/0!                    | 582            | 84                  | 6.9                        |
|                   | Managerial positions   | 990            | 45                  | 22.0                       | 226            | 5                   | 45.2                       | 1,216          | 50                  | 24.3                       |
|                   | Professional roles     | 2,621          | 82                  | 32.0                       | 847            | 56                  | 15.1                       | 3,468          | 138                 | 25.1                       |
|                   | Subtotal               | 4,193          | 211                 | 19.9                       | 1,073          | 61                  | 17.6                       | 5,265          | 272                 | 19.4                       |
| Total             |                        | 143,006        | 3,367               | 42.5                       | 28,426         | 1,060               | 26.8                       | 171,432        | 4,427               | 38.7                       |

## 2024 Training Records

| Region            | Employee Category      | Male           |                     |                            | Female         |                     |                            | Total          |                     |                            |
|-------------------|------------------------|----------------|---------------------|----------------------------|----------------|---------------------|----------------------------|----------------|---------------------|----------------------------|
|                   |                        | Training hours | Number of employees | Average hours per employee | Training hours | Number of employees | Average hours per employee | Training hours | Number of employees | Average hours per employee |
| Taiwan            | Direct labor           | 3,356.0        | 290                 | 11.6                       | 429.9          | 8                   | 53.7                       | 3,785.8        | 298                 | 12.7                       |
|                   | Managerial positions   | 9,202.0        | 307                 | 30.0                       | 1,158.9        | 47                  | 24.7                       | 10,360.8       | 354                 | 29.3                       |
|                   | Professional positions | 31,752.4       | 865                 | 36.7                       | 7,128.1        | 393                 | 18.1                       | 38,880.4       | 1,258               | 30.9                       |
|                   | Subtotal               | 44,310.3       | 1,462               | 30.3                       | 8,716.8        | 448                 | 19.5                       | 53,027.1       | 1,910               | 27.8                       |
| Mainland China    | Direct labor           | 44113          | 538                 | 82.0                       | 1065           | 15                  | 71.0                       | 45178          | 553                 | 81.7                       |
|                   | Managerial positions   | 23327          | 382                 | 61.1                       | 6535           | 95                  | 68.8                       | 29862          | 477                 | 62.6                       |
|                   | Professional roles     | 46814          | 761                 | 61.5                       | 21232          | 439                 | 48.4                       | 68046          | 1200                | 56.7                       |
|                   | Subtotal               | 114254         | 1681                | 68.0                       | 28832          | 549                 | 52.5                       | 143086         | 2230                | 64.2                       |
| Plant in Malaysia | Direct labor           | 784            | 86                  | 9.1                        | 0              | 0                   | 0                          | 784            | 86                  | 9.1                        |
|                   | Managerial positions   | 1419           | 54                  | 26.3                       | 324            | 8                   | 40.5                       | 1743           | 62                  | 28.1                       |
|                   | Professional roles     | 2297           | 78                  | 29.5                       | 1166           | 53                  | 22.0                       | 3463           | 131                 | 26.4                       |
|                   | Subtotal               | 4501           | 218                 | 20.6                       | 1490           | 61                  | 24.4                       | 5990           | 279                 | 21.5                       |
| Total             |                        | 163065         | 3361                | 48.5                       | 39038          | 1058                | 36.9                       | 202103         | 4419                | 45.7                       |

- Training hours = Internal training hours (including new recruit training, environmental protection, management, professional, and procedures) + External training hours (including licenses, trade shows, and seminars)
- Number of in-service employees at each company at the end of the year
- Average hours per employee = Hours of training / Number of employees
- Managerial roles: Team and group managers, section managers, managers, plant managers, assistant vice presidents, vice presidents, president, and chairman
- Professional roles: Non-managerial roles
- Note 1: Direct labor refers to those in direct contact with the production line and engaged in manufacturing activities, such as employees of the departments responsible for manufacturing, coating, film processing, resin, slitting, etc. However, it does not include team and group managers, section managers, or managers.

Note 2: Indirect employees: Other employees not considered direct employees.

To help employees fully leverage their talent and achieve their goals in career development in Eternal, the Company regularly implements the performance evaluation system (the evaluation coverage rate is 99.7%) and the Management by Objectives (MBO) system. Through regular performance interviews, we provide employees with a clear picture of their individual performance, strengths, and weaknesses to help them to attain better results. In addition to work, we provide incentives and benefits for employees to balance work, life, and family and help employees make long-term contributions to the Company's goals.



## Proportion of Employees Receiving Performance Evaluation during 2022

| 2022           |                        | Proportion of employees in Taiwan receiving performance evaluation |        |       |     | Proportion of employees in Mainland China receiving performance evaluation |        |       |      | Proportion of employees in other regions receiving performance evaluation |        |       |     |
|----------------|------------------------|--------------------------------------------------------------------|--------|-------|-----|----------------------------------------------------------------------------|--------|-------|------|---------------------------------------------------------------------------|--------|-------|-----|
|                |                        | Male                                                               | Female | Total | %   | Male                                                                       | Female | Total | %    | Male                                                                      | Female | Total | %   |
| Category       |                        | 326                                                                | 11     | 2,026 | 99% | 584                                                                        | 46     | 2,255 | 100% | 181                                                                       | 9      | 550   | 96% |
| Director labor | Managerial positions   | 324                                                                | 46     |       |     | 380                                                                        | 85     |       |      | 67                                                                        | 9      |       |     |
|                | Professional positions | 922                                                                | 397    |       |     | 733                                                                        | 427    |       |      | 168                                                                       | 116    |       |     |

## Proportion of Employees Receiving Performance Evaluation during 2023

| 2022           |                        | Proportion of employees in Taiwan receiving performance evaluation |        |       |        | Proportion of employees in Mainland China receiving performance evaluation |        |       |      | Proportion of employees in other regions receiving performance evaluation |        |       |     |
|----------------|------------------------|--------------------------------------------------------------------|--------|-------|--------|----------------------------------------------------------------------------|--------|-------|------|---------------------------------------------------------------------------|--------|-------|-----|
|                |                        | Male                                                               | Female | Total | %      | Male                                                                       | Female | Total | %    | Male                                                                      | Female | Total | %   |
| Category       |                        | 293                                                                | 9      | 1,926 | 99.53% | 527                                                                        | 14     | 2,220 | 100% | 177                                                                       | 11     | 483   | 97% |
| Director labor | Managerial positions   | 321                                                                | 46     |       |        | 389                                                                        | 89     |       |      | 70                                                                        | 9      |       |     |
|                | Professional positions | 865                                                                | 392    |       |        | 754                                                                        | 447    |       |      | 116                                                                       | 100    |       |     |

## Proportion of Employees Receiving Performance Evaluation during 2024

| 2022           |                        | Proportion of employees in Taiwan receiving performance evaluation |        |       |        | Proportion of employees in Mainland China receiving performance evaluation |        |       |      | Proportion of employees in other regions receiving performance evaluation |        |       |     |
|----------------|------------------------|--------------------------------------------------------------------|--------|-------|--------|----------------------------------------------------------------------------|--------|-------|------|---------------------------------------------------------------------------|--------|-------|-----|
|                |                        | Male                                                               | Female | Total | %      | Male                                                                       | Female | Total | %    | Male                                                                      | Female | Total | %   |
| Category       |                        | 290                                                                | 8      | 1,902 | 99.58% | 538                                                                        | 15     | 2,229 | 100% | 183                                                                       | 8      | 513   | 99% |
| Director labor | Managerial positions   | 306                                                                | 47     |       |        | 382                                                                        | 95     |       |      | 78                                                                        | 10     |       |     |
|                | Professional positions | 859                                                                | 392    |       |        | 761                                                                        | 438    |       |      | 129                                                                       | 105    |       |     |

Note: Those who did not have to undergo performance evaluation include the Chairman, temporary workers, and dispatched workers

| Key focus                                | Talent training and development                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Impact                                   | The Company encourages our employees to learning and develop continuously to be adaptive to such a competitive market environment. Otherwise, the Company's development and sustainable operations may be impacted greatly.                                                                                                                                                                                                                                                                                                                                                                                                            |
| Those being affected                     | All staff                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Policy and Commitment                    | <ul style="list-style-type: none"> <li>The Company has established training procedures for education and training management, safety and environmental protection, and research systems. Each subsidiary also has operational procedures for external and internal training to ensure that employee training can be conducted accordingly.</li> <li>Eternal's education and training policy: To develop employees' professional and organizational capabilities, enhance human capital (knowledge, skills, and attitudes), and ensure the effective use of human resources to achieve the Company's overall business goals.</li> </ul> |
| Effectiveness Assessment and Tracking    | To ensure our annual education and training plan are to be carried out effectively, the HR Department reviews the achievement status regularly and make plans for the coming year, and report execution outcome to the President annually.                                                                                                                                                                                                                                                                                                                                                                                             |
| Specific actions and mitigation measures | The Company will design required courses and minimum training hours for different employees and job functions. For example, each employee in the Lu-Chu Plant is required to take 6 hours of environmental safety training every year and to be reviewed by the supervisors at all levels in the EHS unit of the Plant. Relevant measures will be imposed if they fail the training.                                                                                                                                                                                                                                                   |

## Remuneration and Benefits

Eternal complies with all relevant legal requirements and ensures that wages meet or exceed local minimum wage standards. To attract and retain top talent, and to reward employees for their performance and long-term contributions, the Company conducts annual reviews of its salary policies. These reviews take into account the minimum cost of living announced by the Directorate-General of Budget, Accounting and Statistics, the Consumer Price Index (CPI), the Company's financial capacity, as well as market salary levels and macroeconomic indicators obtained through salary surveys. Based on this comprehensive assessment, appropriate adjustments are made to the overall salary policy. Such as the annual salary adjustment and a complete promotion system, various reward systems have been made to encourage employees with outstanding performance. For example, R&D bonuses, patent bonuses, business bonuses, production bonuses, performance bonuses, employee compensation, and the award of long-term employee bonuses and model employees are offered without differences or discrimination due to gender, age, race, nationality, religion, or political stance.

The ratio of the starting salary standard for the parent company's entry-level employees to the statutory minimum wage in 2024 was 1.09:1; the ratio was 1.71:1 at subsidiaries in China and 1.17:1 at the Malaysian plant. The starting salary for women and men is the same. We also reviewed the performance of managers, professional employees, and direct employees in the basic salary and remuneration of women and men, and there was no obvious difference. Eternal applies the same salary system to both male and female employees, ensuring equal pay for equal work regardless of gender.

| Region                            | Taiwan       |              |              |              |              |              |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Women to men average salary ratio | 2022         |              | 2023         |              | 2024         |              |
| Employee Category                 | Basic salary | Remuneration | Basic salary | Remuneration | Basic salary | Remuneration |
| Managerial positions              | 1 : 0.99     | 1 : 1.05     | 1 : 0.98     | 1 : 1.01     | 1 : 0.99     | 1 : 1.04     |
| Professional positions            | 1 : 1.12     | 1 : 1.12     | 1 : 1.10     | 1 : 1.10     | 1 : 1.10     | 1 : 1.10     |
| Direct labor                      | 1 : 1.00     | 1 : 1.01     | 1 : 0.99     | 1 : 1.01     | 1 : 0.97     | 1 : 0.99     |

| Region                            | China        |              |              |              |              |              |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Women to men average salary ratio | 2022         |              | 2023         |              | 2024         |              |
| Employee Category                 | Basic salary | Remuneration | Basic salary | Remuneration | Basic salary | Remuneration |
| Managerial positions              | 1 : 0.89     | 1 : 0.87     | 1 : 0.93     | 1 : 0.91     | 1 : 0.90     | 1 : 0.89     |
| Professional positions            | 1 : 1.07     | 1 : 1.08     | 1 : 1.17     | 1 : 1.16     | 1 : 1.07     | 1 : 1.06     |
| Direct labor                      | 1 : 1.15     | 1 : 1.12     | 1 : 0.94     | 1 : 0.93     | 1 : 1.09     | 1 : 1.09     |

| Region                            | Malaysia     |              |              |              |              |              |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Women to men average salary ratio | 2022         |              | 2023         |              | 2024         |              |
| Employee Category                 | Basic salary | Remuneration | Basic salary | Remuneration | Basic salary | Remuneration |
| Managerial positions              | 1 : 1.21     | 1 : 1.24     | 1 : 1.33     | 1 : 0.99     | 1 : 1.23     | 1 : 0.99     |
| Professional positions            | 1 : 1.11     | 1 : 1.16     | 1 : 1.09     | 1 : 1.40     | 1 : 1.09     | 1 : 1.20     |
| Direct labor                      | 1 : 0.86     | 1 : 0.88     | /            | /            | /            | /            |

Note 1: Direct employees refer to on-site personnel in direct contact with products.

Note 2: Managerial roles refer to employees with management responsibilities.

Note 3: Professional roles refer to non-direct labor and managerial positions.

Note 4: At the Malaysia plant, there was only one female employee in on-site roles from 2020 to 2022. In 2023 and 2024, there were no female employees in on-site roles. (Due to the extremely small sample size, it is recommended that this data not be presented to avoid potential misrepresentation)

## Information on Full-time Non-managerial Employees' Salaries in 2021, 2022, and 2023

If we exclude the Company's managers (including the president, vice presidents, assistant vice presidents, head of finance, head of accounting, and other persons with managerial and signature authority) and employees who have been employed for less than six months, the Company has 1,838 employees with total salaries amounting to NT\$1,779,124 thousand. The average salary of each employee is NT\$968 thousand and the median salary is NT\$844 thousand. These figures show that we pay close attention to our employees' salary. In addition to fixed salaries, we actively encourage employees to create better performance.

## Information on Salaries of Full-time Non management Employees

| Amount/Year                   | 2024 (A)  | 2023 (B)  | 2022      | Difference from the prior year (A)-(B) |
|-------------------------------|-----------|-----------|-----------|----------------------------------------|
| Number of employees (person)  | 1,838     | 1,927     | 1,970     | -89                                    |
| Total salary (NTD thousand)   | 1,779,124 | 1,754,544 | 1,880,521 | 24,580                                 |
| Average salary (NTD thousand) | 968       | 911       | 955       | 57                                     |
| Median salary (NTD thousand)  | 844       | 796       | 816       | 48                                     |

Note: The "full-time non-managerial employees" refer to full-time employees other than directors and managerial officers. This definition is based on the definition announced by TWSE.

## ● Policy and Procedures for Salary of Managerial Officers

The remuneration of senior executives will be calculated in accordance with the Company's Articles of Association and the relevant remuneration measures, and their variable salary will be linked to the Company's financial, environmental, social, and corporate governance performance indicators to ensure the Company's operational goals can meet its sustainable result as part of our sustainable development strategy.

To implement corporate governance and enhance the functions of the Board of Directors, we developed the "Board Performance Evaluation Method" to measure the performance of the Board, Board members, and functional committees in leading and supervising the company on an annual basis. We also hire professional independent agencies to evaluate the overall performance of the Board and provide specific suggestions to help enhance the functions and efficiency of the Board and determine the directors' remuneration. The relevant evaluation results will be disclosed in the Company's annual report.

According to Article 17 of the Company's Articles of Association, no more than 1% of the profit of the current year shall be used as the director's remuneration. In accordance with Article 14-1, the relevant remuneration distribution regulations shall be determined based on industry standards, and there shall be a separate "Guidelines for Director's Remuneration and Remuneration Distribution". Any revision to the regulations and the distribution of remuneration shall be implemented in accordance with the resolution of the Remuneration Committee and the Board of Directors. Independent directors receive a fixed remuneration, while general directors are paid based on their level of company engagement and contribution, as well as company performance, their professional ability, and responsibilities. All directors are also paid travel expense depending on their attendance in Board meetings. The company will review the director's remuneration policy based on its operational conditions and future risks.

The annual remuneration of managers includes salary, bonuses, and surplus distribution, as well as allocated pension (including new and old policy) and welfare benefits in accordance with the Company's regulations. In special circumstances, managers will also be paid other remunerations (bonus without contract, recruitment bonus, severance pay, and clawback provision). Remuneration distributed to managers is determined based on the prevailing standards in the industry, the Company's operating performance, individual performance, and future risks. In 2024, the amount of bonuses and employee remuneration allocated based on the managerial

officer's positions and participation in the performance of operating contributions accounted for approximately 41% of the total annual remuneration of managers. It is evident that the managerial officers' remuneration is closely connected to the operating performance. Employee remuneration amounts are proposed by the Board of Directors and approved by the shareholders' meeting. Managerial remuneration, in addition to being issued based on the review by the Remuneration Committee and resolutions by the Board of Directors in accordance with legal regulations, is also appropriately disclosed in the Company's annual report.

The ratio of the highest total salaries to the median total salaries of all employees (excluding the highest ones) in the Company in 2024 was 22:1 in Taiwan, 9:1 in China, and 11.85:1 in Malaysia. The ratio of the highest increase percentage in total salaries to the median increase percentage of all employees (excluding the highest ones) in 2024 was 5.7:1 in Taiwan, 8.5:1 in China, and 1.01: 1 in Malaysia. Because of the different proportions of the human resources structure in each region, the salary adjustment was also different.

Note 1: Annual total salary ratio = Annual total salary of the highest paid individual/Median annual total salary of all employees (excluding the highest paid individual)

Note 2: Annual total salary increase ratio = Annual total salary increases of the highest paid individual/Median annual total salary increase of all employees (excluding the highest paid individual)

## ● Employee Benefits

The Company offers a variety of "employee benefits", including allowances for childbirth, marriage, and funerals, travel subsidies, group insurance, birthday and festival bonuses, senior employee reward, regular health examination, year-end bonus, employee cafeteria, shuttle bus service, dormitory, and library access.

According to the Labor Standards Act, the years of service of regular employees before the implementation of the Labor Pension Act on July 1, 2005 and the years of service to which the regular employees choose to apply the Labor Standards Act after the implementation of the Labor Pension Act shall be included in the calculation of the years of service for retirement. Additionally, the Company allocates 10% of the total salary of employees with old retirement benefits to a retirement reserve fund each month. This fund is stored in a dedicated account at Bank of Taiwan. The balance of this account is reviewed periodically. If the balance is insufficient to pay the employees to be retired as required by law in the following year, the Company will complete the appropriation by the end of the following March to ensure said employees' rights and interests. We will also convene regular meetings of the Supervisory Committee of the Labor Retirement Reserve to review the allocation and use of the pension to fully protect the employees' retirement interest and pension. Moreover, starting from July 1, 2005, new recruits are enrolled in accordance with the Labor Pension Act, which stipulates that the Company shall appropriate 6% of each employee's salary to his/her individual pension account at the Bureau of Labor Insurance every month. The Company's pension expenses accounted for approximately 5.1% of the employees' salary expenses. In addition, subsidiaries in Mainland China are required to pay pension insurance every month in accordance with the local government regulations.



(In Thousands of New Taiwan Dollars)

| By Nature                                              | By Function | Classified as Operating Costs | 2024<br>Classified as Operating Expenses | Total     |
|--------------------------------------------------------|-------------|-------------------------------|------------------------------------------|-----------|
| Employee benefit expenses                              |             |                               |                                          |           |
| Salary expenses                                        |             | 817,163                       | 1,085,257                                | 1,902,420 |
| Labor Insurance and National Health Insurance expenses |             | 81,031                        | 95,317                                   | 176,348   |
| Pension expenses                                       |             | 39,840                        | 50,131                                   | 89,971    |
| Directors' remuneration                                |             | -                             | 20,719                                   | 20,719    |
| Other employee benefit expenses                        |             | 58,206                        | 72,823                                   | 131,029   |
| Depreciation expense                                   |             | 505,164                       | 219,310                                  | 724,474   |
| Amortization expense                                   |             | 699                           | 14,539                                   | 15,238    |

| By Nature                                              | By Function | Classified as Operating Costs | 2023<br>Classified as Operating Expenses | Total     |
|--------------------------------------------------------|-------------|-------------------------------|------------------------------------------|-----------|
| Employee benefit expenses                              |             |                               |                                          |           |
| Salary expenses                                        |             | 798,442                       | 1,119,389                                | 1,917,831 |
| Labor Insurance and National Health Insurance expenses |             | 78,842                        | 91,691                                   | 170,533   |
| Pension expenses                                       |             | 41,890                        | 56,869                                   | 98,759    |
| Directors' remuneration                                |             | -                             | 17,136                                   | 17,136    |
| Other employee benefit expenses                        |             | 52,839                        | 66,243                                   | 119,082   |
| Depreciation expense                                   |             | 439,469                       | 204,366                                  | 643,835   |
| Amortization expense                                   |             | 529                           | 16,089                                   | 16,618    |

| By Nature                                              | By Function | Classified as Operating Costs | 2022<br>Classified as Operating Expenses | Total     |
|--------------------------------------------------------|-------------|-------------------------------|------------------------------------------|-----------|
| Employee benefit expenses                              |             |                               |                                          |           |
| Salary expenses                                        |             | 844,904                       | 1,266,257                                | 2,111,161 |
| Labor Insurance and National Health Insurance expenses |             | 84,765                        | 103,367                                  | 188,132   |
| Pension expenses                                       |             | 67,894                        | 88,589                                   | 156,483   |
| Directors' remuneration                                |             | -                             | 24,013                                   | 24,013    |
| Other employee benefit expenses                        |             | 58,354                        | 73,457                                   | 131,811   |
| Depreciation expense                                   |             | 450,488                       | 212,209                                  | 662,697   |
| Amortization expense                                   |             | 311                           | 17,292                                   | 17,603    |

Note 1: In 2024 and 2023, the Company had 1,971 and 2,046 employees, respectively. In both years, the number of board members who did not hold concurrent employee positions was 11.

Note 2: Additionally, the following information is disclosed:

- The average employee benefit expense for this year was NT\$1,173 thousand (Total employee benefit expense for this year - Total directors' remuneration / Number of employees for this year - Number of directors who do not serve as employees concurrently). The average employee benefit expense for the prior year was NT\$1,133 thousand (Total employee benefit expense for the prior year - Total directors' remuneration / Number of employees for the prior year - Number of directors who did not serve as employees concurrently).
- The average employee salary expense for this year was NT\$971 thousand (Total salary expense for this year / Number of employees for this year - Number of directors who do not serve as employees concurrently). The average employee salary expense for the prior year was NT\$942 thousand (Total salary expense for the prior year / Number of employees for the prior year - Number of directors who did not serve as employees concurrently).
- The average employee salary increase was 3.08% (Average employee salary expense for this year - Average employee salary expense for the prior year / Average employee salary expense for the prior year).
- The Company does not have supervisors.
- The Company conducts a salary survey to measure the salary levels in the market and macro-economic indicators and makes suitable adjustments to our overall salary policy each year. In addition to the routine annual salary increase and well-established promotion system, we have established various reward systems to motivate outstanding employees. As per the Articles of Association, the Company should set aside 4.5% to 5.5% of the profit, if any, for employee remuneration.

The Company has adopted sustainable development as our goal and encourages employees to understand our management philosophy and to stay with us on a long-term basis. Therefore, we recognize our long-serving employees every year by presenting them with commemorative medals and gold coins publicly as a token of our appreciation for their hard work and achievements. In addition, we provide travel bonuses and vacation subsidies to reward senior employees for their long-term contributions to the Company after they have served for 15 years or more and after they reach the prescribed length of service. We also encourage employees to support each other in times of need. We have established the employee funerary mutual assistance fund and formulated employee compensation management regulations. Furthermore, we have established the Employee Welfare Committee to provide subsidies for employees' travel, their children's education, and employee club activities.

Eternal values each employee and treat them with sincerity. Whenever the Company celebrates a major event, relevant departments always invite retired employees to join the event and send calendars and cards at the end of the year to celebrate the New Year, to fully implement a culture of employee care and contribution to society. The welfare system of the parent company in Taiwan is described below:

## ■ Economic benefits

### Insurance plan

- 📍 **Company** : We provide employees with coverage of labor and health insurance, employer's liability insurance, and group accident insurance starting on the first day of employment.
- 📍 **Welfare Committee** : To provide group insurance for employees, including term life insurance and cancer medical insurance; and employees can increase the level of insurance or add coverage for their families according to their needs.
- 📍 We also provide a comprehensive insurance package to expatriates, including travel insurance and local medical insurance.

### Pension system

- 📍 The Company complies with relevant laws and regulations and deposit reserves in the statutory pension account
- 📍 Voluntary retirement with terms superior to those specified in the laws: "Employees who have served at the Company for 20 years or more may apply for voluntary retirement."
- 📍 The Company provides preferential retirement plans to employees with a certain number of years of service. They can apply for preferential retirement within a certain period of time and are eligible for preferential pension after approval.

### Travel subsidies for senior employees

employees for their long-term contributions to the Company after they reach the prescribed length of service.

### Employee mutual aid fund

The Company has set up an employee bereavement mutual aid fund with the intention of encouraging employees to help each other in times of need.

### Year-end bonus and performance bonus

The Company provides year-end bonus and performance bonus to reward employees for their contributions to the Company's operating performance. The Company has not implemented any employee stock ownership plan.

### Regular health examination

### Meal subsidies

### Birthday gift, and bonuses for four festivals

### Emergency relief and subsidies

The Welfare Committee handles applications for funeral subsidy, marriage subsidy, childbirth subsidy, new home completion subsidy, and hospitalization subsidy.

### Scholarships for employees and their children

The Employee Welfare Committee provides scholarships to motivate current employees and their children to study.

## ■ Work-hour Benefits

### Travel leave for senior employees

Senior employees are granted travel leave upon reaching the required seniority in order to reward them for their long-term contributions to the Company.

### Travel leave for employees

One-day leave every two year

### Paid leave

### Parental leave

Menstrual leave, maternity leave, paternity leave, pregnancy checkup leave, and family care leave

## ● Facility benefits

Employee cafeteria, employee dormitory, library, commuting shuttles, cafe shop

## ● Other benefits

Employee travel subsidiaries

Club activities

Year-end party

Language training subsidies

Company winter coat

Cultural and recreational activities

Family day, Annual softball tournament, etc.

Arts and cultural activities

The Company organizes seminars on culture and humanities from time to time.

Awards for long-serving employees

We award medals and commemorative gold coins to employees who reach the prescribed length of service.

Recognition of model employees

We recognize employees for their outstanding performance and regard them as role models.

Note: Benefits are provided to regular employees (excluding contract or temporary employees)

## Occupational Safety and Health

Scope of disclosure: Factories in Taiwan, China, and Malaysia

### ● Positive and Negative Impacts

Eternal is engaged in the production of materials such as synthetic resins, special chemicals, electronic chemistry, and semiconductors. To safeguard the rights and interests of our stakeholders and ensure the safety and health of our workers, we developed occupational safety and health policies based on organizational culture and social trends, and create a comfortable and safe healthy workplace for our workers. We introduced the ISO 45001 occupational safety and health management system released by the International Standards Organization (ISO) into our operation management system. The system has its advantage and disadvantages in our services and production:

|                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Negative impact related to occupational safety and health    | <p><b>Safety and health awareness and concepts:</b> Workers unaware of workplace hazards will pose a threat to their safety and health.</p> <p><b>Safety actions taken by executives:</b> Insufficient communication between managers and workers regarding occupational safety and health may lead to accidents.</p> <p><b>Workplace safety information:</b> Inadequate disclosure of hazard information in operating procedures led to unsafe behaviors and resulting injury incidents.</p>                                                                                                                                     |
| Positive impact on occupational safety and health management | <p><b>Robust management system:</b> We use the PDCA management system to address occupational safety and health related issues in production and services to make the system more comprehensive.</p> <p><b>Enhancing business reputation:</b> Positive safety culture helps to strengthen our relationship with our customers and partners.</p>                                                                                                                                                                                                                                                                                   |
| Negative Impact on Value Chain                               | <p><b>Upstream (supplier)</b><br/>Suppliers or contractors shall receive training before carrying out their work in the workplace and comply with the contractor's management procedures.</p> <p><b>Midstream (the Company and its employees)</b></p> <ul style="list-style-type: none"> <li>● Build a strong safety culture within the organization, demonstrating leadership from management.</li> <li>● Implement hazard identification and risk management, deeply embedding the core principles of risk awareness and mitigation.</li> <li>● Disclose and integrate safety information in operational guidelines.</li> </ul> |



|                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Negative Impact on Value Chain                 | <b>Downstream (customers)</b><br>Every year, we will be verified by a third-party occupational safety and health management system to meet customer requirements.                                                                                                                                                                                                                                                                      |
| Policy and Commitment                          | We have formulated the safety and health policy with the "business philosophy of sustainability" and "respect for life and cherishing the earth" as the foundation of corporate culture and adopted the PDCA management model to make continuous improvements.                                                                                                                                                                         |
| Management Approach/Actions to Address Impacts | We will develop short to long-term strategies to create a safe workplace to achieve zero occupational hazards, zero accidents, and zero occupational diseases.                                                                                                                                                                                                                                                                         |
| Regular follow-up actions                      | The factory-level Safety and Environmental Committee of the Group will be guided by occupational safety and health consultants and communicating with union representatives to regularly review the effectiveness of management objectives and action plans.                                                                                                                                                                           |
| Cooperate to Achieve Mutual Prosperity         | <ul style="list-style-type: none"> <li>● Hold regular or irregular communication and coordination meetings with contractors</li> <li>● Regularly hold a safety and environmental committee meeting to communicate with employees and union representatives.</li> <li>● Accept irregular visits from customers and engage in interaction.</li> <li>● Provide charity services to the community and campus from time to time.</li> </ul> |

## ● Occupational Safety and Health Management System

To create a safe and comfortable working environment, our Kaohsiung (parent) office and manufacturing plants all follow the ISO 45001 occupational safety and health management system issued by the ISO International Standards Organization. Under the existing management system framework, Eternal consistently strengthens our occupational safety and health management measures. Every year, we request a third-party organization to check if our ISO 45001 management system is in line with the PDCA Cycle and our major manufacturing plants have all obtained the ISO 45001 certificate. Our two slitting plants in China are product cutting and shipping bases because they have lower safety risks. Although these plants have not applied for ISO 45001 management system validation, they follow the framework of the ISO management system, local standards, and standardized safe factory production specifications to manage their plant.

Major production sites that have passed the occupational safety and health

### management system (ISO 45001: 2018)

| Sites in Taiwan                                                           | Sites in China                                                                                                                                                                                                   | Site in Malaysia |
|---------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Kaohsiung (parent) company, Lu-Chu Plant, Da-Fa Plant, and Ping-Nan Plant | Guangdong Plant, Zhuhai Materials Plant, PM South China Plant 1, PM South China Plant 2, Chengdu Plant, Kunshan Chemical Plant, Changshu Plant, Suzhou Materials Plant, PM East China Plant 1, and Tianjin Plant | Malaysia Plant   |

## Scope of the Occupational Safety and Health Management System

The ISO 45001 management system in all of our major manufacturing sites governs workers who perform work activities under control. To improve the safety and health management system in the workplace, we create a safe and comfortable working environment to protect workers from work-related injuries and illnesses. The workers include those who carry out work under control, as well as anyone related to the work. All manufacturing bases must pass audits and certifications to ensure they comply with ISO 45001 requirements and meet their commitment to the safety and health of workers and stakeholders.

### Manufacturing Site Management System Verification Scope

| Eternal Materials Co., Ltd. (parent company)      | Management of Business Operations                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Eternal Materials Co., Ltd. (Lu-Chu Plant)        | R&D and production of resins, special coatings, specialty materials, circuit boards and photoelectric adhesives, solar cell materials, flat panel display materials, thermoplastic composites, packaging materials, electronic application materials, energy storage materials, and biomedical materials for in vitro diagnostics |
| Eternal Materials Co., Ltd. (Da-Fa Plant)         | R&D and production of photoresist materials and optical materials                                                                                                                                                                                                                                                                 |
| Eternal Materials Co., Ltd. (Ping-Nan Plant)      | R&D and production of resins and optical materials                                                                                                                                                                                                                                                                                |
| Eternal Electronic Material (Guangzhou) Co., Ltd. | Dry film photoresist production, sales, and services                                                                                                                                                                                                                                                                              |
| Eternal Electronic Material (Guangzhou) Co., Ltd. | Dry film photoresist and vacuum laminator production, sales, and services                                                                                                                                                                                                                                                         |
| Eternal Materials (Guangdong) Co., Ltd.           | Design, development, manufacturing and sales of general-purpose resins, coating resins, and unsaturated polyester resins                                                                                                                                                                                                          |
| Eternal Specialty Materials (Zhuhai) Co., Ltd.    | Production and sales of acrylic monomers, curable resins (oligomers) and UV curable coatings, as well as design, production, and sales of organic silica microspheres and modified silicone oils                                                                                                                                  |
| Eternal Chemical (Chengdu) Co., Ltd.              | R&D, production, processing and sales of synthetic resins                                                                                                                                                                                                                                                                         |
| Eternal Chemical (China) Co., Ltd.                | Design, manufacturing, and sales of general-purpose resins and coating resins                                                                                                                                                                                                                                                     |
| Eternal Chemical (Tianjin) Co., Ltd.              | Design, development, production, and sales of general-purpose resins and coating resins                                                                                                                                                                                                                                           |
| Eternal Synthetic Resins (Changshu) Co., Ltd.     | Design, manufacturing, and sales of unsaturated polyester resins and relevant products                                                                                                                                                                                                                                            |
| Eternal Electronic (Suzhou) Co., Ltd.             | Dry film photoresist production, sales, and services                                                                                                                                                                                                                                                                              |
| Eternal Specialty Materials (Suzhou) Co., Ltd.    | Production and sales of specialty monomers, oligomers, and acrylic resins                                                                                                                                                                                                                                                         |
| Eternal Materials (Malaysia) Sdn Bhd              | Research and Design, Manufacture and Supply of Synthetic Resins, Unsaturated Polyester and Specialty Materials (Monomer, Oligomer and UV Coating).                                                                                                                                                                                |

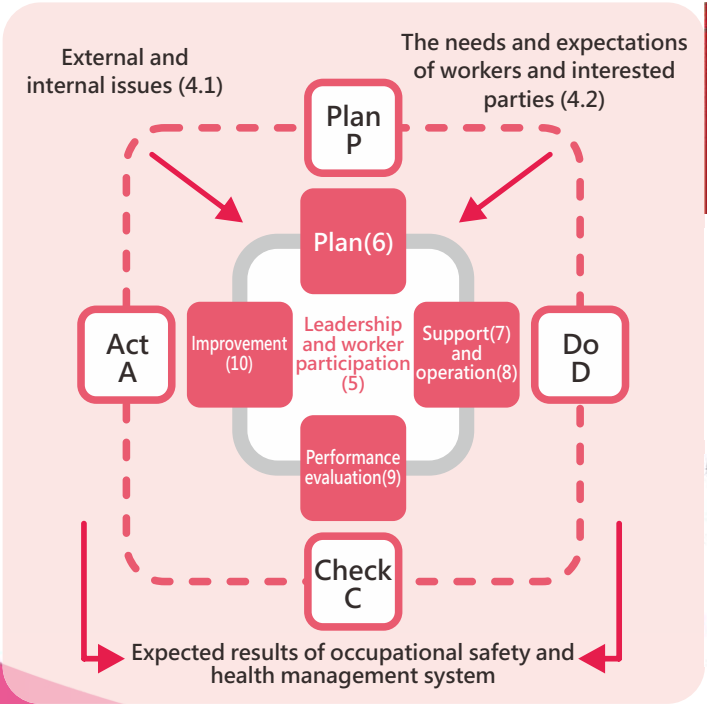
Occupational Safety and Health Management

The occupational safety and health management system is an important tool used to ensure the safety and health of workers within the organization. The professionals responsible for managing this system are mainly occupational safety and health engineers in each manufacturing base. The operation of the manufacturing base management system is also supervised and guided by the parent company's safety and health department and the group's safety and environmental committee. The Company will assign the highest supervisor of the business operation system to serve as an occupational safety and health consultant.

According to the corporate culture, safety and health policies, implementation performance, and stakeholder needs and expectations, Eternal has the Safety and Health Department of the parent company review and revise the safety and health strategy key points every year, and each manufacturing base will propose the corresponding annual occupational safety and health plan according to the key points of the strategy, which will be implemented after it is approved. During the implementation process, we will consistently improve the management process and procedures to enhance our safety and health level. At the end of each year, we will assess the safety and health condition of each manufacturing base to ensure that the procedure and control are implemented in line with the PDCA management cycle, so that all workers can be fully protected.

Context of Organization (4)

Scope of the occupational safety and health management system (4.3/4.4)



Occupational Safety and Health Strategic Goal

We have formulated the safety and health policy with the "business philosophy of sustainability" and "respect for life and cherishing the earth" as the foundation of corporate culture, and have adopted the PDCA management model to make continuous improvements, thereby achieving true safety while employing the strategies below:

Management Approach

Upholding a people-oriented approach, Eternal is committed to providing a safe and comfortable working environment by establishing controllable risks in the workplace and operations, and fostering an employee mindset that rejects uncontrollable risks. This is rooted in the risk management concepts of "recognizing hazards to avoid them" and "prevention first." The Company's management policy aims to create a workplace free from injuries and accidents, and to prevent all work-related illnesses and health issues. Eternal continuously improves and effectively implements the requirements of its occupational safety and health management system.

Impact

Enjoying a healthy and safe work environment is a universally recognized human right and a major issue of concern to Eternal and our stakeholders. Eternal has promoted and implemented various safety and health management systems and activities effectively, and has reviewed and amended safety and health strategies and key points of management each year to build a work environment for workers to work comfortably and with peace of mind, thereby creating a corporate culture of sustainability.

Management Goal

Establish a safe and healthy workplace with zero occupational hazards, zero accidents, and zero occupational diseases.

Short-term

Safety

Equal emphasis is placed on process safety and occupational safety, with a focus on the development and regular review of standard operating procedures for high-risk tasks. Hazard and safety information within these standards is continuously improved and clearly disclosed.

Employees at all levels receive retraining to reinforce awareness and are required to follow the procedures accordingly.

Occupational health

Regularly assess the work environment and the health management system, combine the health examination participation rate and the management system, to keep abreast of the information on the work environment and employee health risks, thereby establishing a basic line of defense.

Medium-term

Safety

Promote the PSLC process safety management system to enhance the ability to identify process risks. Continuously improve the Mechanical Integrity (MI) management system and gradually introduce smart safety management.

Establish performance indicators to monitor process safety performance.

Occupational health

Analyze and manage monitoring data to reduce and eliminate hazardous factors to personnel from the source effectively.

Long-term

Safety

Foster a high-standard safety culture by adopting proactive leading indicators to identify and mitigate potential risks early.

Through the use of safety monitoring systems, build a workplace environment with zero accidents.

Occupational health

Integration of the product lifecycle database, environmental monitoring database, and health management data cloud, with efforts extending from the factory to the family health level.

This approach enables early identification and elimination of health risks affecting personnel.

Occupational Safety and Health Committee

Eternal attaches great importance to the safety and health of its employees' work environment. According to the group's safety and health policy and committee guidance, we promote safety by engaging the occupational safety and health committee at the factory director level and employees. We will communicate with union representatives quarterly to build a consensus between management and employees. The Chairman and President will jointly sign and announce the Company safety policy to all staff, and encourage workers and union representatives to join the meeting, so that such policy can be implemented in our work environment. Supervisors at the factory director level will not only convene the occupational safety and health committee quarterly to study, promote, coordinate, and supervise the implementation of safety, environment, and health measures in various units of the factory, but also provide union members such as safety and health engineers and workers with the opportunity to participate in legal and occupational safety and health activities organized by government agencies and third-party professional safety agencies.

The number of participants in the organization operation of the occupational safety and health committee at the factory director level in 2024 is shown below

| Location Category | Operational                         | Headquarters                                        | Lu-Chu Plant  | Da-Fa Plant   | Ping-Nan Plant |
|-------------------|-------------------------------------|-----------------------------------------------------|---------------|---------------|----------------|
|                   | Chairman                            | Director of the Administration & Service Department | Plant Manager | Plant Manager | Plant Manager  |
|                   | Committee Member                    | 17                                                  | 23            | 12            | 54             |
|                   | Labor Member                        | 14                                                  | 8             | 4             | 22             |
|                   | Proportion of Labor Representatives | 82%                                                 | 34%           | 33%           | 41%            |

There are (plant management meetings) and other activities in place to implement collective bargaining agreements and to establish safety and health regulations for everyone to follow.

- Notes:
- ① The Occupational Safety and Health Committee was established and operates by laws. Members of the Committee include the plant manager (Chairman of the Committee), department heads, occupational safety and health personnel, experts, and medical care personnel. Labor representatives account for more than one-third of the total members.
  - ② Although the Occupational Safety and Health Committee has not yet been established for the plants in China and Malaysia, there are still safety production management meetings held

Safety and Health Collective Bargaining Agreement

Eternal convenes regular safety and health meetings with labor representatives elected by all employees every year. Therefore, all employees are included in the collective bargaining agreement. In 2024, the official agreement discussion items regarding the collective bargaining agreement with the union accounted for 39% of the 215 overall meeting items in the meeting agenda and the discussion items with the union at the Occupational Safety and Health Committee meetings.

Other safety and health items not discussed in the meetings were resolved by inviting labor representatives to jointly formulate the occupational safety work rules which were submitted to the labor inspection authority for registration. These rules became the safety and health rules to be followed by all employees and the Company.



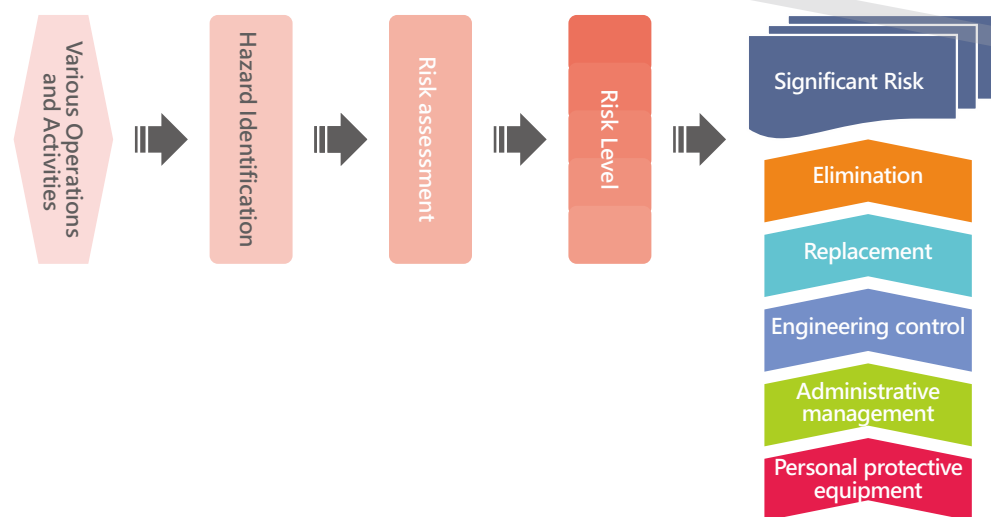
## Occupational Safety and Health Hazard Identification and Risk Assessment

Eternal has developed hazard identification and risk assessment procedures in accordance with the management requirements of ISO 45001 for safety and health risks, continuously optimizing hazard identification and risk assessment tools, and using systematic analysis methods to identify potential hazards and environmental impact factors that may occur in various conventional and unconventional operations, services, and activities. Through digital data analysis, we can quickly identify various types of hazards and evaluate high-risk projects (significant risks). We will follow through on these projects every year, included them as part of the annual safety and environmental goal, and take improvement measures.

On-site operators and occupational safety and health engineers from each manufacturing base will conduct hazard identification and risk assessment. They will identify and evaluate potential hazards and environmental impact from different jobs or activities, and report to their supervisors for review and confirmation.

The Company has identified key hazards such as fire, exposure to harmful substances, chemical leaks, electric shock and explosions, and ruptured objects. These identified hazards are managed individually based on their assessed risk levels. Significant risks are reviewed annually with specific targets and management programs set for improvement. For general risks, the Company formulates risk audit plans and conducts safety observations to ensure effective management. In 2024, a total of 6,221 non-conformities were identified across all manufacturing sites. The corrective action completion rate reached 99.95%, with the remaining items still under improvement.

### Hazard Identification and Risk and Opportunity Assessment Process



## Process Safety Management

Eternal adopts the Process Safety Life Cycle (PSLC) as our process safety management system. PSLC is a scientific and systematic approach aimed at reducing the risk of process safety issues by reviewing, evaluating, and improving process safety. It covers all aspects of safety from its basic principles, safety document management to employee training.

We will follow the PSLC principle and constantly improve our process safety management procedure to ensure the safety and efficiency of our production process. Our employees will receive regular training to ensure they are mindful of safety at all times. In addition, we will conduct regular safety audits to ensure that our process safety management system can be constantly improved. We firmly believe that by focusing on process safety, we can ensure the safety of our employees and stakeholders.

### 2024 Process Safety Management Performance

| Process Safety Management Indicators           | 2022  | 2023  | 2024  |
|------------------------------------------------|-------|-------|-------|
| Total Count of Process Safety Incidents (PSIC) | 1     | 2     | 3     |
| Process Safety Total Incident Rate (PSTIR)     | 0.021 | 0.044 | 0.067 |
| Process Safety Incident Severity Rate (PSISR)  | 0.587 | 0.111 | 0.649 |

Notes:

- ① Based on the ICCA Global Harmonized Process Safety Indicator Reporting Guidelines (Appendix A), Eternal has adjusted its process safety management indicators with a stricter weighting ratio for severity.
- ② Process Safety Total Incident Rate (PSTIR): total number of incidents/total working hours x 200,000
- ③ Process Safety Incident Severity Rate (PSISR): total severity score of all incidents/total working hours x 200,000

## Occupational Safety and Health Education and Training

In controlled areas and activities, all Eternal's employees and contractors are required to participate in the safety and health training held by the Company before proceeding with their operations. They are not allowed to operate on-site until they pass tests. Each manufacturing base will conduct annual training on safety and health based on its safety management performance. The training courses include the working environment, health, and safety topics, such as personal protective equipment (PPE), process risk assessment, emergency response in plants, human factors engineering, and relevant regulatory requirements. Operators who have yet to obtain the certificates required by law, or the qualification certificates designated by Eternal may not engage in relevant operations.

Based on our training management review process, we found that previous training

programs did not adequately address the specific safety needs of workers at different levels and functions. In response, we have systematically reviewed and optimized our operating manuals and are continuously developing digital training materials. This enables us to tailor appropriate courses more precisely for different target audiences. By thoughtfully evaluating areas for improvement in worker training, we plan to develop training management requirements based on job-specific competencies, ensuring customized training programs that meet the needs of personnel at various levels.



Management of change training



Process safety assessment training

### ● Collaboration between contractors and suppliers

All contractor workers entering the plant must first complete hazard communication training and pass a test before they are allowed to perform any work on-site. Those who have already received training are required to undergo periodic refresher training and testing as specified, to ensure they understand the plant's management systems, equipment, and environment, thereby preventing potential workplace hazards. Eternal has implemented a contractor management module, utilizing a more systematic digital management approach to enhance management efficiency and ensure the safety of contractor workers in the workplace.

#### Statistics of Contractor Training Hours in 2024

| Gender            | Sites in Taiwan |        | Sites in China |        | Site in Malaysia |        | Total |
|-------------------|-----------------|--------|----------------|--------|------------------|--------|-------|
|                   | Male            | Female | Male           | Female | Male             | Female |       |
| Training hours    | 3157            | 236    | 5578.5         | 58.5   | 650              | 1      | 9681  |
| Number of Persons | 2025            | 150    | 3048           | 52     | 650              | 1      | 5926  |
| Average Hours     | 1.55            | 1.57   | 1.83           | 1.12   | 1                | 1      | 1.63  |

To ensure the safety of purchased materials, equipment, and engineering under Eternal's safety and health policies, our quality, safety, environment, procurement, and design departments will evaluate new suppliers and contractors. Only approved suppliers and third-party vendors can become our partners. We regularly audit and evaluate our suppliers to ensure they still qualify. In addition to reviewing their qualification, we will also communicate with suppliers and third-party vendors to ensure smooth operation and avoid accidents. In 2024, there were no deaths caused by occupational injuries to contractors.

#### Contractor Accidents

| Total working hours | Number of accidents | LDR  | TRIR | Type of accident                                |
|---------------------|---------------------|------|------|-------------------------------------------------|
| 1,857,141           | 2                   | 0.00 | 0.22 | Slipped and fell while tidying up the work area |
|                     |                     |      |      | Felt unwell while cleaning gelled substances    |

Notes: ①LDR: Total days lost due to disabling injuries × 200,000/Total working hours.  
 ②TRIR: Number of recordable injuries × 200,000/Total working hours

To ensure the safety of contracted operations, we provide routine training on transportation safety for transportation service providers inside Eternal's plants. We also organize regular training on the transportation of dangerous goods and response to accidents for transportation service providers. We require them to purchase fixed-sum insurance premiums in contractual requirements to maintain the safety of delivery vehicles and to ensure the safety of other road users.



Safety management training for contractors



Special operations training



Contractor knowledge quiz activity



Contractor fire extinguisher usage training



● Response to Workplace Accidents

We invited domestic experts to provide assistance in the process safety promotion program and strengthen the Group's internal process risk assessment to improve safety and health management. We enhance Eternal's process safety management capabilities by ensuring the safety of the production process, from R&D from the source to the manufacturing process. In response to recent major fire incidents in society, we have mandated comprehensive large-scale emergency drills, inviting local authorities to participate. This aims to enhance personnel's emergency response skills when encountering abnormal incidents. We continuously conduct fire and firefighting equipment operation training at professional training centers, led by qualified instructors. In 2024, a total of 278 emergency response training sessions and drills covering various topics were held. Each production site also held chemical leak and firefighting drills in plant and a firefighting skill competition in terms of high-risk operations or sites, to prevent and respond to an accident in the first place while reducing the impact on personnel and stakeholders after the accident.



Chemical spill emergency response



Firefighting training and drills



Comprehensive thematic training



Large-scale disaster evacuation drill

● Occupational Safety Injury Statistics

Eternal has chosen the disabling injury rate (IR) and the lost day rate (LDR) for our occupational injury statistics mainly based on the international indicators for labor occupational accidents. The statistics do not include traffic accidents during commutes, slight injuries, and other accidents. From 2022 to 2024, the three regional sites have shown a slight upward trend over the years. This trend remains within the scope of management adjustments, with ongoing efforts to investigate the root causes of incidents and implement improvements addressing fundamental issues. In 2024, Eternal recorded no fatalities, and the absence rate was 0.91 %.

| Year | Sites in Taiwan |      | Sites in China |      | Site in Malaysia |      |
|------|-----------------|------|----------------|------|------------------|------|
|      | IR              | LDR  | IR             | LDR  | IR               | LDR  |
| 2022 | 0.15            | 4.31 | 0.04           | 0.38 | 0                | 0    |
| 2023 | 0.17            | 6.96 | 0.08           | 5.55 | 0.35             | 0.35 |
| 2024 | 0.17            | 6.39 | 0.21           | 1.78 | 0                | 0    |

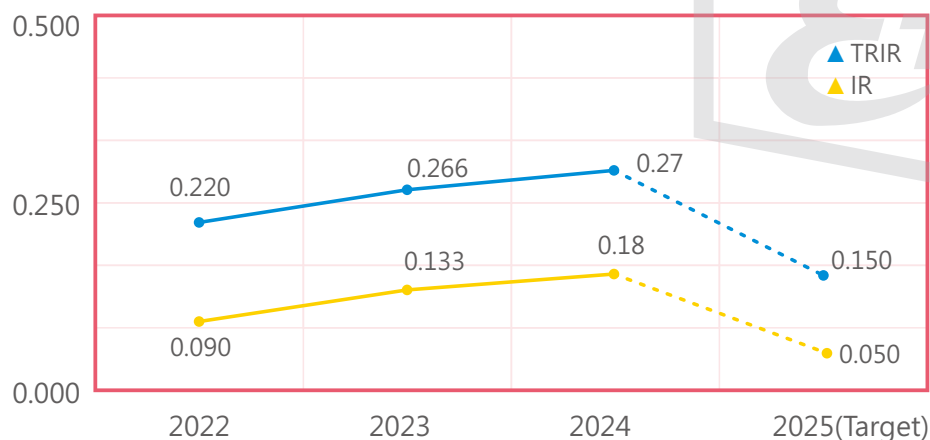
In 2024, eight incidents of incapacitating injuries involving both male and female employees were reported across our manufacturing sites, resulting in injuries to 8 male employees. Specifically, the ratio of the number of incapacitating injuries to the total number of employees across the Company was 0.0019. The types of incidents include accidental falls of observation equipment, collisions involving forklifts, personnel falls due to uneven ground, drops during pipeline replacement, splashes of chemicals during water quality testing, sprains while walking on construction sites, slips from loss of balance during inventory counting, and splashes from material handling. We make improvements by using a system to analyze and identify the causes of the accidents in accordance with management requirements. The injured employees will be taken care of and allowed to return to their work.



| Gender |     | Kaohsiung | Lu-Chu | Ta-Fa | Ping-Nan | Guangdong | Zhuhai | South China | South China | Chongqing | Kunshan Chemical | Changshu | Suzhou | East China | Tianjin | Northeast China | Malaysia |
|--------|-----|-----------|--------|-------|----------|-----------|--------|-------------|-------------|-----------|------------------|----------|--------|------------|---------|-----------------|----------|
| Male   | IR  | 0         | 0.25   | 0     | 0.36     | 0.95      | 0      | 0           | 0           | 0         | 0                | 0        | 0.61   | 0.71       | 0       | 0               | 0        |
|        | LDR | 0         | 2.06   | 0     | 35.25    | 8.24      | 0      | 0           | 0           | 0         | 0                | 0        | 8.62   | 2.13       | 0       | 0               | 0        |
| Female | IR  | 0         | 0      | 0     | 0        | 0         | 0      | 0           | 0           | 0         | 0                | 0        | 0      | 0          | 0       | 0               | 0        |
|        | LDR | 0         | 0      | 0     | 0        | 0         | 0      | 0           | 0           | 0         | 0                | 0        | 0      | 0          | 0       | 0               | 0        |

According to the annual total recordable incident rate (TRIR) and the annual incident rate (IR), in 2024 the entire group logged a total of 8,935,981 working hours. The TRIR for the Taiwan, China, and Malaysia plants were 0.40, 0.21, and 0.00 respectively, with an overall average of 0.27. The IR was 0.18. To create a safe workplace with zero accidents and occupational hazards, we aim to achieve a TRIR of 0.15 or lower and IR of 0.05 or lower by 2025 to continue to improve our safety performance.

### TRIR Trend



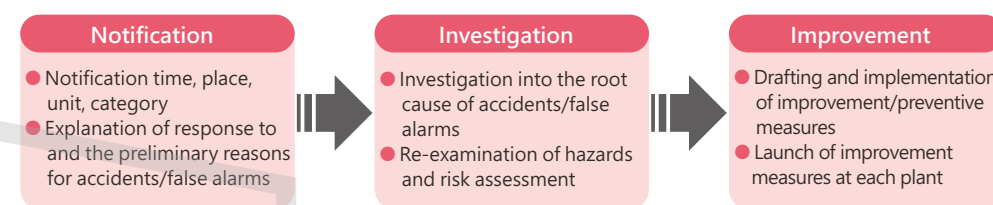
#### Notes:

- ① IR: Number of persons injured and disabled × 200,000/Total working hours.
- ② LDR: Total days lost due to disabling injuries × 200,000/Total working hours.
- ③ TRIR: Number of recordable injuries × 200,000/Total working hours.
- ④ AR: Absentee hours/Required attendance hours × 100%.
- ⑤ Total days lost due to disabling injuries: The number of days, excluding the day of injury but including the number of days in between (including national holidays and workplace closures).

## Occupational Safety and Accident Prevention Management

To ensure effective accident prevention and improvement, the Company has established the "abnormal accident management operating procedures" and implemented an electronic incident reporting system. This system allows all plants to promptly report accidents or near-misses and conduct occupational and production safety investigations according to the procedure to identify root causes. A group-wide mechanism is in place to review similar incidents across all plants. Each plant then re-assesses hazard levels and implements preventive measures based on improvement strategies to avoid recurrence. We will continue to promote health, eliminate hazards, and protect the environment by taking preventive and corrective measures to protect the life and property of our employees, company, and community.

### Accident/False Alarm Investigation and Corrective and Preventive Process



## Employee HealthCare

### Workplace Employee Health Management

Following the COVID-19 pandemic, population immunity to influenza viruses has weakened, leading to a rebound in viral transmission. We will continue to closely monitor worker health in the post-pandemic era. Regarding global public health issues, we actively promote awareness and prevention of major infectious diseases—such as dengue fever, HIV/AIDS, tuberculosis, and malaria—to safeguard workplace health.

Eternal is committed to taking care of our employees' health by conducting health checks at frequencies and projects that exceed regulatory requirements. Based on their health examination results, we take different management measures depending on the health condition of the employees. We provided medical care for a total of 577 employees who received consultation and care for their health. Considering the confidentiality of personal health data, employees can enter their account and password in their company computer to check their personal health status over the years to protect their health. The overall health examination rate in our production sites in Taiwan, Malaysia, and China reached 99% in 2024, while complying with regulatory requirements. The focus of major manufacturing bases in Taiwan is to prevent occupational diseases by preventing working overtime, human factor engineering hazards in the workplace, and protecting

the maternal health of female employees. Prevent cardiovascular diseases and musculoskeletal injuries by developing health promotion plans and improving the functions of health examination software. In 2024, a total of 80 employees talked to the doctor for health guidance. To prevent hazards to the mother and the child, nurses and occupational safety and health units will inspect the workplace, while doctors will provide consultation and education for prenatal health. In 2024, we provided care for a total of 9 employees.

All employees in other operating sites are required to receive general health examinations on the first day of work. In addition, the operating sites in China provide special health examinations to employees involved in special operations with potential occupational hazards at the beginning, during, and at the end of the employment in accordance with the provisions of the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases.

| HealthManagementItem                 | Job Description                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Maternal health protection           | During pregnancy till one year after childbirth, female employees are protected from maternal health hazards through hazard assessment and control, specialist physician interviews and guidance, risk management, and special work arrangements.                                                                                                                               |
| Ergonomics in the workplace          | Prevent musculoskeletal diseases caused by poor posture, excessive exertion, repetitive movements, etc. by adopting relevant human factors engineering improvement measures.                                                                                                                                                                                                    |
| Diseases caused by abnormal workload | To help employees who suffer from brain and cardiovascular diseases caused by stress due to long working hours, shifts, and other abnormal work patterns, the Company provides measures for health guidance, adjustment of work hours, and replacement of job contents.<br>*Certain plants have appointed psychological counselors to provide counseling services to employees. |
| Workplace safety protection          | The Company identifies and evaluates violence and sexual harassment that affect employees in the workplace. We implement job fitness arrangements, hazard prevention, and communication skill training so that employees can have a work environment free from workplace violence.<br>*The Company has set up verbal, written, or e-mail complaint channels.                    |

### Occupational Disease Prevention and Health Management

For personnel exposed to chemical operations and those performing special tasks, a total of 3,699 environmental monitoring points were assessed across various plant locations in 2024, with all results meeting standards. Occupational safety and health staff, along with medical personnel, conducted a comprehensive review of workplace health risks to ensure an understanding of employee health conditions and early prevention measures. Special health protection was provided to workers engaged in hazardous operations, with 1,676 special-task workers undergoing health checks, achieving a 100% special health check rate. In the mainland China locations, workers with occupational contraindications were reassigned to different tasks. In Taiwan, different management measures were implemented based on risk levels, with 184 individuals found to have

abnormalities unrelated to their work receiving health guidance and consultations. In 2024, none of our workers died of occupational diseases in workplaces not controlled by Eternal or contracted such diseases confirmed by government safety and health agencies and occupational physicians. Our occupational disease rate (ODR) was 0% in that year.

### HealthPromotionandFriendlyWorkplace

Based on the annual health checkup analysis, a health promotion plan is developed each year to organize various activities. In total, 96 events were held. Some sites further arranged for doctors or nurses to visit the plants to conduct blood donation drives, vaccination clinics, medical consultations, and free medical clinics. Health activities included themed health lectures, cancer prevention, areca nut health hazard awareness and oral examinations, aromatherapy sessions to balance the seven chakras, World Mental Health Day qigong training, Women's Day events, and second-generation employee engagement activities.



Flu vaccination



Blood donation event



Free medical clinics and health consultations





Women's Day events

Each manufacturing site actively promotes healthy lifestyle habits among workers, including smoking cessation and prevention of obesity and metabolic syndrome (hypertension, high blood sugar, and high cholesterol). We strive to create a comfortable and healthy workplace environment, participate in health workplace certification programs, and foster a friendly work environment.



Learning qigong



Flower arrangement workshop



Strengthening muscle metabolism program



Summer cooling giveaway event



Health promotion activities



Health promotion activities

## Corporate Responsibility for Healthy Citizens

To foster a healthy environment for employees and fulfill corporate social responsibility, we organize outdoor clubs and family-friendly activities such as hiking club outings, running club events, badminton tournaments, fishing competitions, inter-factory parent-child events, and fun sports days combined with family carnivals. Additionally, we conduct health lectures for senior citizens in neighboring communities and science education programs for young children and elementary students. These efforts demonstrate our commitment to supporting employee well-being and extending care to a broader range of stakeholders, thereby promoting workplace health.



Hiking, running, and badminton club activities



Community senior health lectures



Family day and parent-child fun events



# Customer Service

## ● Management Approach

Ensure the quality of the Company's products and services, establish a client-oriented quality system, and adopt integrated marketing and strategic management to put together resources to meet clients' requirements. The Company is committed to technological development and improvement, developing more excellent products, and serving the community based on the principles of "quality, reputation, innovation, and service" to achieve sustainable development and create leading technology. With a broad global vision, we have striven to develop key global markets to become a world-class material supplier.

We are responsible for our products and services and attach great importance to marketing ethics. The information on our product quality and services is open and transparent. Our product marketing, labeling, and customer privacy are all in compliance with applicable regulations and international standards to ensure their safety and prevent such products or services from causing damage to customers' rights and interests, health, and safety.

Our marketing and R&D personnel put forth needs for product designs as per market demand or clients' requirements through interviews with clients, competitor analysis, product creativity, proposal improvement, and discussions with the management team.

After a product is commercialized, we will inform clients where appropriate by printing product catalogs, product manuals, or safety data sheets, to enhance their understanding of our products or meet their needs for product information. After a product is sold, our after-sales services include technical services, response to clients' complaints, and customer satisfaction surveys to continuously improve our customer relationships.

To ensure product and service quality, we have established a client-oriented quality system, regularly held production and sales meetings and business meetings to review and respond to product quality issues, formulated client complaint response management regulations and complaint channels, and set up the Stakeholders section on the official website. Consumers may file complaints to the Company at any time by phone, letter, or email. We conduct at least one customer satisfaction survey a year. The satisfaction survey includes sales personnel's services, delivery, product quality, and technical services. We will review the survey results, and assign personnel from the sales, production and marketing, and the technical support units to address

the issues accordingly.

In response to the ever-changing market demand, we engage in in-depth communication and close collaboration with clients, while striving to constantly improve our technology, manufacturing processes, and services to meet their needs.

## ● Customer satisfaction survey results



# Supply Chain Management

Scope of disclosure: Taiwan

## Management Approach

Eternal uses more than 1,000 types of materials. We strengthen synergy in procurement management by integrating internal and external resources to ensure stable quality and normal supply of raw materials from suppliers, and we implement tiered procurement based on procurement volume and importance through effective risk management: I. We implement global sourcing of bulk raw materials for the Group's factories across the world to make full use of the Group's procurement advantages; II. We use the three procurement centers in mainland China which were established based on the Company's product portfolio to procure important raw materials for products to effectively integrate the procurement of raw materials for each plant; III. We prioritize the procurement of competitively priced and readily available raw materials from local supplies to create a reasonable, efficient, and competitive supply chain. Eternal and our suppliers have become partners with mutual trust, with the aim of contributing to social and environmental sustainability.

## Supply Chain Distribution: Upstream and Downstream Entities and Activities in the Supply Chain

|                                                                                                                                                                                                                                                           |               |                      |                           |                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------|---------------------------|---------------------------|
| <b>Petrochemical basic raw materials</b><br>Ethylene, ethylene oxide, propylene, butadiene, benzene, methanol, and propylene oxide                                                                                                                        |               |                      |                           |                           |
| <b>Intermediate petrochemical materials</b><br>Styrene, ethylene glycol, acrylate, propylene glycol, phthalic anhydride, methacrylic acid, adipic acid, acetone, toluene, and xylene                                                                      |               |                      |                           |                           |
| Adhesive resin                                                                                                                                                                                                                                            | Coating resin | Polyester resin      | Stereolithography monomer | Photoresist materials     |
| Circuit board                                                                                                                                                                                                                                             | Vinyl ester   | Water-based coatings | Structural adhesive       | Liquid polyimide material |
| <b>Applicable industries</b><br>Energy and utilities, transportation, construction, furniture and home decoration, electronics and electrical engineering, general consumer goods, packaging and printing, metal machinery, healthcare, and biotechnology |               |                      |                           |                           |

## Supplier Management and Evaluation

The Taiwanese parent company arranges annual on-site audits for potential future partners, new suppliers, transporters, and key suppliers with significant market share or high procurement frequency. The purpose is to understand the current management status of supplier factories and to track improvement issues.

### Raw Material Supplier Management

There was no major change in Eternal's supply chain during 2024. In the future, the material procurement personnel in Taiwan and China will conduct random on-site audits of all qualified material suppliers each year to learn about the status of plant operations and management and whether they meet CSR objectives.

The R&D unit, the procurement unit, and the quality assurance unit evaluate suppliers' business services, quality systems, and R&D capabilities, to select new raw material suppliers and raise their awareness of corporate social responsibility, including labor rights, human rights issues, environmental protection, and business ethics, which have formed the Supplier Code of Conduct.

| Year | Number of Suppliers that Received On-site Audit and Inspections |
|------|-----------------------------------------------------------------|
| 2022 | 6                                                               |
| 2023 | 38                                                              |
| 2024 | 25                                                              |

### Annual Evaluation of Raw Material Suppliers and Establishment of Supplier Grading

Eternal's parent company conducts an annual written evaluation of suppliers in the first quarter of each year, and selects representative raw materials items (five items for each level) according to the annual procurement volume (divided into four levels: over 5000 tons, 1000–5000 tons, 100–1000 tons, and less than 100 tons) to evaluate raw material suppliers. The scoring standards are:

|                                                                                                                                                                                                                                                                                                     |                                                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Quality (45points)</b><br><input type="checkbox"/> Does it have an ISO 9001 certificate(5points)<br><input type="checkbox"/> Does it have an environmental, safety, and health management system in place(5points)<br><input type="checkbox"/> Does it attach an inspection certificate(5points) | <b>Delivery (15points)</b><br><input type="checkbox"/> Does it deliver supplies on time(10points)<br><input type="checkbox"/> Emergency capability(5points) |
| <input type="checkbox"/> Delivery quality(30points)                                                                                                                                                                                                                                                 | <b>Cost (20points)</b><br><input type="checkbox"/> Is its price competitive(10points)<br><input type="checkbox"/> Payment terms(10points)                   |
| <input type="checkbox"/> Service (20points)<br><input type="checkbox"/> Company's requirements(10points)<br><input type="checkbox"/> Supplier Code of Conduct / ESG Sustainable Development(10points)                                                                                               |                                                                                                                                                             |

The evaluation results are classified into Level A: Over 90 points, Level B: 75–89 points, Level C: 60–74 points, and Level D: Below 60 points. Suppliers rated C will be required to make improvements and procurement from such suppliers shall be reduced. Procurement from those rated D shall be suspended and will only resume the procurement after they have made improvements. In terms of the evaluation results in 2024, all suppliers performed well, with no suppliers receiving a C or D grade.

| Evaluation result | Items of materials evaluated | A  | B  | C | D |
|-------------------|------------------------------|----|----|---|---|
| 2022              | 20                           | 22 | 16 | 0 | 0 |
| 2023              | 19                           | 25 | 10 | 0 | 0 |
| 2024              | 44                           | 32 | 12 | 0 | 0 |

### Diverse Supply of Materials

Suppliers are Eternal's long-term partners who work with the Company to achieve mutual growth. To optimize supply chain management, reduce the risk of supply chain disruption, and ensure a diverse supply of raw materials, the Group has also established a sample test management process to evaluate new raw materials and new supply sources, and we also use the "Sample Testing Application Form" and "External Sample Request and Cross-Factory Material Collection Application Form" to audit chemicals once delivered and to manage the sample testing process.

| Year | Sample test | External sample request | Total |
|------|-------------|-------------------------|-------|
| 2022 | 114         | 84                      | 198   |
| 2023 | 96          | 52                      | 148   |
| 2024 | 67          | 32                      | 99    |

## Management of Delivery Companies

### Scope of disclosure: Taiwan

Eternal requires that land delivery service providers in the Taiwan region be legally approved operators by the government and mandates that delivery service providers comply with relevant government regulations. The Company requires all vehicles entering its plants to comply with all safety and health regulations of the plants. The Company requires delivery service providers to comply with government regulations in the shipping process after leaving the plant to prevent accidents.

When the goods transported by the service providers are classified as dangerous materials regulated by the Ministry of Transportation and Communications or toxic chemicals listed by the

Ministry of Environment, they must comply with the Ministry of Transportation and Communications and Ministry of Environment regulations regarding transportation safety (including hazardous materials and toxic chemicals) to ensure the safe delivery of raw materials.

### Annual Evaluation and Rating of Delivery Service Providers

Delivery service provider evaluation: The delivery service provider evaluation form has been developed to improve the transportation safety contracting and hiring standards. The Company continuously evaluates their performance. We continue to hire those who have implemented improvements and meet standards and remove those who have not in order to reduce the occurrence of transportation accidents and protect public safety and the environment.

Delivery service provider evaluation criteria: To meet government regulations and Company requirements, the evaluation covers three main areas: "Delivery Capability", "Delivery Anomaly Management", and "Delivery Safety and Services", comprising a total of 20 items as evaluation standards.

The evaluation results are classified into Grade A: Above 90 points, Grade B: 70-89 points, Grade C: 60-69 points, and Grade D: 59 points or below. We will reduce purchases from delivery service providers rated C. Delivery service providers with a rating of D are assessed for special conditions or disqualified.

| Evaluation result | A  | B  | C | D |
|-------------------|----|----|---|---|
| 2022              | 9  | 7  | 0 | 0 |
| 2023              | 12 | 4  | 0 | 0 |
| 2024              | 7  | 10 | 0 | 0 |

In 2024, the total transaction amount with 17 delivery service providers reached approximately NT\$94 million.

In 2024, all 17 contracted delivery service providers were evaluated, and all received a rating of Grade B or above.

## Procurement personnel accountability education

In addition to the procurement policy for suppliers, Eternal offers corporate social responsibility education to procurement personnel. We have trained procurement personnel in terms of procurement and corporate social responsibility and developed their basic concepts and knowledge of the Group's corporate social responsibility policy.



## ● Supplier Social Responsibility Commitment

Scope of disclosure: Taiwan

### Management Approach

Eternal has adopted sustainable development as our business philosophy while with reference to the spirit of the UN Sustainable Development Goals (SDGs). We regard the supply chain as an important extension of our value chain. To help our supplier partners understand and comply with our relevant safety and ethical standards, maintain safety in the work environment of the supply chain, ensure that employees are treated with respect and dignity, implement environmental protection, and comply with ethical standards, we require suppliers to fully comply with the laws and regulations of the countries/regions where they operate. We also convey our culture of "compliance, integrity, and moral values" to all suppliers through correspondence and relevant meetings in the hope of using the opportunities to convey and fulfill our corporate social responsibility and to work with our suppliers to promote sustainable development.

Since 2017, Eternal has required new suppliers to sign the Supplier Code of Conduct, which expressly includes ethics, compliance, health, and safety mechanisms into the regulations. We require suppliers to abide by social regulations (labor and human rights, health and safety, and ethics and integrity provisions) and environmental regulations (no use of raw materials banned by regulations, reduction of waste and emissions, compliance with environmental protection regulations, and protection of the health and safety of the public). To encourage suppliers to comply with the Supplier Code of Conduct and align with the Company's sustainability goals, the signing of this document is one of the factors considered by the Company when making purchasing and contracting decisions.

Due to the differences in the scale and characteristics of new suppliers, the criteria of whether new suppliers have obtained ISO 14001 or ISO 45001 certification or published CSR reports cannot be adopted as necessary criteria for selecting suppliers. However, the said certification and publication are still included as a reference and serve as the basis for the evaluation of new suppliers in the hope of increasing the supply chain's attention and dedication to sustainability.

### Key Points in the Supplier Code of Conduct Education

|                                 |                                                                                                                                                                                                                  |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Labor and Human Rights</b>   | No forced labor, no illegal employment of employees, prohibition of child labor, no discrimination, working hours in compliance with local laws and regulations, and humane treatment.                           |
| <b>Health and Safety</b>        | Work safety in the workplace, promotion of employee health, and industrial hygiene                                                                                                                               |
| <b>Environmental Protection</b> | Compliance with RoHS regulations, no use of banned raw materials, reduction of waste and emissions, and product and service labeling                                                                             |
| <b>Ethics and Integrity</b>     | Avoidance of entertainment and gifts, information disclosure, no falsification, no leakage of customer information, principle of good faith, and compliance with relevant import and export laws and regulations |

Eternal uses the signing of the Supplier Code of Conduct, the provision of ESG reports, or the submission of a supplier corporate social responsibility self-assessment as one of the evaluation criteria for suppliers. In 2024, the Company selected the top 50 suppliers by procurement amount in Taiwan to confirm the signing rate of the Supplier Code of Conduct. Additionally, most large and international suppliers have conducted annual ESG reporting, which reflects concrete practice of supplier corporate social responsibility. The confirmation results for the top 50 suppliers in 2024 showed a 100% rate of signing or providing ESG reports. Furthermore, the signing rate of the Supplier Code of Conduct for newly added suppliers in 2024 also reached 100%.

In 2024, the Company assessed suppliers' environmental/social impact through supplier evaluation and on-site visits and audits. For suppliers with no CSR report published, we will require them to fill out the supplier CSR self-assessment form as a reference for our procurement evaluation. After evaluating suppliers' environmental aspects (waste/wastewater treatment processes) and social aspects (labor relations, social impact records, etc.), Eternal, through public information checks by the Ministry of Environment and the Ministry of Labor in 2024, found no legal violations by any major suppliers related to environmental, labor, human rights, or social impact issues.

GRI3-3 Material Topic Disclosure

Local Procurement Ratio of Raw Materials, Supplier Expenditure Analysis, Supplier Environmental Assessment 308-1/308-2, and Supplier Social Assessment414-1/414-2(GRI 3-3)

| Negative impact                                                                     |                                                                                                                                                                                                                                                                                                    | Positive impact                                                                                                                                                                                   |
|-------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Local procurement ratio of raw materials and supplier expenditure analysis          | Includes risks such as delays, material shortages, and uncontrollable factors from international political and policy influences on the origin of raw materials.                                                                                                                                   | Includes benefits such as reduced transportation costs, improved quality assurance, faster local service, and enhanced delivery speed.                                                            |
| Supplier environmental assessment308-1/308-2, supplier social assessment414-1/414-2 | The Supplier Code of Conduct explicitly outlines commitments related to the environment, labor, human rights, and social impact (e.g., prohibition of child labor, hazardous substances, waste management). Non-compliance may pose risks to the supplier's protection of the natural environment. | Signing the Supplier Code of Conduct indicates the supplier's commitment to Eternal's environmental and social responsibilities, fostering alignment and reducing social and environmental risks. |

● Impact on Value Chain

| Major Issues                                               | Management Procedures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Special Actions                                                                                  | Scope of impact |                   |            |
|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|-----------------|-------------------|------------|
|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                  | Upstream        | Eternal Materials | Downstream |
| Proportion of procurement expenditure from local suppliers | With respect to the plants' demand for materials in each region, Eternal's procurement policy focuses on the development of local suppliers and requires them to comply with the safety and health laws and regulations of the countries of their operations. By prioritizing local suppliers, the Company is able to reduce the environmental impact of the transportation of materials and develop local suppliers that can provide a more stable supply of materials and reduce transportation time. | Future efforts will focus on continuously increasing the procurement ratio from local suppliers. | Direct          | Direct            | Indirect   |
| Supplier environmental and social assessment               | Include ethics, compliance, health, and safety mechanisms into the regulations. We require suppliers to abide by social regulations (labor and human rights, health and safety, and ethics and integrity provisions) and environmental regulations (no use of raw materials banned by regulations, reduction of waste and emissions, compliance with environmental protection regulations, and protection of the health and safety of the public).                                                      | Since 2017, Eternal has required new suppliers to sign the "Supplier Code of Conduct".           | Direct          | Direct            | Indirect   |

● Effective evaluation and tracking

The environmental footprint of raw material procurement impacts the environment. Therefore, we hope that our supplier partners will operate as locally as possible to jointly contribute to environmental protection.

The percentage of local procurement of materials in Taiwan (important operating sites) in 2024 was 72%. Due to the demand in domestic production processes, a certain percentage of materials that are not produced in Taiwan or those that are in short supply must be purchased overseas. The Company is also required to maintain risk management for secondary sources of supply. As a result, a certain proportion of the products are still purchased from overseas sources. As of the end of 2024, there are a total of 432 raw material suppliers with expenditures amounting to approximately NT\$8.1 billion. Among these, 43 suppliers have been evaluated, accounting for 57% of the procurement amount.

| Year | Percentage of local procurement amount | Percentage of imported procurement amount |
|------|----------------------------------------|-------------------------------------------|
| 2022 | 70%                                    | 30%                                       |
| 2023 | 71%                                    | 29%                                       |
| 2024 | 72%                                    | 28%                                       |

The impact of supplier environmental and social assessments on a business depends on whether the suppliers adhere to the Supplier Code of Conduct and whether they have strong business ethics and risk management mechanisms. Eternal, through public information checks by the Ministry of Environment and the Ministry of Labor in 2024, found no legal violations by any major suppliers related to environmental, labor, human rights, or social impact issues.

## Local Community

Eternal operates four production sites in Taiwan—Lu-Chu, Da-Fa, Ping-Nan, and Xi-zhi. Each year, these sites assess and analyze issues of concern to their respective local communities and engage in various forms of communication and interaction. For example, the Da-Fa and Ping-Nan plants, which are located in industrial zones, not only cooperate with the industrial park administration centers to participate in community support initiatives, but also provide direct care and support to nearby schools and neighborhoods when appropriate. Due to the special nature of its industry, the Xi-zhi plant is located in an office building and is managed in compliance with relevant regulations and property management requirements. Overall, Eternal is committed to complying with regulatory requirements concerning air emissions, wastewater discharge, and waste management at the environmental level. Relevant information is disclosed in the “Environmental Sustainability” chapter of this report, which details management policies, impact assessments, response strategies, and short-, medium-, and long-term goals. All plants conduct routine inspections and maintenance to proactively address potential environmental impacts. In 2024, assessments in Taiwan indicated no significant negative environmental or social impacts on local communities. The Lu-Chu, Da-Fa, and Ping-Nan plants have implemented ISO 50001, 14001, and 45001 management systems, while the Xi-zhi site adheres to group-wide policies. All sites have achieved 100% engagement in stakeholder communications with local communities, including nearby residents, employees, schools, community service organizations, and regulatory authorities.

## Management Approach

It is an important business philosophy of Eternal to “give back what is taken from society” by supporting charitable activities. After a long period of observation of the development of society and the regions, Eternal has become convinced that “education” and “culture” are the best ways to generate positive energy for society. These areas could also benefit the most from companies' support and assistance, particularly rural areas and disadvantaged groups.

## Scope

As Eternal's business operations are spread across the world, our interactions with local communities and societies have expanded along with our operating activities.

## Approach and Objectives

Assist in improving the educational or cultural environment and opportunities for underserved and vulnerable communities. We seek to help the disadvantaged to complete their education or acquire skills to improve their lives and support their family to make a difference in the world.

## 2024 Community/Social Activities Summary

### Development and Engagement in Local Community

Our plants work with stakeholders in the neighborhood by investing manpower and money to support local construction and charitable activities such as building harmonious relations with the local community, renovating old buildings, and organizing charity groups and temple festivals.

### Caring for the Earth, Quietly Moving Forward

For many years, Eternal has operated with humility, rarely appearing in the media. Yet behind the scenes, the Company has remained consistently dedicated to community engagement and cultural and social initiatives—quietly cultivating these efforts without seeking recognition or reward.

Community involvement serves as the foundation for each site's operations. While pursuing corporate growth, the Company also actively participates in local community activities, fostering strong relationships with neighbors to build mutual understanding and create win-win outcomes.

### Environmental Guardians, Unsung Heroes

Our plants frequently collaborate with local communities, co-hosting events such as neighborhood festivals, cultural and arts programs, charity group activities, and temple celebrations. These efforts have significantly enhanced residents' sense of well-being and strengthened mutual trust between the Company and the community.



At Eternal, environmental protection is not just a slogan—it is a commitment reflected in concrete actions. In recent years,



employees have actively participated in mountain clean-up activities organized by the Company's hiking club. These initiatives not only promote physical well-being and team bonding but also embody our dedication to caring for the environment.

We also visited Tuntex Incorporation, a nearly 70-year-old local company in Lujhu, to exchange ideas on topics such as smart manufacturing, greenhouse gas inventory, scrap material recycling and regeneration, green production technologies, and reclaimed wastewater reuse.

Additionally, the Lu-Chu Plant engaged in meaningful discussions with the Kaohsiung City Government's Department of Civil Service Ethics and the Lujhu District Office, sharing experiences on being recognized by the Ministry of Labor as an outstanding workplace for occupational safety and health, as well as on topics of transparency and integrity—benefiting greatly from the exchange.



Eternal has never paused in its efforts to give back to the community and support public welfare initiatives. This year, the Company assisted in organizing the long-standing Lujhu Tomato Festival, a major annual event in the Lujhu District, and was honored with a certificate of appreciation from the Lujhu District Office. Eternal also continues to support the Lujhu Charity Association in hosting blood donation drives.



## A Spirit of Sharing

Not far from the dormitories of the Southern Taiwan Science Park in Kaohsiung stands a bright, sunshine-yellow building—the Eternal Art Museum. Open free of charge to both Eternal employees and the general public, the museum offers a culturally rich and artistic retreat for leisure and inspiration.

In the heart of northern Kaohsiung's high-tech industrial hub, where the landscape is dominated by rigid buildings and cold machinery, the presence of a gentle, calming space where one can unwind, reflect, and experience the atmosphere of a museum while connecting with art is truly a rare and valuable treasure.

In 2024, the Eternal Art Museum organized 157 site visit activities, with a total of 1,949 participants comprising local residents, school groups, public sector representatives, and factory employees.



## Safety and Health Education Starts Young

Focusing on environmental sustainability and social engagement, Eternal collaborates with nearby elementary and junior high schools to promote safety and environmental education. Tailored to current safety issues and campus-related risks, each session features a specific theme and encourages interactive sharing with children to promote correct environmental behaviors and safety awareness—helping foster a strong sense of responsibility in the next generation.

On November 13, 2024, Eternal held a “Safety Awareness” campaign at Tsai-Wen Elementary School in the Lujhu District. The event centered on unsafe environments and behaviors, using real-life examples to engage students and promote a better understanding of campus safety.





## Fulfilling Responsibility Through Volunteer Firefighting Support

On November 14, 2024, the Hefa Firefighting Unit officially launched its operations at No. 47, Shangfa 2nd Road in Daliao District, Kaohsiung City. In a pioneering move among firefighting and police units across Taiwan, 50 business leaders from the Dafa and Hefa Industrial Parks voluntarily formed an advisory council to support the unit. Eternal proudly joined the council, actively fulfilling its corporate social responsibility and contributing to public safety efforts.



## Promoting Health Through Cancer Screenings

Community and wellness activities play a vital role in strengthening employee cohesion and team spirit. The workplace is a key environment for encouraging healthy habits and improving overall well-being. Eternal continues to promote workplace health initiatives, aiming to build a supportive and health-conscious working environment.



In collaboration with the Kaohsiung City Department of Health, the Company actively promoted screenings for five major types of cancer, along with hepatitis B and C awareness campaigns, in an effort to achieve the goals of early prevention, early diagnosis, and early treatment to safeguard employee health. This initiative was recognized with the "Health Award" from the Kaohsiung City Department of Health for outstanding achievement in health promotion.

## Beach Cleanup to Safeguard the Ocean

Taiwan boasts winding and beautiful coastlines and vast oceans. Without a healthy ocean, there will be no healthy planet and, hence, no healthy body for human beings. On International Coastal Cleanup Day, we took action to be part of the effort to protect the ocean, save lives, and create a sustainable environment.



## Charity by Eternal

As part of this year's educational philanthropy initiative, Eternal conducted a science education activity at Donghai Elementary School in Fangliao Township, Pingtung County, near the Company's Ping-Nan Plant. Through simple, hands-on experiments, students were introduced to the principles of filtration in a fun and engaging way. The activity also included lessons on the safe use of chemicals and the concepts of environmental protection, recycling, and carbon reduction.

Using its solid foundation in chemical technology, Eternal designed vivid and interactive teaching segments that made complex chemistry concepts accessible through everyday science. The course started with items students encounter in daily life to help them understand that many of these products involve filtration processes. It ended with a fun science experiment that allowed children to perform the filtration process themselves, sparking their interest in science and materials. Eternal hopes this initiative can broaden children's horizons, encourage self-motivated learning, and plant a seed of scientific curiosity in their young minds.



## GRI Content Index Table

|                                   |                                                                                                                                                                           |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Statement of use                  | The 2024 Eternal Sustainability Report complies with the requirements of new GRI Standards. The scope of data and information disclosed is January 1 to December 31, 2024 |
| GRI 1 used                        | GRI 1: Foundation 2021                                                                                                                                                    |
| Applicable GRI Sector Standard(s) | No applicable GRI Sector Standard(s)                                                                                                                                      |

### GRI 2

| item | Disclosure                                                                  | Page/Explanation        |
|------|-----------------------------------------------------------------------------|-------------------------|
| 2-1  | Organizational details                                                      | 3                       |
| 2-2  | Entities included in the organization's sustainability reporting            | 6                       |
| 2-3  | Reporting period, frequency and contact point                               | 6                       |
| 2-4  | Restatements of information                                                 | No information restated |
| 2-5  | External assurance                                                          | 115                     |
| 2-6  | Activities, value chain and other business relationships                    | 3 · 105 · 106           |
| 2-7  | Employees                                                                   | 77                      |
| 2-8  | Workers who are not employees                                               | 77                      |
| 2-9  | Governance structure and composition                                        | 11                      |
| 2-10 | Nomination and selection of the highest governance body                     | 14                      |
| 2-11 | Chair of the highest governance body                                        | 14                      |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | 18                      |
| 2-13 | Delegation of responsibility for managing impacts                           | 19                      |
| 2-14 | Role of the highest governance body in sustainability reporting             | 16                      |
| 2-15 | Conflicts of interest                                                       | 19                      |
| 2-16 | Communication of critical concerns                                          | 20                      |
| 2-17 | Collective knowledge of the highest governance body                         | 15                      |
| 2-18 | Evaluation of the performance of the highest governance body                | 15                      |
| 2-19 | Remuneration policies                                                       | 91                      |
| 2-20 | Process to determine remuneration                                           | 92                      |
| 2-21 | Annual total compensation ratio                                             | 92                      |
| 2-22 | Statement on sustainable development strategy                               | 17                      |
| 2-23 | Policy commitments                                                          | 18                      |
| 2-24 | Embedding policy commitments                                                | 18                      |
| 2-25 | Processes to remediate negative impacts                                     | 19                      |
| 2-26 | Mechanisms for seeking advice and raising concerns                          | 19                      |
| 2-27 | Compliance with laws and regulations                                        | 22                      |
| 2-28 | Membership associations                                                     | 5                       |

| item | Disclosure                         | Page/Explanation |
|------|------------------------------------|------------------|
| 2-29 | Approach to stakeholder engagement | 8                |
| 2-30 | Collective bargaining agreements   | 75 · 98          |

### Material Topics

| Category      | GRI Index                         | item  | Disclosure                                                                                         | Page/Explanation                   |
|---------------|-----------------------------------|-------|----------------------------------------------------------------------------------------------------|------------------------------------|
| Economic      | GRI 3                             | 3-1   | Process to determine material topics                                                               | 9                                  |
|               |                                   | 3-2   | List of material topics                                                                            | 10                                 |
|               |                                   | 3-3   | Management of material topics                                                                      | Each topic is described separately |
|               | Economic performance              | 201-1 | Direct economic value generated and distributed                                                    | 22                                 |
|               |                                   | 201-3 | Defined benefit plan obligations and other retirement plans                                        | 92                                 |
|               | Market presence                   | 202-1 | Ratios of standard entry level wage by gender compared to local minimum wage                       | 91                                 |
|               |                                   | 202-2 | Proportion of senior management hired from the local community                                     | 85                                 |
| Environmental | Procurement Practices             | 204-1 | Proportion of spending on local suppliers                                                          | 109                                |
|               | Anti-corruption                   | 205-3 | Confirmed incidents of corruption and actions taken                                                | 20                                 |
|               |                                   | 302-1 | Energy consumption within the organization                                                         | 28                                 |
|               | Energy                            | 302-3 | Energy intensity                                                                                   | 30                                 |
|               |                                   | 302-4 | Reduction of energy consumption                                                                    | 32                                 |
|               | Water and Effluents               | 303-1 | Interactions with water as a shared resource                                                       | 42                                 |
|               |                                   | 303-2 | Management of water discharge-related impacts                                                      | 41                                 |
|               |                                   | 303-3 | Water withdrawal                                                                                   | 42                                 |
|               |                                   | 303-4 | Water discharge                                                                                    | 42                                 |
|               |                                   | 303-5 | Water consumption                                                                                  | 42                                 |
| Social        | Emissions                         | 305-1 | Direct GHG Emissions (Scope 1)                                                                     | 38                                 |
|               |                                   | 305-2 | Indirect GHG Emissions (Scope 2)                                                                   | 38                                 |
|               |                                   | 305-4 | GHG emissions intensity                                                                            | 39                                 |
|               |                                   | 305-5 | Greenhouse gas reduction                                                                           | 39                                 |
|               |                                   | 305-7 | Nitrogen oxides, sulfur oxides, and other significant air emissions                                | 50                                 |
|               | Waste                             | 306-3 | Waste generated                                                                                    | 56                                 |
|               |                                   | 306-4 | Waste diverted from disposal                                                                       | 56                                 |
|               |                                   | 306-5 | Waste directed to disposal                                                                         | 56                                 |
|               | Supplier environmental assessment | 308-1 | New suppliers that were screened using environmental criteria                                      | 108                                |
|               |                                   | 308-2 | Negative environmental impacts in the supply chain and actions taken                               | 108                                |
| Social        | Employment                        | 401-1 | New employee hires and employee turnover                                                           | 80                                 |
|               |                                   | 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | 94                                 |
|               |                                   | 401-3 | Parental leave                                                                                     | 76                                 |



| Category | GRI Index                                  | item   | Disclosure                                                                                                    | Page/Explanation |
|----------|--------------------------------------------|--------|---------------------------------------------------------------------------------------------------------------|------------------|
| Social   | Occupational health and safety             | 403-1  | Occupational health and safety management system                                                              | 96               |
|          |                                            | 403-2  | Hazard identification, risk assessment, and incident investigation                                            | 99               |
|          |                                            | 403-3  | Occupational health services                                                                                  | 102              |
|          |                                            | 403-4  | Worker participation, consultation, and communication on occupational health and safety                       | 98               |
|          |                                            | 403-5  | Worker training on occupational health and safety                                                             | 99               |
|          |                                            | 403-6  | Promotion of worker health                                                                                    | 103              |
|          |                                            | 403-7  | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 95               |
|          |                                            | 403-8  | Workers covered by an occupational health and safety management system                                        | 96               |
|          |                                            | 403-9  | Work-related injuries                                                                                         | 101              |
|          |                                            | 403-10 | Work-related ill health                                                                                       | 103              |
|          | Training and education                     | 404-1  | Average hours of training per year per employee                                                               | 85               |
|          | Employee diversity and equal opportunities | 405-1  | Diversification of governance units and employees                                                             | 12               |
|          |                                            | 405-2  | Ratio of basic salary and remuneration of women to men                                                        | 91               |
|          | Non-discrimination                         | 406-1  | Incidents of discrimination and corrective actions taken                                                      | 74               |
|          | Child labor                                | 408-1  | Operations and suppliers at significant risk for incidents of child labor                                     | 73               |
|          | Local communities                          | 413-1  | Operations with local community engagement, impact assessments, and development programs                      | 110              |
|          |                                            | 413-2  | Operations with significant actual and potential negative impacts on local communities                        | 110              |
|          | Supplier social assessment                 | 414-1  | New suppliers screened using social criteria                                                                  | 109              |
|          |                                            | 414-2  | Negative social impacts in the supply chain and actions taken                                                 | 109              |

## Appendix Sustainability Accounting Standards Board, SASB

| Topic (Table 1)          | Indicator Code | Disclosure indicators                                                                                                                                                  | Page/Explanation |
|--------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Greenhouse Gas Emissions | RT-CH-110a.1   | Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations                                                                                | 36-40            |
|                          | RT-CH-110a.2   | Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets     | 36-40            |
| Air Quality              | RT-CH-120a.1   | Air emissions of the following pollutants: (1)NOx (excluding N <sub>2</sub> O), (2) SOx, (3) volatileorganic compounds (VOCs), and (4) hazardous air pollutants (HAPs) | 50-53            |
| Energy management        | RT-CH-130a.1   | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable and (4) total self-generated energy <sup>1</sup>                                  | 27-36            |

| Topic (Table 1)                                      | Indicator Code | Disclosure indicators                                                                                                                                                                                                                                         | Page/Explanation |
|------------------------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Water Management                                     | RT-CH-140a.1   | (1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress                                                                                                                          | 41-44            |
|                                                      | RT-CH-140a.2   | Number of incidents of non-compliance associated with water quality permits, standards and regulations                                                                                                                                                        | 41-44            |
|                                                      | RT-CH-140a.3   | Description of water management risks and discussion of strategies and practices to mitigate those risks                                                                                                                                                      | 41-44            |
| Hazardous Waste Management                           | RT-CH-150a.1   | Amount of hazardous waste generated, percentage recycled <sup>2</sup>                                                                                                                                                                                         | 53-59            |
| Community Relations                                  | RT-CH-210a.1   | Discussion of engagement processes to manage risks and opportunities associated with community interests                                                                                                                                                      | 110-112          |
| Workforce Health & Safety                            | RT-CH-320a.1   | (1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees                                                                                                                                           | 95-104           |
|                                                      | RT-CH-320a.2   | Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks                                                                                                                          | 95-104           |
| Product Design for Use-phase Efficiency              | RT-CH-410a.1   | Revenue from products designed for usephase resource efficiency                                                                                                                                                                                               | 60-71            |
| Safety & Environmental Stewardship of Chemicals      | RT-CH-410b.1   | (1) Percentage of products that contain Globally Harmonised System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment | 60-71            |
|                                                      | RT-CH-410b.2   | Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact                                                                                                                         | 60-71            |
| Genetically Modified Organisms                       | RT-CH-410c.1   | Percentage of products by revenue that contain genetically modified organisms(GMOs)                                                                                                                                                                           | NA               |
| Management of the Legal & Regulatory Environment     | RT-CH-530a.1   | Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry                                                                                              | 5 · 22 · 59      |
| Operational Safety, Emergency Preparedness& Response | RT-CH-540a.1   | Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR) <sup>3</sup>                                                                                                             | 99               |
|                                                      | RT-CH-540a.2   | Number of transport incidents <sup>4</sup>                                                                                                                                                                                                                    | 0                |

| Topic (Table 2)                               | Indicator Code | Disclosure indicators | Page/Explanation |
|-----------------------------------------------|----------------|-----------------------|------------------|
| Production by reportable segment <sup>5</sup> | RT-CH-000.A    | Quantitative          | 3                |

### INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

Eternal Materials Co., Ltd.

We have undertaken a limited assurance engagement on the selected performance indicators in the Sustainability Report ("the Report") of Eternal Materials Co., Ltd. ("the Company") for the year ended December 31, 2024.

#### Subject Matter Information and Applicable Criteria

See Appendix 1 for the Company's selected performance indicators ("the Subject Matter Information") and applicable criteria.

#### Responsibilities of Management

The management of the Company is responsible for the preparation of the Subject Matter Information in accordance with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Universal Standards, Sector Standards and Topic Standards published by the Global Reporting Initiative (GRI), and for such internal control as management determines is necessary to enable the preparation of the Subject Matter Information that are free from material misstatement resulted from fraud or error.

#### Auditors' Responsibilities

Our responsibility is to plan and conduct our limited assurance engagement in accordance with Standard on Assurance Engagement 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation of the Republic of China to issue a limited assurance report on whether the Subject Matter Information (see Appendix 1) is free from material misstatement. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, therefore, a lower assurance level is obtained than a reasonable assurance.

We based on our professional judgment in the planning and conducting of our work to obtain evidence supporting the limited assurance. Because of the inherent limitations of any internal control, there is an unavoidable risk that even some material misstatements may remain undetected. The procedures we performed include, but not limited to:

- Inquiring of management and the personnel responsible for the Subject Matter Information to obtain an understanding of the policies, procedures, internal control, and information system relevant to the Subject Matter Information to identify areas where a material misstatement of the subject matter information is likely to arise.
- Selecting sample items from the Subject Matter Information and performing procedures such as inspection, re-calculation, re-performance, observation, and analytical procedures to obtain evidence supporting limited assurance.

### Inherent Limitations

The Subject Matter Information involved non-financial information, which was subject to more inherent limitations than financial information. The information may involve significant judgment, assumptions and interpretations by the management, and the different stakeholders may have different interpretations of such information.

### Independence and Quality Control

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Standard on Quality Management 1 "Quality Management for Public Accounting Firms" issued by the Accounting Research and Development Foundation of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information is not prepared, in all material respects, in accordance with the applicable criteria.

### Other Matters

We shall not be responsible for conducting any further assurance work for any change of the Subject Matter Information or the applicable criteria after the issuance date of this report.

The engagement partner on the limited assurance report is Chien-Hsin Hsieh.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

June 18, 2025

### Notice to Readers

*For the convenience of readers, the independent auditors' limited assurance report and the accompanying summary of subject matter information have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' limited assurance report and summary of subject matter information shall prevail.*

APPENDIX 1

SUMMARY OF SUBJECT MATTER INFORMATION

| #                                          | Subject Matter Information                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Corresponding Section                   | Applicable Criteria                       | Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
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| 1.                                         | <div>Energy consumption within the organization</div> <table><tr><td>Purpose of using the energy</td><td>Total energy consumption (GJ)</td></tr><tr><td>Energy consumption within the organization</td><td>2,392,597.546</td></tr></table> <div><ul style="list-style-type: none"><li>The percentage of purchased electricity is 28.60%</li><li>Renewable energy 1.58%</li></ul></div> <div>Self-generation and self-consumption</div> <table><tr><th>Energy type</th><th>Year</th><th>Renewable energy (GJ)</th></tr><tr><td>Factory</td><td></td><td>Self-generation and self-consumption</td></tr><tr><td>Factories in Taiwan</td><td rowspan="4">2024</td><td>5,994.848</td></tr><tr><td>Factories in China</td><td>5,800.876</td></tr><tr><td>Factories in Malaysia</td><td>0</td></tr><tr><td>Other factories</td><td>0</td></tr></table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Purpose of using the energy             | Total energy consumption (GJ)             | Energy consumption within the organization                                                                                                       | 2,392,597.546                             | Energy type | Year | Renewable energy (GJ) | Factory |                 | Self-generation and self-consumption | Factories in Taiwan | 2024   | 5,994.848      | Factories in China | 5,800.876 | Factories in Malaysia | 0                 | Other factories | 0     | CH3 Environmental | Total energy consumption, percentage of purchased electricity, utilization rate(renewable energy/total energy), and total self-generated and self-use energy | Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph1, Table1-2, No.1 |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Purpose of using the energy                | Total energy consumption (GJ)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                         |                                           |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Energy consumption within the organization | 2,392,597.546                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                         |                                           |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Energy type                                | Year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Renewable energy (GJ)                   |                                           |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Factory                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Self-generation and self-consumption    |                                           |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Factories in Taiwan                        | 2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 5,994.848                               |                                           |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Factories in China                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 5,800.876                               |                                           |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Factories in Malaysia                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 0                                       |                                           |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Other factories                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 0                                       |                                           |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| 2.                                         | <div>Production Water</div> <table><tr><th></th><th>Water withdrawal (thousand cubic meters)</th><th>Water discharge (thousand cubic meters)</th><th>Water consumption (thousand cubic meters)</th></tr><tr><th></th><th>2024</th><th>2024</th><th>2024</th></tr><tr><td>Total in Taiwan</td><td>366.33</td><td>152.72</td><td>213.61</td></tr><tr><td>Total in China</td><td>642.47</td><td>135.03</td><td>507.44</td></tr><tr><td>Total in Malaysia</td><td>76.89</td><td>14.00</td><td>62.89</td></tr><tr><td>Group-wide total</td><td>1085.69</td><td>301.75</td><td>783.94</td></tr></table> <div>Note: The Xi-zhi Plant has been officially included in the management system since 2022. Starting in 2024, due to boundary adjustments and water use characteristics, the water withdrawal for the Xi-zhi Plant and Hubei Slitting Plant is assumed to be equal to their wastewater discharge.</div> <div>Non-Production Water and Other Areas</div> <table><tr><th></th><th>Water withdrawal (thousand cubic meters)</th></tr><tr><th></th><th>2024</th></tr><tr><td>Taiwan</td><td>16.48</td></tr><tr><td>Others</td><td>34.71</td></tr><tr><td>Group-wide total</td><td>51.19</td></tr></table> <div>Note:<ul style="list-style-type: none"><li>Other regions: Italy, Japan Chiryu, Japan Kodama, Thailand, US, and Korea have been included in the management system since 2023. Additionally, the Vietnam office is a single office without direct water sources or facilities, and no water resource costs were incurred during the lease period. Therefore, this location cannot provide non-production water withdrawal data.</li><li>The office is unable to compile statistics on the volume of water discharged and therefore does not disclose the volume of water discharged and the amount of water consumed.</li></ul></div> |                                         | Water withdrawal (thousand cubic meters)  | Water discharge (thousand cubic meters)                                                                                                          | Water consumption (thousand cubic meters) |             | 2024 | 2024                  | 2024    | Total in Taiwan | 366.33                               | 152.72              | 213.61 | Total in China | 642.47             | 135.03    | 507.44                | Total in Malaysia | 76.89           | 14.00 | 62.89             | Group-wide total                                                                                                                                             | 1085.69                                                                                                                                                               | 301.75 | 783.94 |  | Water withdrawal (thousand cubic meters) |  | 2024 | Taiwan | 16.48 | Others | 34.71 | Group-wide total | 51.19 | CH3 Environmental | Total water withdrawn, total water consumption, mandatorily or voluntarily disclosed total wastewater (sewage) discharged | Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph1, Table1-2, No.2 |
|                                            | Water withdrawal (thousand cubic meters)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Water discharge (thousand cubic meters) | Water consumption (thousand cubic meters) |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
|                                            | 2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 2024                                    | 2024                                      |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Total in Taiwan                            | 366.33                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 152.72                                  | 213.61                                    |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Total in China                             | 642.47                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 135.03                                  | 507.44                                    |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Total in Malaysia                          | 76.89                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 14.00                                   | 62.89                                     |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Group-wide total                           | 1085.69                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 301.75                                  | 783.94                                    |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
|                                            | Water withdrawal (thousand cubic meters)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                         |                                           |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
|                                            | 2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                         |                                           |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Taiwan                                     | 16.48                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                         |                                           |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Others                                     | 34.71                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                         |                                           |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |
| Group-wide total                           | 51.19                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                         |                                           |                                                                                                                                                  |                                           |             |      |                       |         |                 |                                      |                     |        |                |                    |           |                       |                   |                 |       |                   |                                                                                                                                                              |                                                                                                                                                                       |        |        |  |                                          |  |      |        |       |        |       |                  |       |                   |                                                                                                                           |                                                                                                                                                                       |

(Continued)

| #                                       | Subject Matter Information                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Corresponding Section             | Applicable Criteria                                                                                                                                           | Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports                      |         |                          |        |                                         |         |                             |      |                       |                                |                                                                                                                                                                       |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|--------------------------|--------|-----------------------------------------|---------|-----------------------------|------|-----------------------|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3.                                      | <ul style="list-style-type: none"><li>The total of the hazardous waste within plants in Taiwan, China and Malaysia was 142,575 metric tons.</li><li>The reuse rate (recycling ratio) of hazardous waste in Eternal in 2024 was 60.70%.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | CH3 Environmental                 | Total quantity of hazardous wastes generated during the production process of products required to be disclosed under the law or to be disclosed voluntarily. | Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph1, Table1-2, No.3 |         |                          |        |                                         |         |                             |      |                       |                                |                                                                                                                                                                       |
| 4.                                      | <ul style="list-style-type: none"><li>In 2024, eight incidents of incapacitating injuries involving both male and female employees were reported across our manufacturing sites, resulting in injuries to 8 male employees.</li><li>The IR was 0.18.</li></ul> <p>IR: Number of persons injured and disabled × 200,000/Total working hours.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                       | CH4 Workplace                     | Number of employees in and rate of occupational accidents                                                                                                     | Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph1, Table1-2, No.4 |         |                          |        |                                         |         |                             |      |                       |                                |                                                                                                                                                                       |
| 5.                                      | In 2024, assessments in Taiwan indicated no significant negative environmental or social impacts on local communities. The Lu-Chu, Da-Fa, and Ping-Nan plants have implemented ISO 50001, 14001 and 45001 management systems, while the Xi-zhi site adheres to group-wide policies. All sites have achieved 100% engagement in stakeholder communications with local communities, including nearby residents, employees, schools, community service organizations, and regulatory authorities.                                                                                                                                                                                                                                                                                        | CH6 Neighborly                    | Operations with significant actual and potential negative impacts on local communities.                                                                       | Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph1, Table1-2, No.5 |         |                          |        |                                         |         |                             |      |                       |                                |                                                                                                                                                                       |
| 6.                                      | Eternal uses the signing of the Supplier Code of Conduct, the provision of ESG reports, or the submission of a supplier corporate social responsibility self-assessment as one of the evaluation criteria for suppliers. In 2024, the Company selected the top 50 suppliers by procurement amount in Taiwan to confirm the signing rate of the Supplier Code of Conduct. Additionally, most large and international suppliers have conducted annual ESG reporting, which reflects concrete practice of supplier corporate social responsibility. The confirmation results for the top 50 suppliers in 2024 showed a 100% rate of signing or providing ESG reports. Furthermore, the signing rate of the Supplier Code of Conduct for newly added suppliers in 2024 also reached 100%. | CH3 Environmental<br>CH5 Partners | Concrete valid mechanisms and actions implemented by the company itself and its suppliers to mitigate negative environmental or social impact                 | Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph1, Table1-2, No.6 |         |                          |        |                                         |         |                             |      |                       |                                |                                                                                                                                                                       |
| 7.                                      | Product Production Information <table><tr><th>Main product group</th><th>Production volume</th></tr><tr><td>Synthetic resins(Ton)</td><td>103,051</td></tr><tr><td>Specialty materials(Ton)</td><td>24,751</td></tr><tr><td>Electronic materials(KFT<sup>3</sup>)</td><td>653,984</td></tr><tr><td>Electronic materials(Other)</td><td>Note</td></tr></table> <p>Note: Due to the large variety of electronic materials(others), the quantities are not disclosed individually.</p>                                                                                                                                                                                                                                                                                                   | Main product group                | Production volume                                                                                                                                             | Synthetic resins(Ton)                                                                                                                                                 | 103,051 | Specialty materials(Ton) | 24,751 | Electronic materials(KFT <sup>3</sup> ) | 653,984 | Electronic materials(Other) | Note | CH1 About This Report | Production by product category | Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph1, Table1-2, No.7 |
| Main product group                      | Production volume                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                   |                                                                                                                                                               |                                                                                                                                                                       |         |                          |        |                                         |         |                             |      |                       |                                |                                                                                                                                                                       |
| Synthetic resins(Ton)                   | 103,051                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                   |                                                                                                                                                               |                                                                                                                                                                       |         |                          |        |                                         |         |                             |      |                       |                                |                                                                                                                                                                       |
| Specialty materials(Ton)                | 24,751                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                   |                                                                                                                                                               |                                                                                                                                                                       |         |                          |        |                                         |         |                             |      |                       |                                |                                                                                                                                                                       |
| Electronic materials(KFT <sup>3</sup> ) | 653,984                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                   |                                                                                                                                                               |                                                                                                                                                                       |         |                          |        |                                         |         |                             |      |                       |                                |                                                                                                                                                                       |
| Electronic materials(Other)             | Note                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                   |                                                                                                                                                               |                                                                                                                                                                       |         |                          |        |                                         |         |                             |      |                       |                                |                                                                                                                                                                       |

(Concluded)



