



Shuang-Bang Industrial Corp.

2025

Sustainability Report

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Editorial Policy

Dear Readers,

Thank you for reading the Corporate Sustainability Report issued by Shuang-Bang Industrial Corp. (hereinafter referred to as "Shuang-Bang").

This report aims to fully disclose information of concern to Shuang-Bang's stakeholders and to provide a clear account of the Company's planning and implementation results in areas such as corporate governance, financial operations, environmental protection, supply chain management, employee care, and social contribution, thereby fulfilling its corporate sustainability responsibilities and advancing sustainable development.

Reporting Boundary and Scope [GRI 2-2]

This report primarily discloses information on Shuang-Bang's corporate sustainability responsibilities in the economic, environmental, and social aspects for 2025. The reporting scope covers the Yongxing Plant (Headquarters), Renhe Plant, Nangang Plant, Taipei Office, and the subsidiary Miracle Textile Industry Co., Ltd. The boundaries for financial and operational data disclosures align with the financial reports, covering Shuang-Bang and all subsidiaries. The boundaries for environmental sustainability and social disclosures cover Shuang-Bang's Yongxing Plant, Renhe Plant, Nangang Plant, and Taipei Office. Any differences in scope will be indicated in the relevant sections.

Reporting Period [GRI 2-3]

This report covers Shuang-Bang's key ESG management focuses and achievements for 2025, from January 1 to December 31, 2025. The disclosures cover ESG commitments, strategies, goals, management policies, key topics, responses, and performance of activities. For completeness of project and activity performance, certain content also includes information prior to January 1, 2025 and after December 31, 2025.

Shuang-Bang publishes its Corporate Sustainability Report on a regular annual basis. The report is available for download on the Company's website under the "Sustainability" section.

Sustainability Report Download:
https://www.shuang-bang.com/stake_2.html



Basis of Preparation

This report has been prepared in accordance with the latest version of the Global Reporting Initiative (GRI) Standards and the "Regulations Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies." Shuang-Bang has long been committed to advancing and improving Environmental (E), Social (S), and Governance (G) practices. The report also aligns with the United Nations Sustainable Development Goals (SDGs) and references the Task Force on Climate-Related Financial Disclosures (TCFD), addressing the sustainability topics of concern to Shuang-Bang's stakeholders. Through transparent disclosure, the Company seeks mutual learning and growth, with the expectation of continuously progressing toward sustainable development.

Restatement [GRI 2-4]

Restated Information	Reason for Restatement	Impact of Restatement	Reporting Section
2024 Greenhouse Gas Emissions	Revised data verified by a third party	Emissions increased by 0.35% after revision.	4.1 Greenhouse Gas Management
2023 Employee Basic Salary and Remuneration Ratio	Adjusted calculation method	The basic salary ratio of male to female senior managers increased by 0.06. The compensation ratio of male to female senior managers decreased by 0.11.	5.1.2 Employee Diversity and Equal Opportunity
2024 Employee Basic Salary and Remuneration Ratio	Adjusted calculation method	The basic salary ratio of male to female senior managers increased by 0.04. The compensation ratio of male to female senior managers decreased by 0.06.	5.1.2 Employee Diversity and Equal Opportunity

Report Assurance/Verification [GRI 2-5]

All information and statistical data disclosed in this report are compiled by Shuang-Bang Industrial Corp. The financial data are based on publicly released information audited and certified by independent accountants. To ensure the reliability of the information disclosed in this report, the standards adopted and the assurance/verification organizations for each dataset are as follows:

Disclosure Item	Applicable Standard	Assurance/Verification Organization
Performance Indicators (See Appendix 3)	Assurance Standard No. 3000 issued by the Accounting Research and Development Foundation in Taiwan (based on ISAE 3000)	Weyong International CPAs & Co.
Financial Data	Regulations Governing Certified Public Accountants' Auditing and Attestation of Financial Statements and Generally Accepted Auditing Standards	Weyong International CPAs & Co.
Management System	ISO 9001:2015 Quality Management System	SGS Taiwan Ltd.
	ISO 14001:2015 Environmental Management System	SGS Taiwan Ltd.
	ISO 45001:2018 Occupational Health and Safety Management System	LRQA Taiwan Branch (LRQA)
2023 Greenhouse Gas	ISO 14064-1:2018 Specification with Guidance at the Organization Level for Greenhouse Gas Emissions	AFNOR Asia Ltd.
2024 Greenhouse Gas	ISO 14064-1:2018 Specification with Guidance at the Organization Level for Greenhouse Gas Emissions	LRQA Taiwan Branch (LRQA)

Feedback [GRI 2-3]

To all readers concerned about Shuang-Bang Industrial Corp., we remain committed to sustainable development and dedicated to fulfilling our responsibilities in corporate governance, environmental protection, and corporate sustainability. This report is published in Chinese and made available on the Company's website for public access. We sincerely welcome your valuable feedback and suggestions.



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Message from the Leadership [GRI 2-22]

As the global movement toward sustainability continues to accelerate, enterprises must not only pursue operational performance, but also address challenges such as climate change, supply chain resilience, talent development, and corporate governance from a long-term perspective. Since its establishment, Shuang-Bang has upheld the core spirit of "sound operations, continuous innovation, and fulfilling responsibilities," demonstrating its commitment to sustainable development through a more comprehensive sustainability governance framework, more rigorous management systems, and more transparent information disclosure. Through the joint efforts of all employees, we have gradually integrated sustainability concepts into our corporate culture and operational decision-making, making sustainability an important force driving the Company's continued growth.

In 2025, Shuang-Bang reviewed its sustainability governance framework. As resolved by the Board of Directors, the Company strengthened the functions of the Sustainability Development Committee and adopted a top-down governance model. A cross-departmental Sustainability Development Task Force was established to define clearer management processes and division of responsibilities in corporate governance, environmental management, social responsibility, and information disclosure, enabling sustainability issues to be more effectively implemented in daily operations. Through organizational adjustments, the Company has enhanced the efficiency of sustainability management and become more agile in responding to international trends and stakeholder expectations.

In terms of sustainability performance, Shuang-Bang achieved steady progress across the three aspects of governance, environment, and society. In terms of governance, the Company continued to promote green product development, enhance Board diversity, strengthen cybersecurity management, and improve information transparency through sustainability meetings and committee mechanisms. In the environmental aspect, the Company completed the 2024 greenhouse gas inventory and third-party verification, and included Scope 3 in the inventory boundary for the first time, strengthening the completeness of carbon management. Through measures such as energy conservation improvements, wastewater recycling, and air pollution reduction, Shuang-Bang demonstrated its commitment to environmental protection. In the social aspect, the Company obtained ISO 45001 Occupational Health and Safety Management System certification for the first time. It also continued to promote hazard identification, risk assessment, and health promotion services to deepen occupational health and safety management. At the same time, the Company actively expanded talent recruitment, enhanced measures for a middle-aged and senior-friendly workplace, and strengthened talent development and health promotion, creating a safe, respectful, and growth-oriented work environment.

Looking ahead, Shuang-Bang will continue to promote low-carbon transformation, the circular economy, and green product innovation based on scientific management and international standards. The Company will also deepen sustainable supply chain management and work with partners to jointly enhance industrial resilience. In addition, the Company is committed to maintaining its focus on human rights issues, climate risks, and cybersecurity, and to responding to stakeholder expectations with a transparent and responsible attitude.

Sustainability is a long-term journey that requires steadfast commitment. Shuang-Bang will remain true to its founding values and continue to improve, ensuring that corporate growth advances in parallel with environmental and social well-being. We look forward to moving forward together with all stakeholders to build a more resilient and competitive sustainable enterprise for the next decade.

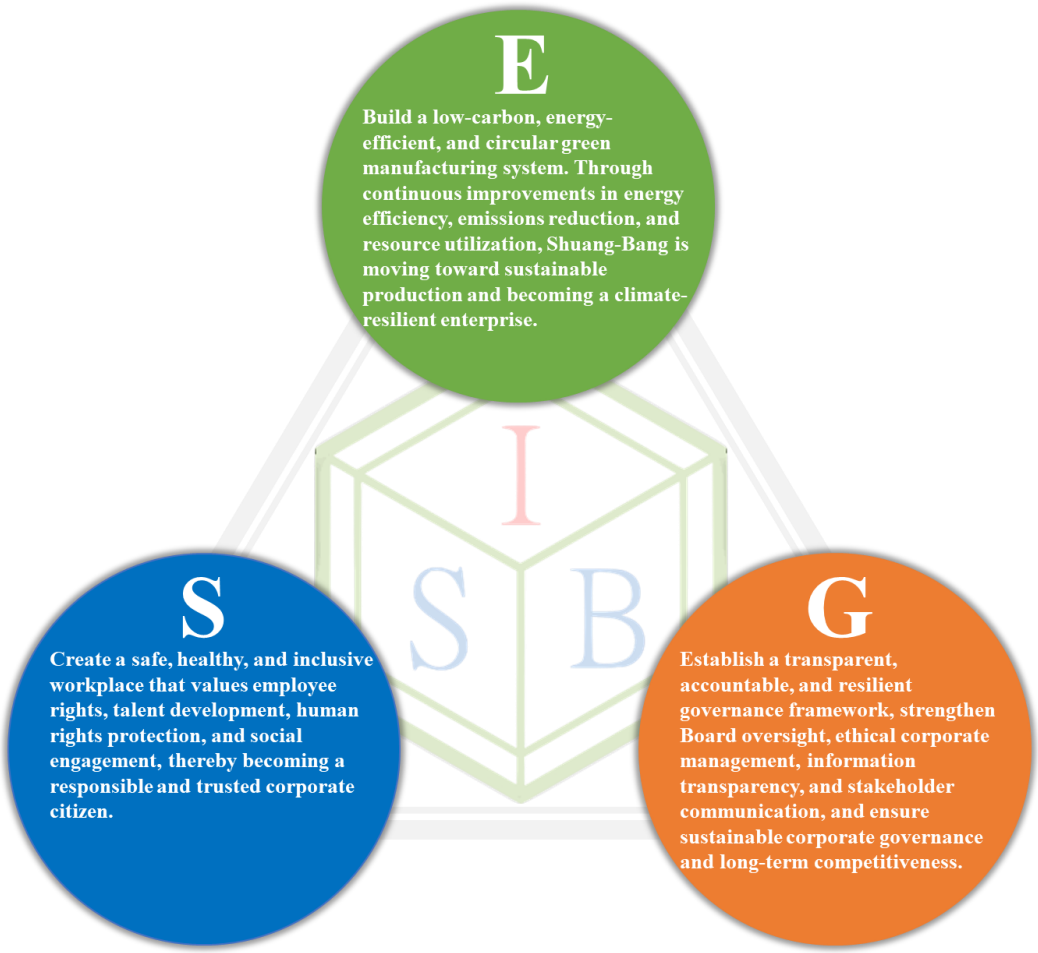
Chung-Tang Chang, Chairman, Shuang-Bang Industrial Corp. in 2026

CH1 Sustainable Development

1.1 Sustainable Development Vision

1.1.1 Sustainability Vision [GRI 2-22]

With sustainability governance as its foundation, Shuang-Bang promotes low-carbon environmental transformation and social co-prosperity, and is committed to creating long-term, responsible, and resilient corporate value across the three aspects of ESG.



S Social Engagement	E Sustainable Environment	G Corporate Governance
Establish a workplace with zero major accidents	Actively reduce greenhouse gas emissions	Strengthen sustainability information disclosure and transparency
Strengthen employee health promotion and well-being	Improve energy efficiency and energy conservation performance	Implement ethical corporate management and regulatory compliance
Promote human rights due diligence and protection systems	Promote wastewater and waste recycling and reuse	Enhance cybersecurity protection and customer data protection
Strengthen talent recruitment, retention, and development capabilities	Strengthen pollution control	Develop low-carbon, eco-friendly, and recycled-material products
Promote social contribution and community engagement	Build climate change adaptation capabilities	Actively respond to stakeholder issues

1.1.2 Sustainability Objectives

2025 Sustainable Development Achievements

Governance Aspect			
SDGs	Objectives		2025 Performance
	Green Product Development	Water-based resin development	Completed the development of two water-based resin products.
		Bio-based material resin development	Completed the development of one bio-based material resin product.
		Recycled material (r-PET) resin development	Completed the development of one recycled material (r-PET) resin product.
	Board Diversity and Independence	Directorships held by either gender	One female director, representing 11.11% of board members.
		Independent directorships	Three independent directors, representing 33.33% of the board members.
	Customer Service	Customer satisfaction	The average customer satisfaction score across the three major business divisions was 92.42.
	Cybersecurity	Social engineering drill	The average email open rate among tested personnel was 8%, and the average email attachment click-through rate was 1%. A total of 35 employee training participations were completed for tested personnel who did not pass.
	Human Rights Protection	Human rights due diligence	Completed the human rights due diligence report and established corresponding mitigation and remediation measures.
	Sustainable Partnership	Supplier evaluation and audit	Conducted on-site audits of two suppliers and a document review audit of one supplier.
		Supplier Code of Conduct and Commitment	As of 2025, 73% of suppliers have completed the signing.
		Supplier Integrity Commitment	As of 2025, 72% of suppliers have completed the signing.
	Sustainability Information Management	Sustainability meetings	A total of four sustainability meetings were held, during which each group under the Sustainability Development Task Force reported on the implementation progress and improvements related to sustainability issues.
		Sustainability Development Committee	A total of two Sustainability Development Committee meetings were held to report on the implementation status of the Sustainability Development Task Force.

Environmental Aspect			
SDGs	Objectives		2025 Performance
	Wastewater Reuse	DMF crude liquid fractional distillation tower recovery equipment	Self-treated volume: 369.18 metric tons/yearp; annual liquid waste volume: 10,449.60 metric tons.
	Air Pollution Control	VOC reduction optimization	The DMF reduction rate for emissions from the wet process at the Yongxing Plant increased to 95.1%.
	Energy Management	Energy Conservation Improvement Plan	Saved a total of 267,879 kWh of electricity, resulting in energy savings of 964.5862 GJ.
	Greenhouse Gas Management	ISO 14064-1:2018	Completed third-party verification of 2024 greenhouse gas emissions, and included Scope 3 in the inventory boundary for the first time.

Social Aspect			
SDGs	Objectives		2025 Performance
	Occupational Health and Safety Management System	ISO 45001:2018	Initial certification was completed, with the Company passing third-party verification and obtaining the certificate.
		Hazard Identification and Risk Assessment	No high-risk incidents were identified, and improvement measures were proactively implemented for seven potential risks.
	Health Promotion	Health consultation and advice	On-site health services provided by medical personnel completed a total of 426 employee health consultations and guidance sessions.
	Talent Recruitment	Strengthen the recruitment of middle-aged and senior workers	Retained two newly hired middle-aged and senior employees and rehired two employees who reached the retirement age of 65.
		Expand recruitment channels	Participated in five campus recruitment events and one job fair, and partnered with one school on corporate internships.

Sustainable Development Goals

Governance Aspect					
SDGs	**Topic**	**Indicator**	**Short-Term Goal** 2025-2027	**Medium-Term Goal** 2028–2030	**Long-Term Goal** 2030 and Beyond
	**Operational Strategy and Economic Performance**	(1) Quarterly disclosure of financial information. (2) Regular review of operating profitability and deliberation on significant proposals by the Board of Directors.	Maintain or pursue positive growth in revenue and profitability.	Maintain or pursue positive growth in revenue and profitability.	Maintain or pursue positive growth in revenue and profitability.
	**Product Design and R&D**	(1) Annual monitoring of restricted substances in raw materials. (2) Annual monitoring of restricted substances in textiles.	Green product project completion rate > 40%	Green product project completion rate > 70%	Green product project completion rate > 90%
	**Product and Service Quality**	(1) Regular customer satisfaction surveys. (2) Digitalized systems to monitor product quality and process parameters in real time, with analysis and traceability of relevant parameters for raw material quality control, process conditions, and product quality.	Achieve 90% customer satisfaction.	Conduct annual customer satisfaction surveys and continuously establish various communication platforms to promptly address customer issues.	Strengthen the frequency of regular discussions with customers or brands on new product development progress and issues to facilitate the smooth advancement of new products.
	**Cybersecurity and Customer Privacy Protection**	(1) Email open rate and email attachment click-through rate in social engineering drills. (2) Cybersecurity education and training. (3) Number of incidents involving losses caused by cybersecurity incidents and impacts from customer information leakage.	Establish basic cybersecurity protection and policies, and conduct employee cybersecurity awareness training and drills to prevent losses caused by cybersecurity incidents.	Apply advanced technologies in management, implement sensitive data protection and monitoring, and establish an Information Security Management System with ISO 27001.	Implement comprehensive cybersecurity governance and establish a security awareness training platform.

Environmental Aspect

SDGs	Topic	Indicator	Short-Term Goal 2026	Medium-Term Goal 2027	Long-Term Goal 2030
	**Climate Change and Adaptation**	(1) Achieve the annual average electricity savings rate target of 1% as required by the Bureau of Energy, Ministry of Economic Affairs. (2) Implement electricity savings rate targets set annually by each department. (3) Continue R&D in low-carbon products.	Reduce GHG emissions by 0.5% compared to the prior year	Reduce GHG emissions by 0.5% compared to the prior year	Reduce GHG emissions by 3% relative to the 2024 baseline year.

Social Aspect

SDGs	Topic	Indicator	Short-Term Goal 2025-2027	Medium-Term Goal 2028–2030	Long-Term Goal 2030 and Beyond
	**Occupational Health and Safety**	(1) 80% training participation rate. (2) 80% participation rate in health seminars. (3) 80% SHE Committee meeting attendance rate. (4) Obtain third-party verification.	(1) Pass third-party verification of the ISO 45001 Occupational Health and Safety Management System each year. (2) Completion rate of objectives management program of 85%	(1) Fewer than 20 occupational safety incidents per year. (2) Target program achievement rate of 100%. (3) Three health seminars per year, with a participation rate of 85%.	(1) Fewer than 15 occupational safety incidents per year. (2) Zero major accidents. (3) Health promotion activity participation rate of 60%.
	**Talent Recruitment and Development**	Employee retention status and recruitment performance.	(1) Limit annual employee voluntary turnover to under 48. (2) Achieve a recruitment fulfillment rate of 45% or above.	(1) Migrate 100% of internal training courses to the online learning platform. (2) Maintain a new-hire retention rate of 80% or above.	(1) Limit the average time-to-hire to within 70 days. (2) Complete succession planning for department heads.
	**Human Rights Protection**	(1) Response measures for high-risk items. (2) Disclosure of human rights policies and management. (3) Employee feedback form.	(1) Complete the revision of the “Human Rights and Employee Communication Management Regulations.” (2) Publish an annual human rights report.	(1) Zero material human rights complaint cases occurred. (2) Achieve a 100% human rights training completion rate.	(1) Zero labor disputes. (2) Promote corporate responsibility among suppliers.

1.2 Sustainable Development Management

Sustainability Governance Structure [GRI 2-13]

To achieve sustainability goals and effectively implement sustainability initiatives, Shuang-Bang Industrial Corp. transformed its former "Corporate Social Responsibility Promotion Committee" into the "Sustainability Development Committee" in 2022, as approved by the Board of Directors. The Committee serves as the decision-making and supervisory body for sustainability-related matters. To further strengthen sustainability governance, the Sustainability Development Committee was restructured in December 2024 and approved by the Board of Directors in March 2025. A top-down governance framework was adopted, with the Board of Directors serving as the highest governing body of the Sustainability Development Committee. Beneath it, a Sustainability Development Task Force was established, with the General Manager serving as the management representative of the Task Force. In alignment with specific indicators set forth by the Global Reporting Initiative (GRI), four cross-departmental working groups were formed: the Corporate Governance Group, the Sustainable Environment Group, the Social Engagement Group, and the Sustainability Information Disclosure Group. These groups are responsible for carrying out sustainability initiatives and ensuring the effective implementation of Shuang-Bang's sustainability efforts.



Organization	Responsibilities
Board of Directors	◆ Propose the sustainability mission or vision, and formulate sustainability policies, systems, or related management guidelines. ◆ Incorporate sustainability into the Company's operating activities and development direction, and approve specific sustainability implementation plans. ◆ Ensure the timeliness and accuracy of sustainability-related information disclosure. ◆ Authorize the Sustainability Development Committee to address economic, environmental, and social issues arising from operating activities. ◆ Supervise the Company's implementation of sustainability, regularly review implementation results and continuous improvements, and ensure that sustainability policies are implemented.
Sustainability Development Committee	◆ Formulate, promote, and strengthen the Company's sustainability policies, annual plans, and strategies. ◆ Review, track, and revise the implementation status and effectiveness of sustainability initiatives. ◆ Supervise sustainability information disclosure matters and review the sustainability report. ◆ Supervise the implementation of matters under the Company's Sustainable Development Best Practice Principles or other sustainability-related tasks resolved by the Board of Directors. ◆ Authorize senior managers to serve as the heads of the Task Force and promote the Company's sustainability-related work. ◆ Report the implementation results of sustainability initiatives to the Board of Directors at least once each year.
Sustainability Development Task Force	◆ Assist the Sustainability Development Committee in implementing various plans. ◆ Form cross-departmental groups to carry out sustainability initiatives. ◆ Report the implementation status of sustainability initiatives to the Sustainability Development Committee at least once each year.
Corporate Governance Team	◆ Responsible for legal compliance related to corporate governance. ◆ Establish reasonable remuneration policies and employee performance evaluation systems. ◆ Establish internal and external communication among all members of the organization and key members of the value chain, as well as stakeholder communication mechanisms. ◆ Assess relevant risks and management mechanisms.
Sustainable Environment Team	◆ Responsible for the environmental management system. ◆ Comply with environmental regulations and international standards. ◆ Assess sustainable transformation, resource efficiency improvement, and climate change response mechanisms. ◆ Establish dedicated environmental management units or personnel.
Social Engagement Team	◆ Responsible for the human rights management policies and procedures. ◆ Comply with relevant regulations and international standards for sustainability information disclosure. ◆ Establish reasonable education and training. ◆ Promote community development and cultural development.
Sustainability Information Disclosure Team	◆ Responsible for the sustainability information management policies. ◆ Comply with relevant regulations and international standards for sustainability information disclosure. ◆ Fully disclose relevant and reliable sustainability information. ◆ Improve sustainability information transparency.

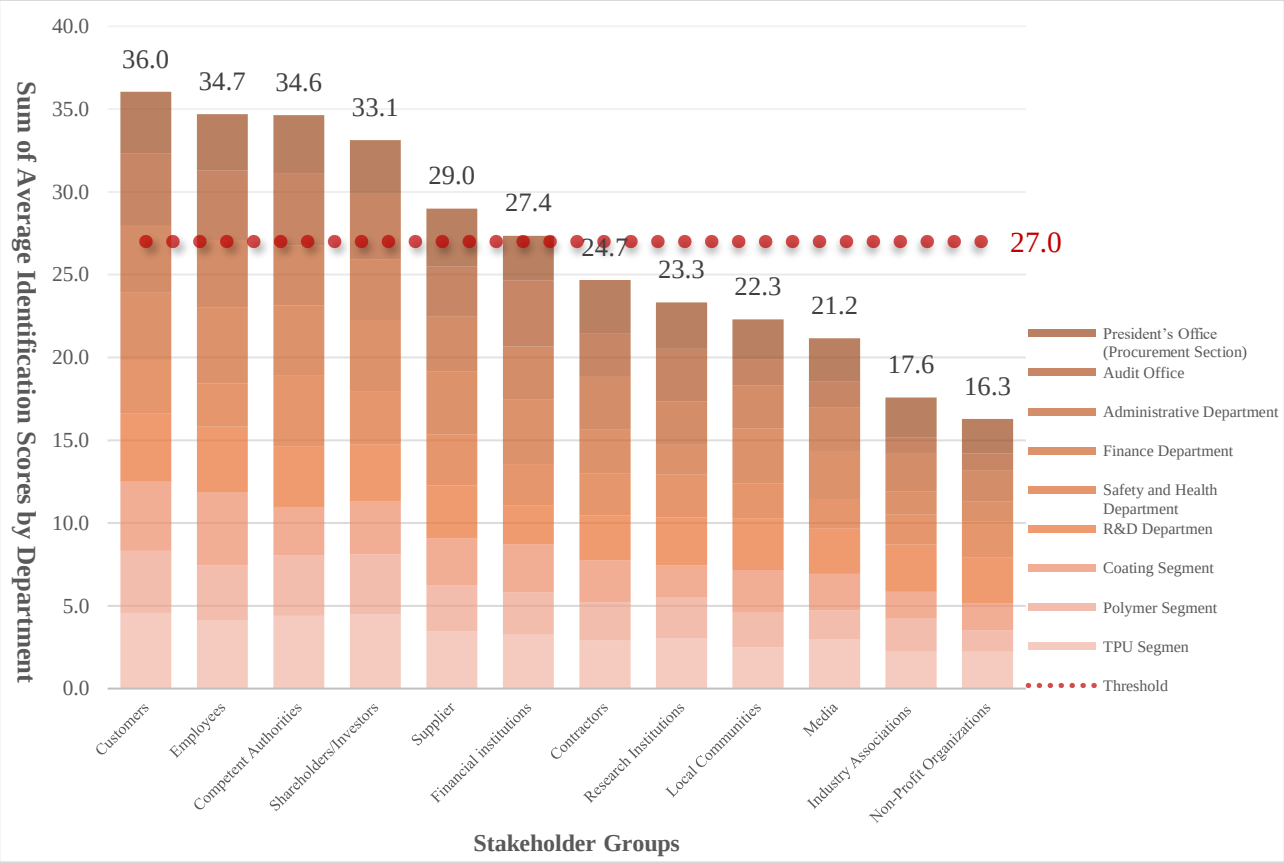
2025 Sustainability Development Implementation Report [GRI 2-16]

Sustainability Development Committee date	Report Items
June 12, 2025	◆ 2024 sustainability development achievements and communication with stakeholders.
August 08, 2025	◆ 2024 ESG Report.

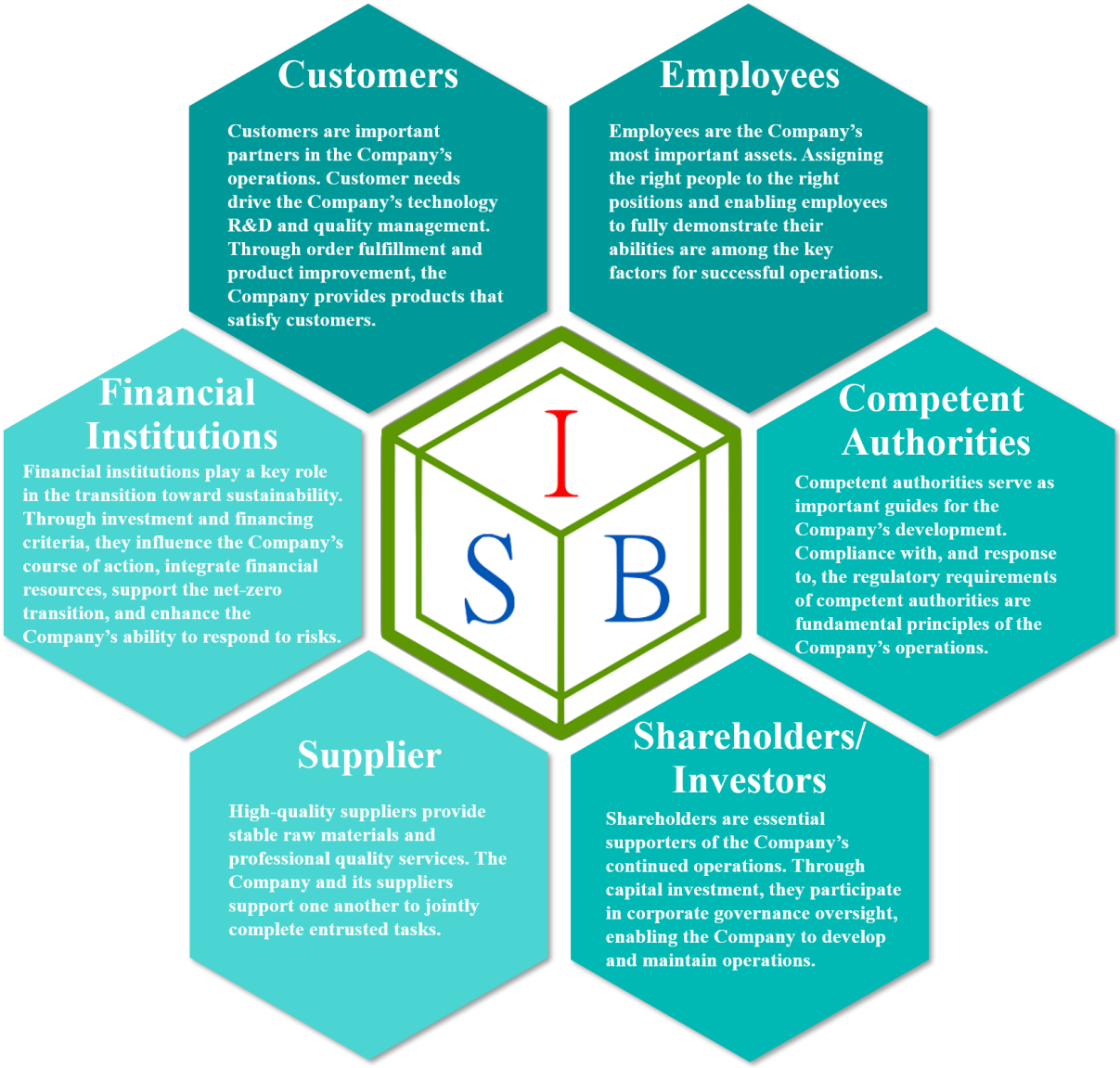
1.3 Stakeholders and Material Topics

1.3.1 Stakeholder Identification and Engagement [GRI 2-29]

Shuang-Bang fully recognizes that communication with stakeholders is key to continuous improvement and long-term corporate development. Each year, the Sustainable Development Task Force conducts stakeholder identification. Based on the AA1000 Stakeholder Engagement Standard (AA1000 SES), the Company adopts a five-principle evaluation method, considering responsibility, influence, tension, diverse perspectives, and dependency. Questionnaires are utilized to score and rank the degree of relationship with stakeholders. A total of 34 managers at or above the deputy section chief level, along with one procurement specialist, reviewed the degree of relationship between stakeholders and Shuang-Bang. The questionnaire results were ranked from highest to lowest according to the degree of relationship. The 2025 identification results showed that six groups, namely customers, employees, competent authorities, shareholders/investors, suppliers, and financial institutions, are Shuang-Bang's important stakeholders and priority communication targets. The Company seeks to establish communication and response mechanisms for sustainability issues with stakeholders, collect stakeholder feedback and suggestions through diverse channels, and incorporate them into its operational planning.

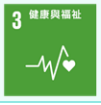


Stakeholders and Communication Channels



Stakeholders	Communication Channels	Stakeholders	Communication Channels
Customers	Spokesperson: President Hsu TEL: 049-2251505#103 Email:rita@sbinet.com.tw	**Shareholders/ Investors**	Spokesperson: President Hsu TEL: 049-2251505#103 Email:rita@sbinet.com.tw
Employees	Administration Department: Manager Tung TEL: 049-2257450#201 Email:sbi_mgmt@sbinet.com.tw	**Supplier**	Spokesperson: President Hsu TEL: 049-2251505#103 Email:rita@sbinet.com.tw
Competent Authorities	Administration Department: Manager Tung TEL: 049-2257450#201 Email:sbi_mgmt@sbinet.com.tw	**Financial Institutions**	Finance Department: Vice President Lin TEL: 049-2257450#301 Email:nitalin@sbinet.com.tw

Topics of Concern to Stakeholders

Topic Aspect	Topic	Customers	Employees	Competent Authorities	Shareholders/ Investors	Supplier	Financial Institutions	Corresponding Section	SDGs
Governance	**Cybersecurity and Customer Privacy Protection**					●		2.5 Cybersecurity and Customer Privacy Protection	
	Operational Strategy and Economic Performance						●	2.3 Operational Strategy and Economic Performance	
	Corporate Governance/Ethical Corporate Management						●	2.2 Corporate Governance 2.4 Ethical Corporate Management	
	Product and Service Quality	●			●		●	3.2 Product and Service Quality	
	Product Design and R&D				●			3.1 Product Design and R&D	
	Customer Relationship Management	●			●			3.4 Customer Relationship Management	
	Supply Chain Sustainability Management					●		3.3 Supply Chain Management	
Environment	**Waste Management and Resource Circulation**			●				4.5 Waste Management	
	Water Resources and Wastewater Management	●		●				4.4 Water Resources and Wastewater Management	
	Climate Change and Adaptation			●				4.6 Climate Change and Adaptation	
	Greenhouse Gas Emissions Management			●				4.1 Greenhouse Gas Management	
Society	**Employee Benefits and Rights Protection**		●					5.2 Employee Rights	
	Human Rights Protection		●					2.7 Human Rights Protection	
	Occupational Health and Safety		●	●		●	●	5.4 Occupational Health and Safety	

Stakeholder Engagement

Stakeholders	Communication Methods and Frequency	Engagement Results
Customers	◆ Customer satisfaction survey: annually ◆ Customer visits: monthly ◆ Technical services: as needed ◆ Quality meetings/production, sales, and R&D meetings: monthly ◆ Third-party verification/certification: annually ◆ International exhibitions: as needed ◆ Company website: anytime	◆ Customer satisfaction score of the Coating Segment: 93.28 ◆ Customer satisfaction score of the Polymer Segment: 91.96 ◆ Customer satisfaction score of the TPU Segment: 92.03 ◆ Management system verifications: ISO 9001, ISO 14001, ISO 45001, ISO 14064-1. ◆ International product certifications: bluesign® APPROVED, OEKO-TEX® STANDARD 100, GRS. ◆ The 23rd Vietnam International Plastics and Rubber Industry Exhibition in Ho Chi Minh City in 2025. ◆ "Product application services" and "International certifications" on the Company's website.
Employees	◆ All-employee meetings: semiannually ◆ Employee awareness sessions: semiannually ◆ Labor–management coordination meeting: quarterly ◆ EHS Committee meeting: quarterly ◆ Health seminars: as needed ◆ Hazard Identification and Risk Assessment: annually ◆ Emergency response drills: semiannually ◆ Human Rights Due Diligence: annually ◆ Announcements/bulletin boards: anytime ◆ Employee communication channels: anytime	◆ All-employee meetings were held in January and July 2025. ◆ Regular awareness sessions were conducted on ethical corporate management, human rights, sexual harassment, cybersecurity, EHS, and occupational health and safety-related issues. ◆ No major occupational safety accidents occurred. ◆ Health lectures were held on the "three highs" (hypertension, hyperglycemia, and hyperlipidemia) and unlawful workplace violations. ◆ Completed improvements for nine occupational health and safety objectives and targets management programs. ◆ Conducted two regular emergency response drills and two unannounced emergency response drills. ◆ Completed the human rights due diligence report, with no high-risk human rights issues and no grievance cases involving human rights violations. ◆ Established and revised the "Human Rights and Employee Communication Management Regulations" and the "OSH Consultation, Participation, and Communication Procedures."
Competent Authorities	◆ Reporting system: As required by regulations ◆ Market Observation Post System: monthly ◆ Official correspondence: ad hoc ◆ On-site audit: ad hoc ◆ Briefings (including awareness sessions and workshops): ad hoc	◆ Regularly completed reporting operations related to environmental protection, occupational safety, labor, and public information. ◆ Inspections by competent authorities for environmental protection, labor inspection, fire safety, and other matters. ◆ Participated in 11 labor–management briefings. ◆ Participated in 5 occupational safety and health briefings. ◆ Participated in 10 environmental protection-related briefings.

Stakeholders	Communication Methods and Frequency	Engagement Results
Shareholders/ Investors	◆ Shareholders' meeting: annually ◆ Investor conferences: annually ◆ Market Observation Post System: monthly ◆ Financial reports: quarterly ◆ Annual Report: annually ◆ ESG Report: annually ◆ Company website: anytime	◆ The Shareholders' Meeting was held on June 12, 2025. ◆ The Investor Conference was held on November 14, 2025. ◆ Monthly revenue and year-over-year growth rate were announced each month. ◆ Financial, governance, sustainability, and other related information was disclosed on a regular basis. ◆ "Investor Relations" section on the Company's website.
Supplier	◆ Supplier evaluation: semiannually ◆ Supplier evaluation audit: annually ◆ Supplier visits: ad hoc ◆ Telephone/fax/email: anytime	◆ A total of 83 suppliers were evaluated in the first half of 2025, and all evaluation results indicated qualified suppliers. ◆ A total of 81 suppliers were evaluated in the second half of 2025, and all evaluation results indicated qualified suppliers. ◆ Completed evaluation audits of 3 suppliers, including 2 on-site audits and 1 document review audit. ◆ 73% of partner suppliers have signed the "Supplier Code of Conduct and Commitment." ◆ 72% of partner suppliers have signed the "Integrity Commitment."
Financial Institutions	◆ Market Observation Post System: monthly ◆ Financial reports: quarterly ◆ Annual Report: annually ◆ ESG Report: annually	◆ Monthly revenue and the implementation status of corporate governance are announced on the Market Observation Post System. ◆ Financial reports approved by the Board of Directors each quarter are announced on the Company's website. ◆ The Annual Report is issued to disclose the implementation results of annual operational strategies. ◆ The ESG Report is issued to disclose the annual implementation status of sustainability issues.

1.3.2 Material Topic Identification [GRI 3-1]

Understanding the Organizational Context

Shuang-Bang considers key aspects of corporate operations, key operating resources, essential factors for business continuity, and each link of the supply chain and value chain. The Company also monitors international sustainability trends and the issues of concern to foreign investment rating agencies in the industry. Based on these considerations, Shuang-Bang ultimately identified a total of 19 sustainability issues, comprising 9 governance issues, 4 environmental issues, and 6 social issues.

Identifying Impacts and Assessing Significance

Based on the list of sustainability issues identified in the preceding stage, Shuang-Bang's Sustainability Development Task Force further assessed the actual and potential positive and negative impacts of each sustainability issue.

Actual or Potential Positive Impacts	Positive impacts may occur when the Company has relevant management policies for a sustainability issue and implements them, resulting in good or significant performance. These are the positive impacts of sustainability development on the economy, environment, and society.
Actual or Potential Negative Impacts	Negative impacts may occur when the Company fails to implement management measures for a sustainability issue or does not implement sound management. These are the negative impacts of the Company's overall operations on the external economy, environment, and society.

Prioritization of Impacts

To evaluate the "likelihood of occurrence" and "magnitude of impact" of the actual and potential positive and negative impacts of each sustainability issue, Shuang-Bang distributed a materiality assessment questionnaire. A total of 34 managers at or above the deputy section chief level, along with one procurement specialist, assessed the likelihood of occurrence and magnitude of impact of the actual and potential positive and negative impacts of each sustainability issue. The results of the questionnaire were used to calculate the significance of both positive and negative impacts, as well as their materiality. The issues were then ranked from highest to lowest in terms of materiality.

Determining Material Topics

- Sustainability issues with a materiality score above 25.30 were defined as material topics. A total of six sustainability issues were selected as material topics: Product design and R&D, Product and service quality, Talent Recruitment and development, Occupational health and safety, Operational Strategy and Economic Performance, and Cybersecurity and Customer Privacy Protection.
- In response to international sustainability trends, Shuang-Bang's Sustainability Meeting resolved to include Human Rights Protection and Climate Change and Adaptation as material topics.
- In 2025, Shuang-Bang identified a total of eight material topics. The Sustainability Development Task Force established corresponding policies and objectives, and planned action plans to address these issues in practice.

Aspect	Sustainability Topics	Significance of Negative Impact	Significance of Positive Impact	Materiality	Material Topics	Remarks
Governance	**Product Design and R&D**	12.13	16.25	28.39	●	
Governance	**Product and Service Quality**	12.49	15.43	27.92	●	
Society	**Talent Recruitment and Development**	12.74	14.45	27.19	●	
Society	**Occupational Health and Safety**	13.40	13.48	26.88	●	
Governance	**Operational Strategy and Economic Performance**	12.24	14.19	26.44	●	
Governance	**Cybersecurity and Customer Privacy Protection**	12.34	13.04	25.38	●	
Governance	**Supply Chain Sustainability Management**	10.94	14.16	25.10		
Governance	**Customer Relationship Management**	11.01	13.48	24.49		
Governance	**Legal Compliance**	10.80	12.94	23.73		
Society	**Employee Benefits and Rights Protection**	10.30	12.92	23.22		
Environment	**Waste Management and Resource Circulation**	10.34	12.65	22.98		
Governance	**Corporate Governance/Ethical Corporate Management**	10.19	12.43	22.62		
Society	**Human Rights Protection**	10.10	12.48	22.58	●	Included as a material topic by resolution of the Sustainability Meeting.
Environment	**Greenhouse Gas Emissions Management**	10.48	11.91	22.39		
Governance	**Risk Management**	10.02	11.81	21.83		
Environment	**Water Resources and Wastewater Management**	9.57	11.10	20.67		
Environment	**Climate Change and Adaptation**	9.47	10.79	20.27	●	Included as a material topic by resolution of the Sustainability Meeting.
Society	**Tax Responsibility**	7.12	10.34	17.46		
Society	**Social Care and Contribution**	6.99	9.16	16.15		

Note 1: Impact significance = average likelihood of occurrence × average magnitude of impact.

Note 2: Materiality = significance of negative impact + significance of positive impact

Note 3: Likelihood of occurrence: will not occur, 1 point; may occur, 2 points; likely to occur, 3 points; very likely to occur, 4 points; certain to occur, 5 points.

Note 4: Magnitude of impact: no impact, 1 point; minor impact, 2 points; moderate impact, 3 points; high impact, 4 points; extremely high impact, 5 points.

1.3.3 Material Topics Management

List of Material Topics [GRI 3-2]

Compared with the previous year, among Shuang-Bang's material topics for 2025, the materiality of "Cybersecurity and Customer Privacy Protection" increased and was included in material topic management. The materiality of "Sustainable Supply Chain Management" decreased and was adjusted to a topic of concern, while its management performance will continue to be tracked. Other material topics remained unchanged.

2025 Material Topics	2024 Material Topics	Description of changes
Operational Strategy and Economic Performance	**Operational Strategy and Economic Performance**	Maintained.
Product Design and R&D	**Product Design and R&D**	Maintained.
Product and Service Quality	**Product and Service Quality**	Maintained.
Climate Change and Adaptation	**Climate Change and Adaptation**	Maintained.
Occupational Health and Safety	**Occupational Health and Safety**	Maintained.
Talent Recruitment and Development	**Talent Recruitment and Development**	Maintained.
Human Rights Protection	**Human Rights Protection**	Maintained.
Cybersecurity and Customer Privacy Protection	-	Materiality adjusted; upgraded to a material topic.
-	**Supply Chain Sustainability Management**	Materiality adjusted; reclassified to a topic of concern.

Material Topics and the Value Chain

Topic Aspect	Material Topics	Significance to Shuang-Bang Industrial Corp.	Value Chain						GRI Topic Standards	Disclosure Section
			Upstream	Shuang-Bang	Downstream	Other Stakeholders				
			Supplier	Employees	Customers	Shareholders/ Investors	Competent Authorities	Financial Institutions		
Governance	**Operational Strategy and Economic Performance**	Sustained profitability to achieve the goal of sustainable operations and create new employment opportunities.		●		●		○	GRI 201: Economic Performance	2.3 Operational Strategy and Economic Performance
	Product Design and R&D	It helps enhance competitiveness and brand recognition, while also serving as a key driver of sustainable development and strengthening the Company's commitment and professional image in the ESG field.		●	●	○		○	Customized Topic	3.1 Product Design and R&D
	Product and Service Quality	Adhere to the business principle of "Quality First, Customer First," follow the ISO 9001 Quality Management System, strictly control product quality, and meet customer expectations for product and service quality.		●	●	○		○	Customized Topic	3.2 Product and Service Quality
	Cybersecurity and Customer Privacy Protection	Strengthen data quality and management efficiency, reduce the impact of cybersecurity incidents, ensure compliance with regulatory requirements, lower the risk of fines and litigation, build stakeholder trust, and enhance corporate image.	○	●	●	○	○	○	GRI 418 Customer Privacy	2.5 Cybersecurity and Customer Privacy Protection
Environment	**Climate Change and Adaptation**	By changing social and economic development models, the Company enables its operations to adapt to the impacts of climate change, seeking to sustain survival, livelihood, and development under extreme climate conditions and the effects of global warming.	●	●	●	○	○	○	Customized Topic	4.6 Climate Change and Adaptation
Society	**Occupational Health and Safety**	Only by ensuring that all employees work in a safe, healthy, and friendly environment can the Company continue to provide high-quality products and services and achieve its sustainable development goals.	○	●	○		○		GRI 403 Occupational Health and Safety	5.4 Occupational Health and Safety
	Talent Recruitment and Development	Employee growth is a source of the Company's competitiveness and helps the Company create operational value.		●					GRI 404 Training and Education	5.3 Talent Recruitment and Development
	Human Rights Protection	Labor–management harmony is the cornerstone of the Company's sustainable development. Respecting human rights and gender equality helps build a fair and harmonious society.	○	●	○		○		GRI 406 Non-discrimination GRI 408 Child Labor	2.7 Human Rights Protection

Note 1: ● Directly related; ○ Indirectly related

CH2 Operations and Governance

2.1 Company Profile

2.1.1 Organizational Profile [GRI 2-1]

Founded in 1989, Shuang-Bang Industrial Corp. is a pioneer in Taiwan in the production of high-performance waterproof and breathable fabrics. With in-house resin production for lamination processing, the Company holds a leading advantage in both quality and cost. Over the years, Shuang-Bang has continuously expanded its operations, acquiring diversified coating equipment and technologies to provide customers with one-stop services.

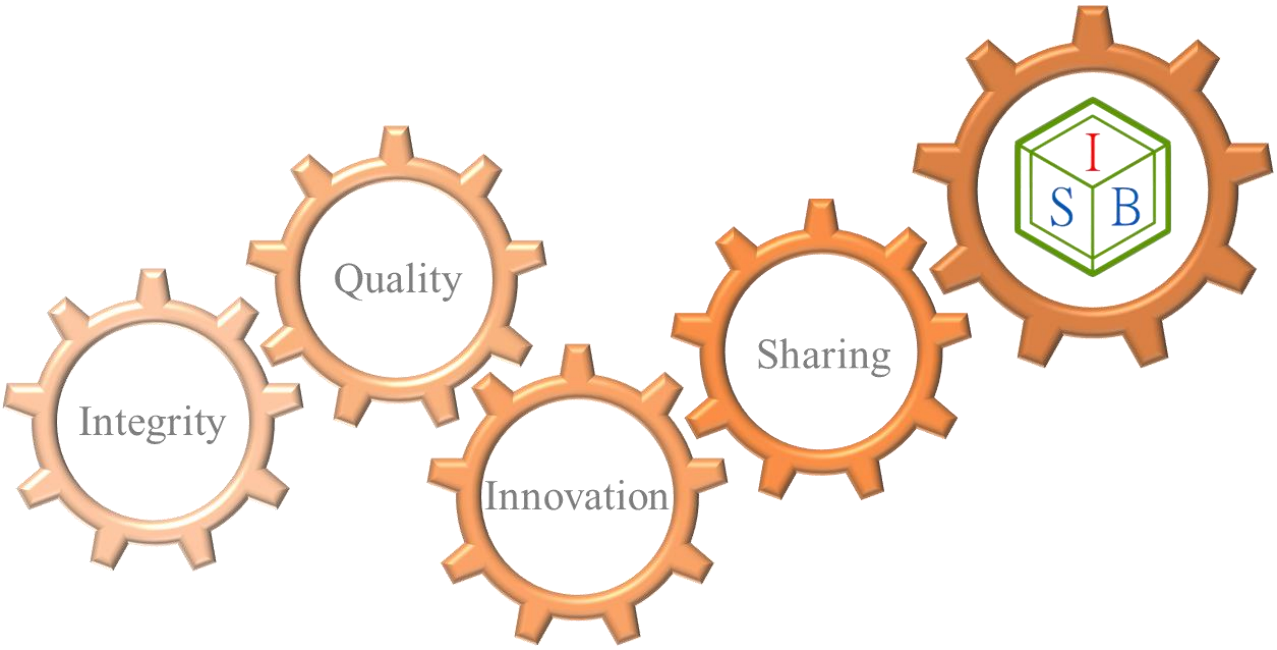
Since 1998, in addition to high-performance PU resins and waterproof breathable fabric processing, Shuang-Bang has expanded its business scope to include the production and sale of curing agents and specialty chemicals. In 2008, the Company developed a TPU product line, primarily applied in footwear materials. This marked Shuang-Bang's expansion from chemical products to functional textile processing, with further applications extended to footwear-related products. Today, Shuang-Bang has become one of the leading domestic manufacturers of high-performance resins, functional textiles, footwear materials, and specialty chemicals.

The Company's headquarters is located in the Nangang Industrial Park, Nantou County, Taiwan. As of December 31, 2025, Shuang-Bang operates four facilities: the Yongxing Plant, Renhe Plant, Nangang Plant, and Taipei Office, employing a total of 376 people.

Shuang-Bang Industrial Corp.	
Chairman	Chung-Tang Chang
President	Yu-Chuan Hsu
Date of Establishment	November 1989
Main products	◆ Coating and lamination processing ◆ Resins, curing agents, and photoinitiators ◆ TPU (thermoplastic polyurethane)
Capital	NT$824 million (as of December 31, 2025)
Employee count	376 employees (as of December 31, 2025)
Headquarters	No. 3, Yongxing Rd., Nangang Industrial Park, Nantou City, Nantou County, Taiwan

Business Philosophy

Shuang-Bang takes “integrity” as its guiding principle, continuously improves “quality,” pursues constant “innovation,” and “sharing” with the Company and society. Under the leadership of senior management, the Company continuously engages in research and development with the aim of providing the highest-quality products, serving people, satisfying customers, and ultimately achieving sustainable operations.



Integrity	Quality	Innovation	Sharing
The Company upholds integrity in its business conduct, complies with laws and regulations, and builds strong partnerships with suppliers and customers.	The Company continuously improves operational quality, product quality, and service quality to maintain its competitive advantages and satisfy customer needs.	Through continuous innovation and research, the Company is committed to process improvement and the development of more competitive or niche products.	While pursuing sustainable operations, the Company uses its profits to care for employees and give back to shareholders and society.

2.1.2 Organizational Value Chain [GRI 2-6]

Industry Classification

Shuang-Bang Industrial Corp. is primarily engaged in the research, development, manufacturing, and sales of functional textiles and chemical products, including coating and lamination processing, polymer chemicals, and TPU products. According to the Sustainability Accounting Standards Board (SASB) under the Sustainable Industry Classification System® (SICS®), Shuang-Bang is classified in the Resource Transformation sector, Chemicals industry. In Taiwan's Taipei Exchange market, the Company is categorized under the textile and fiber industry.

Classification Basis	Industry Classification
SASB Sustainable Industry Classification System (SICS®)	Resource Transformation Sector; Chemicals Industry
Taipei Exchange	textile and fiber industry

Product Structure

Based on its main product categories, Shuang-Bang Industrial Corp. has established three major business divisions: the Coating Division, the Polymer Division, and the TPU Division. In 2025, revenue contributions from these three divisions were as follows: Coating Division 51.27%, Polymer Division 36.13%, and TPU Division 12.60%. The revenue structure showed no significant changes compared with the previous year.

Net Revenue (Unit: NTD thousands)

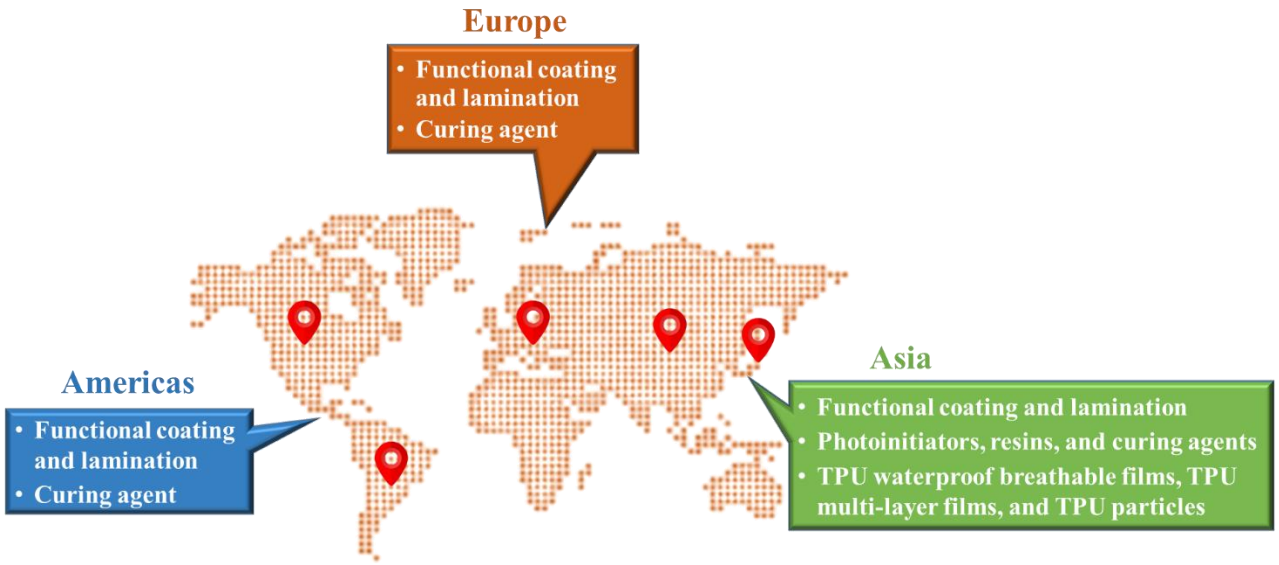
Main products		2023		2024		2025	
		Net operating income	Percentage of revenue	Net operating income	Percentage of revenue	Net operating income	Percentage of revenue
Coating and lamination		765,789	48.45%	1,006,767	52.77%	961,439	51.27%
Polymer	**Resins (including processing)**	189,175	11.97%	197,905	10.37%	206,947	11.03%
	Curing agents (including processing)	347,553	21.99%	389,607	20.42%	390,093	20.80%
	Photoinitiator	31,220	1.97%	64,589	3.39%	80,632	4.30%
TPU		184,241	11.66%	200,874	10.53%	236,332	12.60%
Others		62,630	3.96%	48,097	2.52%	0	0.00%
Total		1,580,608	100.00%	1,907,839	100.00%	1,875,443	100.00%

Sales Market

Shuang-Bang Industrial Corp. sells to customers across Taiwan, Asia, the Americas, and Europe. In 2025, domestic sales in Taiwan amounted to NT$1,413,923 thousand, accounting for 75.39% of total revenue, making it the Company's primary market. Exports are listed in order of significance: Asia, NT$320,421 thousand (17.09%); the Americas, NT$128,427 thousand (6.85%); and Europe, NT$2,400 thousand (0.13%).

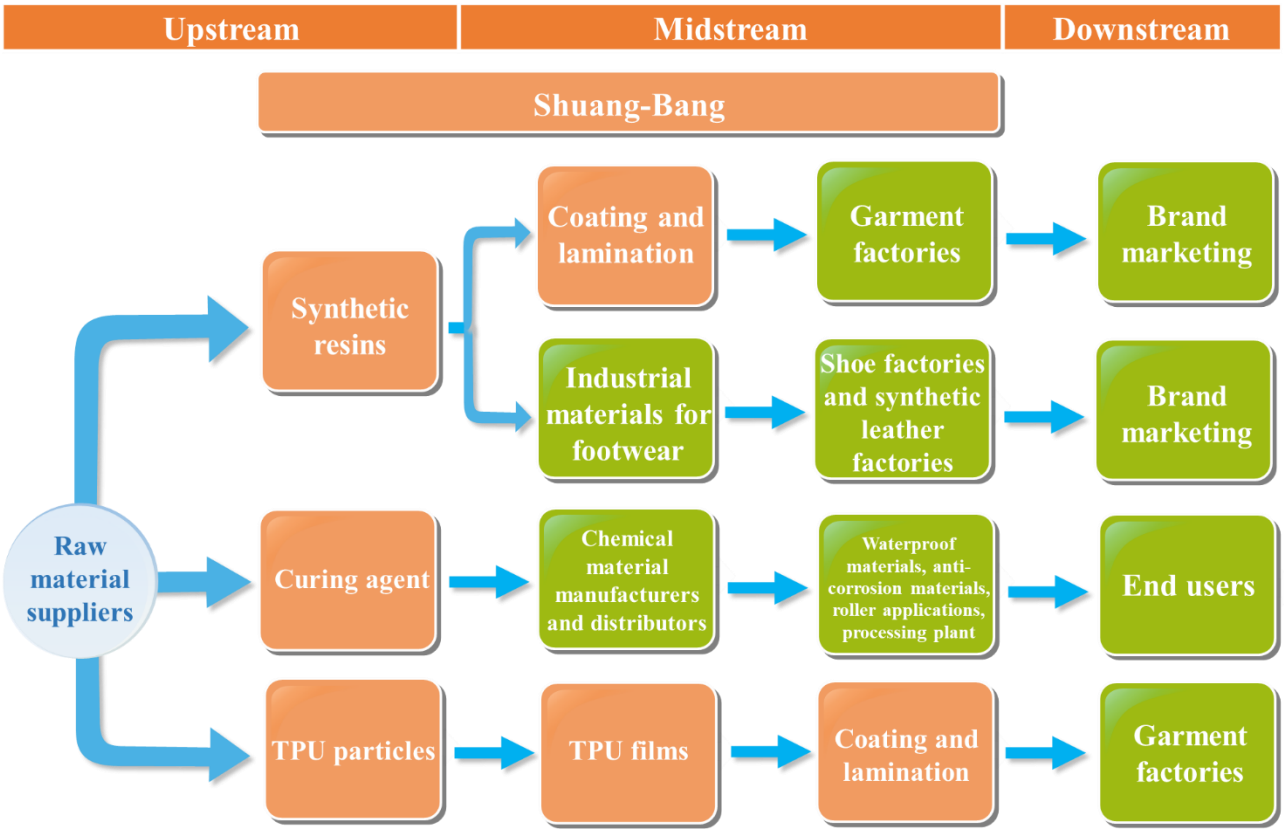
Net Revenue (Unit: NTD thousands)

Sales Region		2023		2024		2025	
		Net operating income	Percentage of revenue	Net operating income	Percentage of revenue	Net operating income	Percentage of revenue
Domestic sales	**Taiwan**	1,287,368	76.62%	1,461,768	76.62%	1,413,923	75.39%
Exports	**Europe**	1,584	0.12%	2,275	0.12%	2,400	0.13%
	Asia	125,736	14.79%	282,105	14.79%	320,421	17.09%
	Americas	158,331	8.18%	156,169	8.18%	128,427	6.85%
	Others	7,589	0.29%	5,522	0.29%	10,272	0.54%
	Subtotal	293,240	23.38%	446,071	23.38%	461,520	24.61%
Total		1,580,608	100.00%	1,907,839	100.00%	1,875,443	100.00%



Industry Value Chain

Shuang-Bang's coating and lamination processing business is positioned as a midstream manufacturer. To secure key raw materials, the Company also produces upstream raw materials such as synthetic resins, curing agents, and TPU pellets. Its products are widely applied in downstream fields, including footwear, medical supplies, luggage and bag materials, garments, outdoor products, electronics, and industrial products.



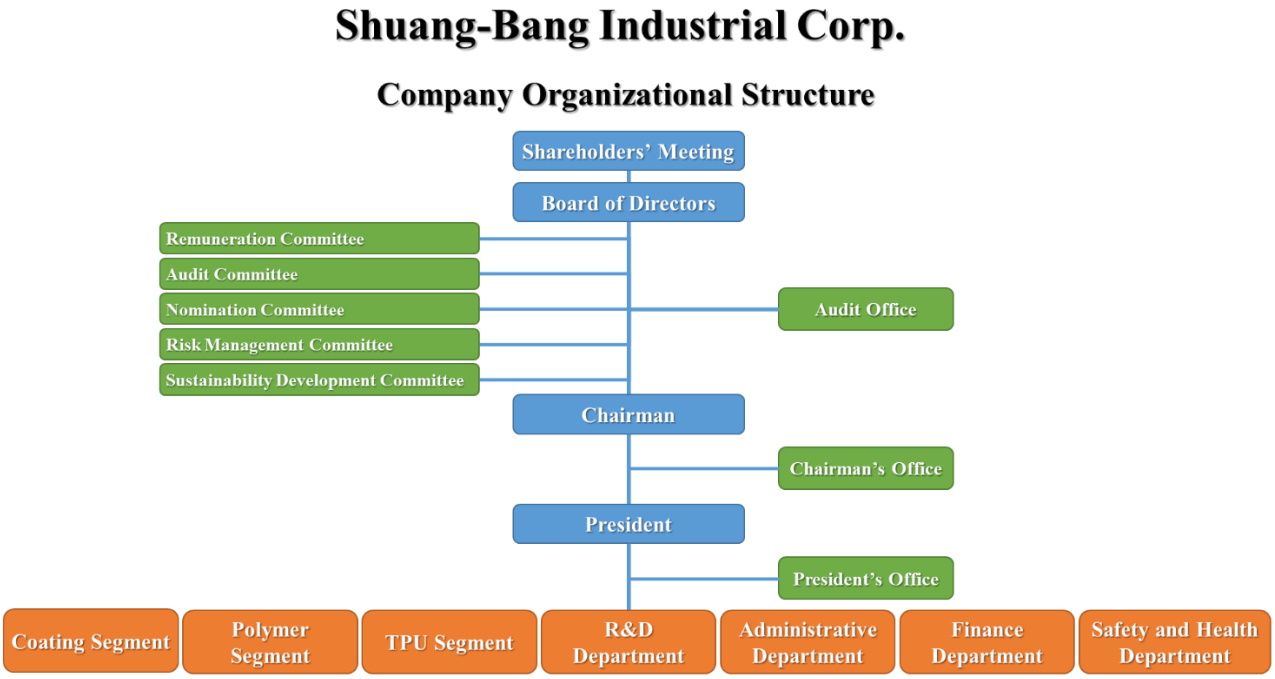
2.1.3 Participation in External Associations [GRI 2-28]

Shuang-Bang's main business operations are in the synthetic resin and textile industries. To maintain close connections with all sectors of society, promote sustainable cooperation and development, and stay abreast of market trends, the Company actively participates in industry associations.

Name of Association	Role of Participation
Taiwan Synthetic Resin & Adhesives Industrial Association	Membership
Nangang Manufacturers Association of Nantou City, Nantou County	Membership
Nantou County Industrial Association	Membership
Taiwan Technical Textiles Association	Membership
The Manufacturers United General Association of Industrial Park of R.O.C.	Membership
Nantou County Chamber of Commerce	Membership
Taiwan Garment Industry Association	Membership
Chinese Management Association – Little Giant Award Fellowship	Membership

2.2 Corporate Governance

The Board of Directors of Shuang-Bang Industrial Corp. is the Company's highest governance body. It has established the Audit Committee, Remuneration Committee, Nomination Committee, Risk Management Committee, and Sustainability Development Committee to assist in fulfilling its supervisory responsibilities and to report their activities, proposals, and related resolutions to the Board. In terms of sustainability strategy management, the Board of Directors also serves as the highest decision-making and supervisory body for managing impacts related to economic, environmental, and social topics. When deliberating significant matters, the Board takes into account governance, environmental, and social topics, their related impacts, risks, and opportunities, as well as stakeholder perspectives.



2.2.1 Board of Directors [GRI 2-9]

Composition and Responsibilities of the Board of Directors

[GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-14, GRI 2-17]

The 14th term of the Board of Directors of Shuang-Bang Industrial Corp. serves from May 31, 2024, to May 30, 2027. The Board convenes at least once per quarter. In 2025, a total of four regular Board meetings and two extraordinary sessions were held, with an average attendance rate of 83%. Board members collectively possess expertise in chemistry/organic chemistry, chemical engineering, research and development, business management, marketing and trade, education, accounting, and finance. All members are invited to attend Board meetings.

Composition of the Board of Directors	
Nomination and Election	◆ Shuang-Bang's Board of Directors consists of 7 to 11 members, elected by shareholders from qualified candidates under the candidate nomination system. Each director serves a three-year term and is eligible for re-election. The total shareholding ratio of all directors complies with the requirements of the securities regulatory authority. ◆ Among the above number of directors, there shall be at least three independent directors, and independent directors may not account for less than one-third of board seats. The professional qualifications and election process of independent directors comply with the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." Independent directors must not have been related parties or employees of the Company or its affiliates in the two years prior to their election, nor during their tenure, to safeguard independence. ◆ Board composition must consider diversity. Directors who concurrently serve as managerial officers of the Company may not exceed one-third of all board seats. In selecting candidates, considerations extend beyond gender, age, nationality, and culture, and should include expertise and extensive experience in the various fields required for the Company's diversified development, based on its operations, business model, and development needs. ◆ Candidate selection or nomination is guided by annual performance evaluations of the Board, its members, and functional committees, with adjustments made to the composition of the Board.
Chairman of the Board	◆ The Chairman of the 14th term Board, Mr. Chung-Tang Chang, concurrently serves as the Chief Strategy Officer. As the founder of the Company and a graduate of the Department of Chemistry at National Chung Hsing University, he possesses extensive industry knowledge, business management expertise, and leadership and decision-making capabilities. ◆ To ensure the independence of corporate operations and avoid and mitigate conflicts of interest, directors or the juristic persons they represent with interests in meeting proposals must regularly disclose any conflicts of interest and are subject to supervision by independent directors.

Responsibilities of the Board of Directors	
Oversight of Impact Management	◆ The Board of Directors of Shuang-Bang Industrial Corp. is the Company's highest governance body. The Board guides the Company's strategies, supervises management, and is accountable to the Company and shareholders. The Board exercises its powers in accordance with laws and regulations, the "Articles of Incorporation," and resolutions of the Shareholders' Meeting in all matters and arrangements under the corporate governance system. ◆ The Board convenes at least once per quarter to review corporate operating performance and discuss important ESG strategic issues and key material events, including economic, environmental, and social impacts, risks, and opportunities. Through meetings, the Board confirms the units responsible for subsequent handling, and implementation status is reported once each year.
Sustainability Reporting	◆ The Sustainability Development Committee under the Board of Directors of Shuang-Bang Industrial Corp., together with its Task Force, is responsible for preparing the sustainability report. The report is prepared in accordance with the Global Reporting Initiative (GRI) Standards and the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, and is finalized and published after approval by the Board of Directors. ◆ The Board approves the sustainability mission or vision, sustainability policies, systems or related management guidelines, and specific implementation plans, ensuring the timeliness and accuracy of sustainability-related information disclosure.
Continuing Education for Directors	◆ In accordance with the "Directions for the Implementation of Continuing Education for Directors," Shuang-Bang's directors undertake at least six hours of continuing education each year. ◆ In 2025, the main courses completed were "Bank Financing Issues and Potential Financial Crises Faced During Corporate Innovation and Transformation, and Response Strategies for Tariffs" and "Corporate Governance Trends and Responses from the Perspective of Sustainable Development Action Plans," each consisting of three hours of training. ◆ For details, please refer to page 60 of Shuang-Bang's 2025 Annual Report or "Director Training Status" on the Market Observation Post System.

Board Members												
Title	Director	Gender	Age			Company Managerial Officer	Professional Competencies					Education and Professional Experience
			Under age 60	Age 61 to 70	Age 71 and above		Finance and Accounting	Business administration	Knowledge of the industry	Leadership and decision-making	Law	
Chairman	**Chung-Tang Chang**	Male			●	●	●	●	●	●		Education: Department of Chemistry, National Chung Hsing University
Vice Chairman	**Ah-Ming Chen**	Male		●		●		●	●	●		Education: Department of Chemistry, National Cheng Kung University
Director	**Hsi-Neng Hsieh**	Male		●				●	●	●		Education: Master's Degree, Institute of Polymer Science & Engineering, National Tsing Hua University
Director	**Ken-Chen Chen**	Male			●			●	●	●		Education: Department of International Business, Tamkang University Experience: CEO of Panel Group
Director	**Ho-Pin Lin**	Male		●				●	●	●		Experience: Chairman, HOR JING CORP.
Director	**Uei-Want Industrial Co., Ltd.** **Representative: Cheng-Yen Liang**	Male			●			●	●	●		Experience: Director, Uei-Want Industrial Co., Ltd. Chairman, Yu-Feng Trading Co., Ltd.

Board Members												
Title	Director	Gender	Age			Company Managerial Officer	Professional Competencies					Education and Professional Experience
			Under age 60	Age 61 to 70	Age 71 and above		Finance and Accounting	Business administration	Knowledge of the industry	Leadership and decision-making	Law	
Independent Director	**Li-Ling Chen**	Female	●				●	●		●	●	Education: PhD of Accounting, National Cheng Kung University Experience: CPA, Chuan-Da Accounting Firm Manager, Audit Department, KPMG Independent Director, Hanpin Electron Co., Ltd. Independent Director, Lin Horn Technology Co., Ltd. Assistant Professor, Tatung Institute of Technology
Independent Director	**Hao-Chin Tsai**	Male		●				●	●	●		Education: Master of Industrial Engineering, University of Houston Experience: President, ChingTai Resin Chemical Co., Ltd.
Independent Director	**Cheng-Feng Cheng**	Male			●			●	●	●		Education: PhD in Chemistry, University of North Texas Experience: Professor, Department of Chemistry, National Chung Hsing University

Note 1: Information regarding the background of Board members, shareholdings, concurrent positions in other companies, and attendance records has been disclosed in Shuang-Bang's 2025 Annual Report (pp. 4–7, p. 16) and is available on the Market Observation Post System (MOPS) as well as on the Company website (https://www.shuang-bang.com).

Board Independence and Diversity [GRI 405-1]

The 14th term Board of Directors of Shuang-Bang Industrial Corp. consists of nine members with diverse genders, ages, professional backgrounds, and work experiences. The Company also emphasizes the independence of Board operations and has clearly established the "Rules Governing the Scope of Duties of Independent Directors" to ensure that independent directors fulfill their duties, thereby effectively enhancing Board operations and corporate performance.

Rules Governing the Scope of Responsibilities of Independent Directors

- Any dissenting or qualified opinions expressed by independent directors shall be recorded in the Board meeting minutes. The Company or the Board of Directors may not obstruct, refuse, or evade the performance of duties by independent directors.
- When independent directors deem it necessary for the performance of their duties, they may request the Board of Directors to assign relevant personnel or engage experts to provide assistance.

Independent directorships	There are three independent directors, accounting for one-third of all directorships. The Company has obtained independence statements from each independent director to confirm their own independence and that of their lineal relatives in relation to the Company. The consecutive tenure of each independent director does not exceed three terms.
Directorships Concurrently Held by Company Managerial Officers	For business development and practical operational needs, two directors concurrently serve as company managerial officers, not exceeding one-third of all directorships.

Directorships Held by Either Gender

Gender	Number of Board Members	Percentage of Board Members
Female	1	11.11%
Male	8	88.89%

Age Distribution of Directors

Gender	Number of Board Members	Percentage of Board Members
Age 31 to 50	0	0.00%
Age 51 to 70	5	55.56%
Age 71 and above	4	44.44%
Total	9	100.00%

Note 1: Ages 31–50 refer to persons aged 31 or above but under 51; ages 51–70 refer to persons aged 51 or above but under 71; ages 71 and above refer to persons aged 71 or above.

Management of Directors' Conflicts of Interest [GRI 2-15]

Shuang-Bang Industrial Corp. has clearly stipulated rules on directors' recusal from conflicts of interest in the "Director and Manager Ethical Behavior Guidelines," "Rules of Procedure for Board Meetings," and "Ethical Corporate Management Principles." For details on the implementation of directors' recusals from conflict-of-interest proposals in 2025, please refer to P.17 of Shuang-Bang's 2025 annual report.

Director and Manager Ethical Behavior Guidelines	◆ The Company shall prevent directors or managers from engaging in the following activities: (1) Taking advantage of company assets, information, or their position to seek private gains; (2) Taking advantage of company assets, information, or their position to obtain personal benefits; (3) Competing with the Company. ◆ When business opportunities arise, directors or managers have the responsibility to increase the legitimate benefits obtainable by the Company.
Rules of Procedure for Board Meetings	◆ Directors, their spouses, relatives within the second degree of kinship, or companies with a controlling or subordinate relationship to the director who have a conflict of interest regarding a meeting agenda item shall disclose the material content of such conflict at the Board meeting. Where the matter may be detrimental to the interests of the Company, the director shall not participate in discussions or voting and shall recuse themselves from such discussions and voting. Furthermore, they shall not act as proxies for other directors when exercising voting rights.
Ethical Corporate Management Best Practice Principles	◆ The Company's directors, supervisors, managers, and other stakeholders attending or present at Board meetings who have a conflict of interest regarding any proposal on the agenda shall disclose the material content of that conflict at the Board meeting. Where the matter may be detrimental to the interests of the Company, such persons shall not participate in discussions or voting and shall recuse themselves from these proceedings. They shall not act as proxies for other directors when exercising voting rights. Directors shall also exercise self-discipline and refrain from providing improper mutual support. ◆ The Company's directors, supervisors, managers, employees, appointees, and ultimate controllers shall not use their position or influence within the Company to obtain improper benefits for themselves, their spouses, parents, children, or any other person.

2.2.2 Functional Committees [GRI 2-9, GRI 2-16]

The Board of Directors of Shuang-Bang has established the Audit Committee, Remuneration Committee, Nomination Committee, Risk Management Committee, and Sustainability Development Committee to assist the Board in fulfilling its oversight responsibilities. The charters of all committees have been approved by the Board of Directors. Details of the composition and operation of each committee are available in Shuang-Bang's 2025 Annual Report (pp. 16–19 and pp. 31–35), on the Market Observation Post System (MOPS), and on Shuang-Bang's website.

Audit Committee	Remuneration Committee	Nomination Committee	Risk Management Committee	Sustainability Development Committee
To strengthen organizational value, enhance supervisory functions, and ensure sound financial review and control, the "Audit Committee Charter" was adopted and the Audit Committee was established to support the Company in achieving its strategic objectives.	In accordance with the Regulations Governing the Establishment and Exercise of Powers of Remuneration Committees of Companies Whose Stock is Listed on the Taiwan Stock Exchange or Traded Over the Counter by Securities Firms, the "Remuneration Committee Charter" was adopted. The Remuneration Committee was established in December 2011 to ensure a sound remuneration system for directors and managers.	To strengthen the Board's functions and enhance governance mechanisms, the "Nomination Committee Charter" was adopted in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. The Nomination Committee was established in November 2024.	To establish a risk management mechanism and strengthen corporate governance, the "Risk Management Committee Charter" was adopted in accordance with Article 27 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. The Risk Management Committee was established in November 2024.	To achieve sustainability objectives and effectively promote sustainability initiatives, Shuang-Bang established the Sustainability Development Committee in 2022 as the decision-making and supervisory body for sustainability-related matters. To further strengthen sustainability governance, the Committee was restructured in December 2024, and the "Sustainability Development Committee Charter" was adopted. In March 2025, the Board of Directors approved the revised structure, designating the Board as the highest governance body of the Sustainability Development Committee.

Members of Functional Committees							
Term of service		2024.05.31~2027.05.30				2025.03.07~2027.05.30	Education and Professional Experience
Title	Name	Audit Committee	Remuneration Committee	Risk Management Committee	Nomination Committee	Sustainability Development Committee	
Independent Director	Li-Ling Chen	●	●	○	○	○	Education: PhD of Accounting, National Cheng Kung University Experience: CPA, Chuan-Da Accounting Firm Manager, Audit Department, KPMG Independent Director, Hanpin Electron Co., Ltd. Independent Director, Lin Horn Technology Co., Ltd. Assistant Professor, Tatung Institute of Technology
Independent Director	Hao-Chin Tsai	○	○	○	●	○	Education: Master of Industrial Engineering, University of Houston Experience: President, ChingTai Resin Chemical Co., Ltd. Director, ChingTai Resin Chemical Co., Ltd.
Independent Director	Cheng-Feng Cheng	○	○	●	○		Education: PhD in Chemistry, University of North Texas Experience: Professor of Chemistry, National Chung Hsing University; Vice President of National Chung Hsing University.
Chairman	Chung-Tang Chang					●	Education: Department of Chemistry, National Chung Hsing University Experience: Chairman of Shuang-Bang

Note 1: ● Convener; ○ Member.

Note 2: Members of the functional committees all have more than five years of work experience and relevant qualifications, sufficient to maintain the independence, professionalism, and impartiality of the functional committees.

Functional Committees	Responsibilities	2025 Operation Status
Audit Committee	◆ Establish or amend the internal control system and assess the effectiveness of the internal control system. ◆ Establish or amend procedures for major financial and business activities, including the acquisition or disposal of assets, derivatives trading, lending funds to others, and providing endorsements or guarantees for others. ◆ Matters concerning directors' personal interests. ◆ Major asset or derivatives transactions, and major lending of funds, endorsements, or guarantees. ◆ Offering, issuance, or private placement of securities with equity characteristics. ◆ Appointment, dismissal, or remuneration of certifying accountants, and appointment or dismissal of finance, accounting, or internal audit officers. ◆ Annual financial reports signed or sealed by the Chairman, managerial officers, and accounting officer, and second-quarter financial reports that must be audited and certified by certified public accountants. ◆ Other issues deemed material by the Company or the authority.	Held four meetings, with an average attendance rate of 92%.
Remuneration Committee	◆ Evaluate the remuneration policies and systems for Shuang-Bang's directors and managers from a professional and objective standpoint. ◆ Regularly review the annual and long-term performance goals of directors and managers, as well as remuneration policies, systems, standards, and structures. ◆ Regularly evaluate the achievement of performance goals by directors and managers to determine the content and amount of their individual remuneration.	Held six meetings, with all members attending in person and an average attendance rate of 100%.
Nomination Committee	◆ Specify the standards of professional knowledge, skills, experience, gender and independence required for board members and senior managers, and search, review and nominate candidates for directors and senior managers accordingly. ◆ Construct and develop the organizational structure of the board and committees, conduct performance appraisal of the board, committees, directors and senior managers, and assess the independence of independent directors.	Held three meetings, with all members attending in person and an average attendance rate of 100%.

Functional Committees	Responsibilities	2025 Operation Status
Risk Management Committee	◆ Review the risk management policies, procedures and framework, and review their applicability and implementation effectiveness on a regular basis. ◆ Determine risk appetite (risk tolerance), guide resource allocation, and approve risk management priorities and risk levels. ◆ Ensure that the risk management measures can adequately address the risks faced by the Company and are integrated into the daily operating procedures. ◆ Review the implementation of risk management, provide recommendations for improvement, and report to the Board of Directors on a regular basis (at least once a year). ◆ Carry out the risk management decisions of the board.	Held one meeting, with all members attending in person and an average attendance rate of 100%.
Sustainability Development Committee	◆ Formulate, promote, and strengthen the Company's sustainability policies, annual plans, and strategies. ◆ Review, track, and revise the implementation status and effectiveness of sustainability initiatives. ◆ Supervise sustainability information disclosure matters and review the sustainability report. ◆ Supervise the implementation of matters under the Company's Sustainable Development Best Practice Principles or other sustainability-related tasks resolved by the Board of Directors.	Held two meetings, with all members attending in person and an average attendance rate of 100%.

Note 1: Details of the operations of the functional committees have been disclosed in Shuang-Bang's 2025 Annual Report (p. 19, pp. 31–35), and are available on the Market Observation Post System (MOPS) and the Company's website (https://www.shuang-bang.com).

2.2.3 Performance Evaluation and Remuneration Policy

Performance Evaluation [GRI 2-18]

To implement corporate governance and strengthen the functions of the Board of Directors and functional committees, Shuang-Bang conducts an internal Board performance evaluation at least once a year in accordance with the "Rules for Performance Evaluation of the Board of Directors."

The results of Shuang-Bang's 2025 Board performance evaluation ranged between 5, "Strongly Agree," and 4, "Agree." Directors mostly strongly agreed with the operation of the various evaluation indicators. The evaluation showed that the Board of Directors and functional committees operated well overall, complied with corporate governance requirements, and effectively strengthened the functions of the Board while safeguarding shareholder rights and interests.

Board Performance Evaluation	Self-Evaluation of Performance of Board Members	Performance Evaluation of Functional Committees
(1) Participation in the operation of the Company. (2) Improvement of the quality of the board of directors' decision making. (3) Composition and structure of the board of directors. (4) Election and continuing education of the directors. (5) Internal control.	(1) Understand the objectives and missions of the Company. (2) Understanding of directors' job responsibilities. (3) Participation in the operation of the Company. (4) Internal relationship management and communication. (5) Specialization and continuing education of directors. (6) Internal control.	(1) Participation in the operation of the Company. (2) Understanding of functional committee's job responsibilities. (3) Improvement of the quality of the functional committee' decision making. (4) Makeup of the functional committees and election of members. (5) Internal control.
Across 45 evaluation indicators, the average score for each aspect ranged from 4.29 to 5.00.	Across 23 evaluation indicators, the average score for each aspect ranged from 4.59 to 4.89.	Across 26 evaluation indicators, the average score for each aspect ranged from 4.50 to 5.00.

Note 1: Performance evaluation scoring: Strongly Agree = 5 points; Agree = 4 points; Neutral = 3 points; Disagree = 2 points; Strongly Disagree = 1 point.

Note 2: Disclosures on performance evaluations and improvement measures have been published in Shuang-Bang's 2025 Annual Report (pp. 17–18). The 2025 Board Performance Evaluation Results Report is also available on the Market Observation Post System (MOPS) and the Company's website (https://www.shuang-bang.com/invest-2.html).

Remuneration Policy [GRI 2-19, GRI 2-20]

Shuang-Bang Industrial Corp. has established a Remuneration Committee under its Board of Directors, composed of three independent directors. The Committee conducts fair and reasonable reviews and decisions on the remuneration of the highest governance body and senior management.

The procedures for determining remuneration take into account not only the Company's overall operating performance, but also individual performance achievement rates and contributions to corporate performance, so as to provide reasonable remuneration. In addition, to encourage management-level supervisors to emphasize long-term comprehensive performance and achieve sustainable operations, sustainable development goals are incorporated into their performance evaluations. All relevant remuneration matters are submitted to the Remuneration Committee for review and to the Board of Directors for resolution. The Company periodically reviews its remuneration system, considering its operational performance and development, profitability, operational risks, and changes in relevant laws and regulations, to balance sustainable operations with risk management.

Shuang-Bang's stakeholders may express their opinions through channels such as the Shareholders' Meeting or labor–management meetings. The Remuneration Committee regularly includes such opinions as one of the considerations in remuneration deliberations. At the 2025 Annual General Shareholders' Meeting, no shareholders raised questions regarding the remuneration of directors or employees, as recorded in the meeting minutes.

Directors' Remuneration	Remuneration to President and Vice Presidents
(1) Transportation Allowance ◆ This allowance is paid to directors based on actual attendance at Board meetings, following industry standards. **(2) Directors' Remuneration** ◆ No higher than 3% of annual profits allocated as director emoluments according to Article 30 of the Company's Articles of Incorporation.	**(1) Basic Salary** ◆ Determined based on the market competitiveness of the employee's position and the Company's policies. **(2) Bonus and Employee compensation** ◆ Granted based on the achievement of employee and departmental goals, or in connection with the Company's operating performance. **(3) Benefits** ◆ With compliance with legal requirements as the premise, and taking employee needs into consideration, welfare measures are designed to be shared among employees.
The Company's Remuneration Committee – based on the Articles of Incorporation, the "Procedures for Remuneration to Directors and Managers," Board member attendance, and annual profit after deducting accumulated losses – recommends director remuneration to the Board of Directors. Following approval by the Board of Directors, this recommendation is then reported to the shareholders' meeting.	The remuneration is determined in accordance with the Company's Articles of Incorporation and the "Procedures for Remuneration to Directors and Managers." This includes the policies and standards for salaries, bonuses, and employee remuneration, which are submitted to the Remuneration Committee for review and approval by the Board of Directors before distribution.

Note 1: There is no difference in contribution rates or retirement benefit plans between the highest governance body, senior management, and other employees.

Note 2: Shuang-Bang Industrial Corp. does not have a remuneration clawback mechanism. For information related to the remuneration of directors and managers in 2025, please refer to Shuang-Bang's 2025 Annual Report (pp. 11–15).

Employee Salaries

Benefit and salary unit: NTD thousands

Employee Benefits and Salary	2024	2025	Variation
Average Number of Employees	355	376	5.91%
Average Employee Benefits	873	860	-1.49%
Average Employee Salaries	750	728	-2.93%
Salary of Full-Time Employees in Non-Managerial Positions	**2024**	**2025**	**Variation**
Average Salary of Full-Time Employees in Non-Managerial Positions	673	675	0.30%
Median Salary of Full-Time Employees in Non-Managerial Positions	594	620	4.38%

2025 Annual Total Compensation [GRI 2-21]

Annual Total Compensation Ratio	
◆ Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation of all employees. (excluding the highest-paid individual)	10.91
Annual Total Compensation Change Ratio	
◆ Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation of all employees. (excluding the highest-paid individual)	-1.99

2.3 Operational Strategy and Economic Performance

Management of Material Topics [GRI 2-23, GRI 2-24, GRI 2-25, GRI 3-3]

Material Topics		**Operational Strategy and Economic Performance**		
Significance to Shuang-Bang		Sustained profitability to achieve the goal of sustainable operations and create new employment opportunities.		
Actual and Potential Impacts	**Negative Impacts**	Poor operating performance damages shareholders' economic interests and undermines commitments to shareholders.		
	Positive Impacts	Create economic value, enhance shareholder economic interests, and fulfill commitments to shareholders.		
Policies and Commitments		(1) Seize market trends and create new industrial value. (2) Pursue continuous growth and innovation, with active investment in R&D activities.		
Action Plans		(1) Develop low-pollution, high-value green products and technologies. (2) Diversify product offerings to provide customers with varied options.		
Effectiveness Evaluation Indicators		(1) Quarterly disclosure of financial information. (3) Regular review of operating profitability and deliberation on significant proposals by the Board of Directors.		
Objectives		**Short-term goal (2025-2027):** Maintain or pursue positive growth in revenue and profitability.	**Medium-term goal (2028-2030):** Maintain or pursue positive growth in revenue and profitability.	**Long-term goal (2030 and beyond):** Maintain or pursue positive growth in revenue and profitability.
2025 Performance		Consolidated revenue was NT$1,875,443 thousand, gross profit was NT$300,273 thousand, operating income was NT$125,175 thousand, and consolidated net income after tax was NT$95,508 thousand.		
Influence of Stakeholder Engagement on Actions		(1) Revenue information for the previous month is disclosed by the 10th of each month. (2) At the Annual General Meeting, the Company explains its operational performance to shareholders and potential investors.		

Operating Strategy

To strengthen the effectiveness of its operational strategy and enhance overall economic performance, the Company continuously analyzes internal and external operating environments, production efficiency, and industry competition, and uses the results as the basis for formulating specific and feasible annual operational strategies, action plans, and budget plans. During implementation, the Company uses daily operational management, audits, and performance tracking mechanisms to promptly monitor operating results and resource utilization efficiency, ensuring that strategies are implemented. Relevant operating performance and financial results are also reviewed regularly and used as the basis for adjusting business strategies and optimizing resource allocation, thereby continuously enhancing the Company's competitiveness and long-term economic value.

Economic Performance [GRI 201-1]

In 2025, the Company's consolidated revenue was NT$1,875,443 thousand, gross profit was NT$300,273 thousand, operating income was NT$125,175 thousand, consolidated net income after tax was NT$95,508 thousand, basic earnings per share were NT$1.04, and cash dividends distributed totaled NT$82,361 thousand. For detailed financial information, please refer to the Company's 2025 financial statements.

Unit: NTD thousands

	2023	2024	2025
Direct Economic Value Generated (A)	1,611,621	1,930,963	1,884,117
Operating Revenues	1,580,608	1,907,839	1,875,443
Interest Income	1,509	1,542	825
Other Income	25,079	18,664	11,749
Gain on Disposal of Assets	4,425	2,918	-3,900
Economic Value Distributed (B)	1,750,855	1,915,492	1,854,613
Operating Costs	1,307,275	1,470,805	1,401,113
Employee Salaries and Benefits	330,650	368,117	349,155
Payments to Providers of Capital	110,091	48,714	82,660
Payments to Governments by Country	2,269	27,256	20,895
Community Investment	570	600	790
Economic Value Retained (A-B)	-139,234	15,471	29,504

Note 1: Payments to government include all taxes and penalties paid by the organization in accordance with international, national, and local standards. Taxes include duties, income tax, and value-added/business tax.

Note 2: Community investments include voluntary donations and funding to the broader community. For details, please refer to Chapter 6 Social Contribution of this Report.

2.4 Ethical Corporate Management

Shuang-Bang Industrial Corp. firmly believes that ethical corporate management is a fundamental cornerstone of sustainable operations. By fostering a culture of integrity and establishing a comprehensive ethical management framework, the Company strives to achieve ethical corporate conduct. To implement its ethical management policy and actively prevent unethical behavior, Shuang-Bang has formulated the "Ethical Corporate Management Principles," the "Procedures for Ethical Management and Guidelines for Conduct," the "Director and Manager Ethical Behavior Guidelines," and the "Procedures for Handling Internal Material Information." These serve as the standards of ethical compliance for directors, managers, and employees, as well as a basis for enhancing behavioral standards. In addition, the Company arranges annual training courses for directors and supervisors, and promotes ethical values and related regulations through executive meetings and monthly meetings, ensuring that all employees clearly understand the Company's philosophy and requirements regarding ethical corporate management.

Management Regulations	Regulated Target	Regulated Conduct
Ethical Corporate Management Best Practice Principles	Directors, supervisors, managers, employees, appointees, and individuals with substantial control over the Company.	◆ Prohibits directly or indirectly offering, promising, requesting, or accepting any improper benefits, or engaging in any dishonest acts, unlawful conduct, or breaches of fiduciary duty in order to obtain or maintain benefits. ◆ The types of benefits subject to regulation include any form or title of money, gifts, commissions, positions, services, preferential treatment, rebates, and the like.
Procedures for Ethical Management and Guidelines for Conduct	Directors, supervisors, managers, employees, appointees, and individuals with substantial control over the Company.	◆ In the course of conducting business, Company personnel are prohibited from directly or indirectly offering, accepting, promising, or requesting any improper benefits, or engaging in other acts that violate integrity, are unlawful, or breach fiduciary duties to obtain or maintain benefits. ◆ If Company personnel offer, promise, request, or accept any improper benefits through a third party, such conduct shall be presumed to have been undertaken by Company personnel.

Management Regulations	Regulated Target	Regulated Conduct
Director and Manager Ethical Behavior Guidelines	Directors and managers, including the President and persons at an equivalent level, vice presidents and persons at an equivalent level, assistant vice presidents and persons at an equivalent level, the heads of finance and accounting departments, and other persons authorized to manage Company affairs and sign on behalf of the Company.	◆ Prevent conflicts of interest. ◆ Avoid opportunities to seek personal gain. ◆ Maintain confidentiality of information regarding the Company itself and its purchase and sales customers. ◆ Directors and managers shall treat the Company's purchase and sales customers, competitors, and employees fairly, and may not obtain benefits through unfair transactions. ◆ Directors and managers are responsible for protecting and properly using Company assets. ◆ Encourage the reporting of any illegal conduct or violations of the Ethical Behavior Guidelines. ◆ If a director or manager violates the Ethical Behavior Guidelines, the Company shall handle the matter in accordance with the disciplinary measures set forth in the Ethical Behavior Guidelines.

Note 1: Details of the management regulations related to ethical corporate management are publicly disclosed under Important Internal Regulations on Shuang-Bang's website at https://www.shuang-bang.com/invest-8.html.

Prevention of Unethical Conduct and Implementation Effectiveness

<table>
<tr><th>Prevention Plan</th><th>2025 Implementation Effectiveness</th></tr>
<tr><td>Integrate integrity and ethical values into the Company’s business strategy, and establish relevant preventive measures to ensure ethical corporate management in line with laws and regulations.</td><td>Publicly disclosed the Procedures for Ethical Management and Guidelines for Conduct on Shuang-Bang’s website.</td></tr>
<tr><td>Promotion and coordination of integrity policy awareness training.</td><td>Regularly conducted ethical corporate management awareness training during semiannual employee meetings.
<table>
<tr><th>Year</th><th>Course Content</th><th>No. of Attendance</th><th>Total Training Hours</th></tr>
<tr><td>2025</td><td>Ethical corporate management regulatory compliance (Including awareness courses on the Ethical Behavior Guidelines and insider trading prevention)</td><td>568</td><td>284</td></tr>
</table>
Note 1: Training person-time statistics include directors and employees in service as of December 31, 2025.</td></tr>
<tr><td>Plan the whistleblowing system to ensure implementation effectiveness.</td><td>No complaints or reports occurred due to Company operations or employees violating ethics and integrity or engaging in unlawful conduct.</td></tr>
</table>

Whistleblowing Channels [GRI 2-26]

Shuang-Bang announces whistleblowing channels on the Company’s website, including an email mailbox and a mailing address, for use by internal employees and external parties. The Company keeps the identity of whistleblowers and the content of reports confidential and is committed to protecting whistleblowers from improper treatment as a result of reporting. Through these measures, the Company actively prevents dishonest conduct, fraud, and criminal behavior.

Whistleblowing Mailbox	sbi_mgmt@sbinet.com.tw
Written Reporting	Mail to: Administration Department, No. 3, Yongxing Rd., Nantou City, Nantou County, Taiwan
Receiving Unit	Administration Department; handled by designated personnel.

2.5 Cybersecurity and Customer Privacy Protection

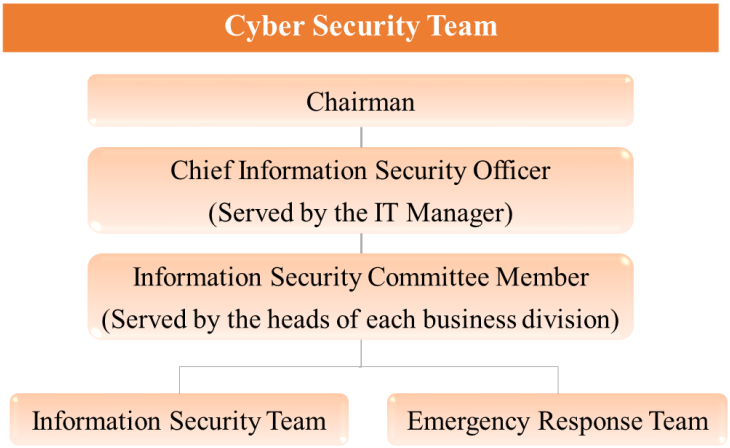
Management of Material Topics [GRI 2-23, GRI 2-24, GRI 2-25, GRI 3-3]

Material Topics		**Cybersecurity and Customer Privacy Protection**
Significance to Shuang-Bang		Strengthen data quality and management efficiency, reduce the impact of cybersecurity incidents, ensure compliance with regulatory requirements, lower the risk of fines and litigation, build stakeholder trust, and enhance corporate image.
Actual and Potential Impacts	**Negative Impacts**	Exposure to cyberattacks or data theft leading to customer data breaches, causing significant impacts on business operations.
	Positive Impacts	Establish an information security management system to safeguard customer data and privacy and prevent the leakage of confidential information.
Policies and Commitments		(1) Ensure the confidentiality, integrity, and availability of information assets. (2) Comply with relevant laws and regulations, follow information security regulations and standards, and avoid internal and external accidental or intentional threats. (3) Establish a secure and reliable information environment to ensure the security of data, systems, equipment, and networks. (4) Respect customer privacy, strengthen data protection measures, and ensure employees fulfill their confidentiality obligations. (5) Comply with relevant laws and regulations and establish an information security reporting mechanism.
Action Plans		(1) Social engineering drills. (2) Cybersecurity education and training. (3) Penetration testing. (4) Strengthen technical protection, remediate system vulnerabilities, and update protection mechanisms.
Effectiveness Evaluation Indicators		(1) Email open rate and email attachment click-through rate in social engineering drills. (2) Cybersecurity education and training. (3) Number of incidents involving losses caused by cybersecurity incidents and impacts from customer information leakage.

Objectives	**Short-term goal (2025–2027):** Establish basic cybersecurity protection and policies, and conduct employee cybersecurity awareness training and drills to prevent losses caused by cybersecurity incidents.	**Medium-term goal (2028–2030)** Apply advanced technologies in management, implement sensitive data protection and monitoring, and establish a security management system (ISO 27001).	**Long-term goal (2031 and beyond)** Implement comprehensive cybersecurity governance and establish a security awareness training platform
2025 Performances	(1) Social engineering drills: average email open rate of 8% and average email attachment click-through rate of 1%. (2) Total cybersecurity education and training hours reached 271.5 hours. (3) No cybersecurity incidents or customer information leakage occurred.		
Influence of Stakeholder Engagement on Actions	(1) Test personnel's sensitivity to information security threats and improve their prevention capabilities. (2) Strengthen and implement overall corporate information security environment controls through vulnerability management and personnel awareness training.		

Cybersecurity Management Framework

The personal information of employees, customers, and business partners, as well as technical and sales-related information, is an asset that must be protected. To effectively safeguard these information assets and strengthen their management, Shuang-Bang has established a Cybersecurity Task Force and an information security risk management framework to implement the Company's information security management system and related information security operations, including operational execution, procedure development, and management reviews.



Management Principles

- Establish an information security organization and clearly define its roles and responsibilities to drive and sustain information security management, implementation, and auditing.
- Establish information security management policies and procedures to protect the confidentiality, integrity, and availability of personnel data, electronic data, information systems, computer equipment, and networks.
- An information security management conference should be convened each fourth quarter to review the latest developments in internal and external risks, technology, and business needs, and to implement appropriate measures.
- Information security assessments should be conducted regularly to evaluate risks within the information environment and implement improvements.
- Install information security protection systems and monitoring equipment to continuously improve the security of the overall information environment and reduce the incidence of various risks.
- Access to the system and data requires authorization, and access rights should be granted on a least-privilege basis for business needs.
- The information system should have appropriate backup and redundancy mechanisms in place, and response drills should be conducted to strengthen the resilience of information services against threats.
- Establishment of response and reporting procedures for information security incidents to improve the internal staff's ability to respond and coordinate in case of emergencies.
- Organize employee information security training to continuously enhance employees' information security awareness.
- Handle and protect data and the security of the system carefully in accordance with the regulations related to information security and personal information protection.

Note 1: Cyber Security Management https://www.shuang-bang.com/invest-8.html

Cyber Security Prevention Mechanism

Shuang-Bang proactively prevents cybersecurity issues through measures such as cybersecurity training, hierarchical user permission controls, strengthened boundary controls, installation of endpoint protection software, and regular updates of hardware and software equipment, thereby enhancing information security protection capabilities and preventing the leakage of confidential information.

Authority Control		
Access Authority	**Information (Computer) Systems**	**Departing Personnel (Including Employees on Unpaid Leave)**
◆ Users may log in to computers only with the individual account and password applied for, and are granted appropriate user permissions. ◆ Computer files and electronic documents that may be accessed or shared are differentiated according to permission levels.	◆ When operating information (computer) systems, users must enter an account and password before logging in and using the system. ◆ Access to data and files is assigned based on permission levels.	◆ On the date of application, IT personnel and the departing employee's supervisor first back up the data on the computer to storage media for temporary retention. After the successor assumes the position and confirms that the files are correct, the backup files are deleted. ◆ Accounts are deactivated and invalidated on the date of departure.

Cybersecurity Prevention and Implementation Effectiveness

<table>
<tr><th>Preventive Measures</th><th>2025 Implementation Effectiveness</th></tr>
<tr><td>Employee education, training, and cybersecurity awareness</td><td>
◆ Conducted information security awareness sessions and case sharing regularly during the semiannual employee meetings.
◆ Conducted ad hoc awareness activities to strengthen the security awareness of personnel involved in information management and information access.
<table>
<tr><th colspan="2">2025 Cybersecurity Education and Training</th><th>No. of Attendance</th><th>Total Training Hours</th></tr>
<tr><td rowspan="2">Internal training</td><td>Cybersecurity Awareness</td><td>373</td><td>186.5</td></tr>
<tr><td>Cybersecurity – Email Social Engineering Drill</td><td>34</td><td>61</td></tr>
<tr><td rowspan="3">External training</td><td>◆ Information Security Awareness, Essential Knowledge, and Responsibilities
◆ Explanation of Cybersecurity Incidents and Preventive Measures
◆ Explanation of Cybersecurity Control Guidelines for TWSE/TPEx Listed Companies</td><td>6</td><td>12</td></tr>
<tr><td>Information Security ISMS Implementation, Control, and Audit Practices</td><td>1</td><td>6</td></tr>
<tr><td>Information Security Governance Training</td><td>1</td><td>6</td></tr>
</table>
Note 1: Training person-time statistics include only employees in service as of December 31, 2025.
</td></tr>
<tr><td>Simulated Social Engineering Drill</td><td>Conducted nine drills and provided re-training to tested employees who did not pass.</td></tr>
<tr><td>Information System Disaster Recovery Simulation Drill</td><td>Conducted three drills</td></tr>
<tr><td>System Penetration Testing</td><td>Conducted one drill</td></tr>
</table>

Cybersecurity and Customer Privacy Violation Incidents [GRI 418-1]

In 2025, no customer privacy violations or loss of customer data occurred.

Cybersecurity incident	2023	2024	2025
Number of information security or network security incidents	0	0	0
Number of business information leakage incidents	0	0	0
Number of personal data breach incidents (including employee and customer information)	0	0	0
Number of incidents affected by data leaks	0	0	0
Number of incidents resulting in losses due to information security incidents	0	0	0

2.6 Regulatory Compliance

Management Approach

(1) Each department keeps abreast of developments and trends in relevant regulatory amendments through timely interactions with government agencies or media reports, and updates relevant management regulations and operating procedures as needed to ensure that the Company's operations comply with the latest applicable regulations.

(2) In addition to regularly reviewing changes in regulations related to operations, the Company assigns personnel to attend awareness sessions or external training held by relevant competent authorities on an ad hoc basis. Through quarterly sustainability meetings, the Company promotes awareness of newly enacted or amended sustainability-related laws and regulations. Each department then provides education and training to its members to strengthen employees' awareness of legal compliance.

(3) External legal counsel is engaged to review contracts for significant transactions.

(4) Regulatory compliance is ensured through audits conducted by the Audit Office and internal audits under the ISO 14000 management system.

(5) In the event of a fine imposed by a competent authority or a material violation of laws and regulations, document control personnel shall prepare an official document approval form and attach copies of the letter and disposition issued by the competent authority to notify the responsible department. The matter is then circulated for approval and submitted for authorization. Relevant improvement plans are formulated and implemented, personnel responsible for negligence are disciplined in accordance with work rules, and the matter is included as an agenda item in sustainability meetings for preventive awareness.

Cases of Violations and Penalties [GRI 2-27]

Laws and Regulations	Material Regulatory Violations in 2024		Material Regulatory Violations in 2025		Number of fines paid for regulatory violations			Amount of fines paid for regulatory violations (NT$10,000)		
	Fined cases	Non-monetary sanctions	Fined cases	Non-monetary sanctions	2023	2024	2025	2023	2024	2025
Fire Services Act	0 cases	0 cases	0 cases	0 cases	2 cases	2 cases	2 cases	16	60	60
Air Pollution Control Act	0 cases	0 cases	0 cases	0 cases	0 cases	3 cases	1 cases	0	36	16
Waste Disposal Act	0 cases	0 cases	0 cases	0 cases	0 cases	1 cases	0 cases	0	1.2	0
Occupational Safety and Health Act	0 cases	0 cases	0 cases	0 cases	0 cases	1 cases	1 cases	0	10	10

Note 1: Material violation incidents are defined as: (1) circumstances specified in Article 4, Paragraph 1, Subparagraph 26 of the Taiwan Taipei Exchange Procedures for Verification and Disclosure of Material Information of Companies with TPEx Listed Securities; (2) occupational accidents at workplaces that employers are required to report to the labor inspection authority within eight hours under Article 37, Paragraph 2 of the Occupational Safety and Health Act; and (3) disasters classified as Class A disasters under the Executive Yuan's Disaster Emergency Notification Operating Regulations.

Improvements for 2025 Violation Incidents

Laws and Regulations	Violation Facts	2025 Improvements	Mid- and Long-Term Improvement Plans
Fire Services Act	The “location, structure, and equipment of public hazardous materials facilities” at the Yongxing Plant still do not comply with regulations.	Containment facilities have been installed, and hazardous materials signs have been prepared.	(1) Restore the five-meter reserved area around the plant, dismantle recovery equipment, relocate the natural gas boiler, and remove part of the sheet metal roof. (2) Evaluate fire-resistant laminated glass windows or fire-resistant panels to cover existing fixed windows.
Fire Services Act	The “location, structure, and equipment of public hazardous materials facilities” at the Renhe Plant still do not comply with regulations.	Outdoor storage tank signs have been replaced.	(1) Improve containment measures at manufacturing sites and install oil-water separation equipment. (2) Plan suitable indoor storage areas.
Occupational Safety and Health Act	The entrance doors on each floor of the elevator hoistway at the Yongxing Plant were not equipped with interlocking devices.	1. A notice prohibiting use was posted on the freight elevator on site, and the supplier was contacted to perform repairs at the plant. Repairs to the freight elevator were completed on April 21, 2025. 2. Notify the person in charge of elevators in each unit to conduct safety inspections of the elevators under their responsibility and confirm whether safety fasteners were functioning properly.	-
Air Pollution Control Act	For the Renhe Plant, testing and reporting were not completed as required for odor pollutants around the wastewater treatment facilities, wastewater sources, influent wastewater, and the volatile organic compound concentration and water volume in the biological aeration tank.	Regular testing and reporting of wastewater, influent wastewater, VOC concentration and water volume in the biological aeration tank, and perimeter odor have been included in the annual monitoring plan.	-

2.7 Human Rights Protection

Management of Material Topics [GRI 2-23, GRI 2-24, GRI 2-25, GRI 3-3]

Material Topics		**Human Rights Protection**		
Significance to Shuang-Bang		Labor–management harmony is the cornerstone of the Company's sustainable development. Respecting human rights and gender equality helps build a fair and harmonious society.		
Actual and Potential Impacts	**Negative Impacts**	In the process of protecting human rights, more resources may need to be allocated, which may crowd out certain resources.		
	Positive Impacts	In the process of protecting human rights, reduce unfair treatment and maintain sound labor–management relations.		
Policies and Commitments		Policy: Provide diverse and open communication channels and use due diligence to advance human rights protection. Commitment: Create a safe, healthy, and harmonious workplace atmosphere on the basis of respect for human rights.		
Action Plans		(1) Human rights due diligence. (2) Revised the human rights issue management regulations. (3) Establish/manage employee communication channels.		
Effectiveness Evaluation Indicators		(1) Immediate action is required for high-risk items. (2) Immediate action is required if there are concerns regarding violations of laws and regulations. (3) Disclose human rights policy and management. (4) Immediate action is required if an employee feedback handling form is received.		
Objectives		**Short-term goal (2025-2027):** 1. Complete the revision of the "Human Rights and Employee Communication Management Regulations." 2. Publish an annual human rights report.	**Medium-term goal (2028–2030)** 1. No material human rights complaint cases occurred. 2. Human rights training rate of 100%.	**Long-term goal (2030 and beyond)** 1. No labor–management disputes occurred. 2. Promote suppliers' fulfillment of corporate responsibility.
2025 Performance		1. Revised the "Human Rights and Employee Communication Management Regulations." 2. Completed the human rights due diligence report.		
Influence of Stakeholder Engagement on Actions		The Company holds regular labor–management meetings and has established employee grievance and suggestion channels, striving to build a workplace environment with harmonious labor–management relations.		

Human Rights Policy and Commitment [GRI 2-23, GRI 2-24]

Shuang-Bang adheres to the principles and spirit outlined in international human rights conventions, including the Universal Declaration of Human Rights, the United Nations Global Compact, the UN Guiding Principles on Business and Human Rights, the International Labour Organization, and the Convention on the Rights of the Child. The Company bases its human rights policies and related internal regulations on applicable local laws and regulations.

Meanwhile, the Company has drafted a human rights due diligence process, referencing international human rights standards and best practices from other companies. This process aims to identify human rights issues relevant to Shuang-Bang and to establish mitigation and remediation measures to prevent and address potential impacts.

Shuang-Bang respects and supports international human rights principles and is committed to equal opportunity in recruitment, regardless of ethnicity, skin color, social class, nationality, or disability. We strictly prohibit the employment of child labor and forced labor, and any other practices that violate human rights. We collaborate with our value chain partners—including all employees, suppliers, customers, and collaborators—to implement human rights protections, as detailed in the following policies:

Policy	Content
Human Rights Policy	Establish Shuang-Bang's human rights policy, including its scope, commitments and principles, policy adherence, and key human rights issue management practices.
Sustainable Development Best Practice Principles	Develop practical compliance measures addressing economic, environmental, and social considerations to advance sustainable development goals.
Ethical Corporate Management Best Practice Principles	Develop standards of ethical conduct, including preventing conflicts of interest, maintaining confidentiality, and ensuring fair dealing, to serve as guidelines for stakeholders.
Supplier Code of Conduct	Divided into five key areas—labor practices, health and safety, environmental responsibility, business ethics, and management systems—the supply chain is required to comply with these standards and adhere to the laws and regulations of the countries and regions in which it operates.

Human Rights Due Diligence [GRI 2-24]

Based on international human rights standards and frameworks, and incorporating sustainable development concepts and risk management as its theoretical foundation, Shuang-Bang established a human rights risk assessment questionnaire covering a total of 10 human rights issues across three major categories: governance and ethics, labor rights, and health and safety. The Company uses rigorous and verifiable implementation methods to assess the current status of human rights risks and carry out improvements.

Human Rights Risk Analysis	Identification of Material Human Rights Issues	Establishment and Revision of Human Rights Policy	Deficiency Improvement and Tracking	Publication of Human Rights Report
Use human rights issues applicable to Shuang-Bang as the basis for assessment.	Use questionnaires to conduct two-dimensional quantitative risk scoring based on severity and frequency of occurrence.	Revise and announce human rights policies based on material human rights issues and relevant regulations.	Implement mitigation or remediation of human rights risks based on the results of material human rights issues.	Regularly publish human rights investigation reports, disclose the investigation process and risk results, and continue tracking and improvement.

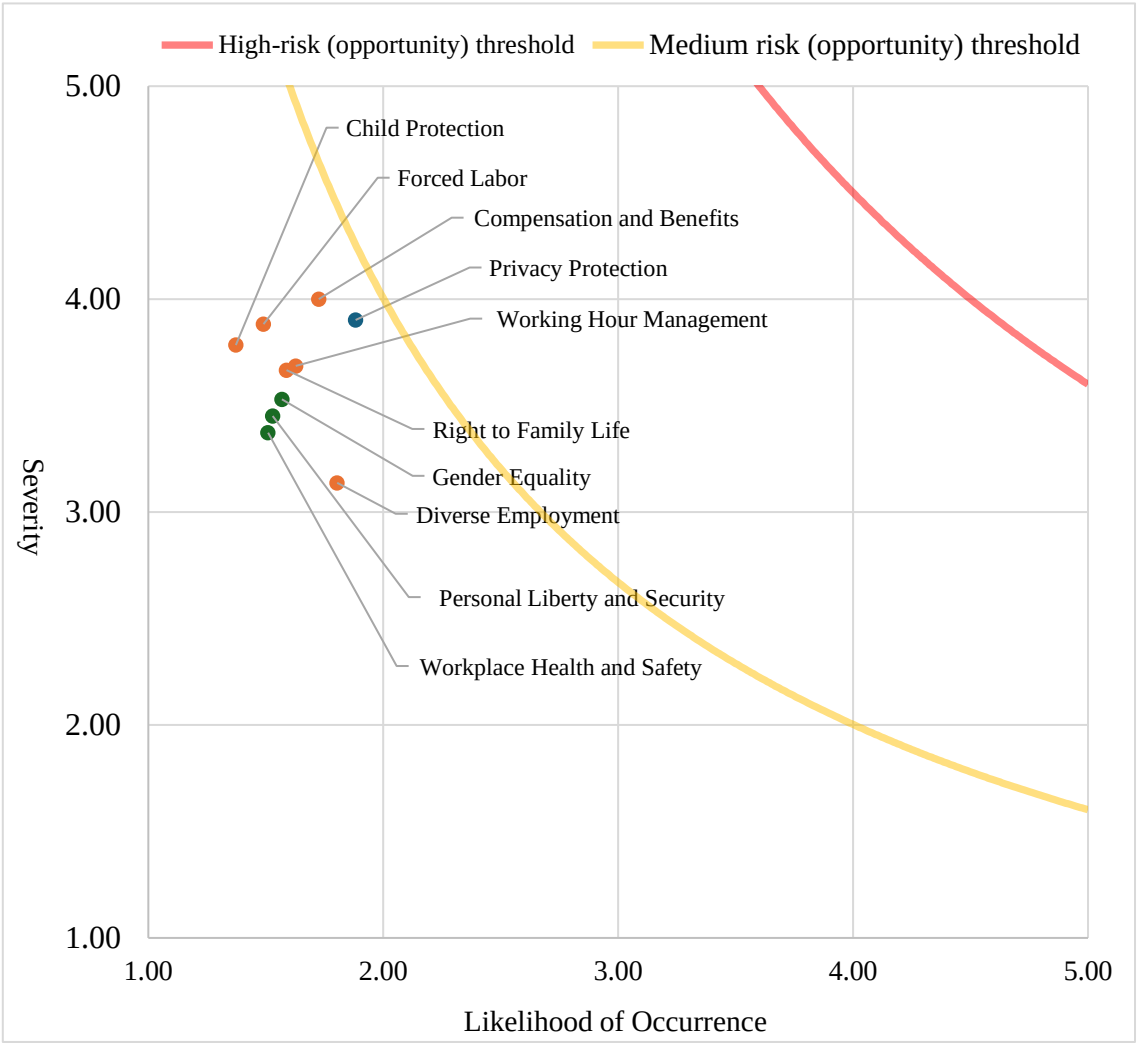
Category	Risk (Opportunity) Issues	Description of Risk (Opportunity)	Potential Impact	Expected Time Horizon of Impact
Governance and Ethics	**Privacy Protection**	Failure to adequately protect personal data and privacy.	Personal data/privacy leakage.	Short term
Labor Rights	**Diverse Employment**	Refusal to hire during recruitment based on age, marital status, race, or other reasons.	Violation of Article 5 of the Employment Service Act, subject to a fine of not less than NT$300,000 and not more than NT$1,500,000.	Short term
Labor Rights	**Forced Labor**	Withholding identity documents to coerce employees into labor.	Violation of Article 57, Subparagraph 8 of the Employment Service Act, subject to a fine of not less than NT$60,000 and not more than NT$300,000.	Short term
Labor Rights	**Working Hour Management**	Failure to comply with laws and regulations related to working hours.	Violation of Article 36 of the Labor Standards Act, subject to a fine of not less than NT$20,000 and not more than NT$1,000,000.	Short term
Labor Rights	**Compensation and Benefits**	Failure to comply with laws and regulations related to compensation and benefits.	Violation of Article 23 of the Labor Standards Act, subject to a fine of not less than NT$20,000 and not more than NT$1,000,000.	Short term
Labor Rights	**Child Protection**	Employment of workers under the legal working age.	Violation of Article 45 of the Labor Standards Act, punishable by imprisonment for not more than six months, detention, and/or a fine of not more than NT$300,000.	Short term
Labor Rights	**Right to Family Life**	Failure to grant leave in accordance with laws and regulations.	Violation of Article 21 of the Gender Equality in Employment Act, subject to a fine of not less than NT$20,000 and not more than NT$300,000.	Short term
Health and Safety	**Personal Liberty and Security**	Failure to provide employees with sufficient operational training and safety knowledge.	Violation of Article 32 of the Occupational Safety and Health Act, subject to a fine of not less than NT$30,000 and not more than NT$150,000.	Short term
Health and Safety	**Gender Equality**	Failure to implement sexual harassment prevention.	May result in legal fines, reputational damage, and organizational risks.	Short term
Health and Safety	**Workplace Health and Safety**	Neglect of employees' physical and mental health.	Affects employee attendance and work quality.	Short term

Risk Assessment Criteria			
Risk Value	**Greater than 18 points**	**8–18 points**	**Less than 8 points**
Risk levels	High	Medium	Low
Measure Formulation	Immediate termination, prevention, or mitigation measures are required.	Necessary measures must be taken.	Regular monitoring is sufficient.

Note 1: Risk value = average severity x average likelihood of occurrence.

Note 2: Likelihood of occurrence: almost never occurs = 1 point; occasional (once every 3–5 years), may occur = 2 points; certain probability (annually), possible = 3 points; high probability (quarterly), likely = 4 points; almost certain (monthly or more frequently) = 5 points.

Note 3: Severity: negligible (almost no substantive impact) = 1 point; minor (limited impact only on daily operations) = 2 points; moderate (controllable impact on specific processes or projects) = 3 points; significant (clear impact on major departments or core business) = 4 points; major (far-reaching impact on overall operations) = 5 points.



Category	Risk (Opportunity) Issues	Potentially Affected Groups	Mitigation Measures	Remediation Measures
Governance and Ethics	**Privacy Protection**	All employees	Regularly promote cybersecurity policies and strengthen awareness and understanding of privacy protection.	If any related incident occurs, internal investigations and rewards or disciplinary measures will be implemented in accordance with the "Cybersecurity Management Regulations."
Labor Rights	**Diverse Employment**	Job applicants	Promote awareness of the human rights policy and confirm that recruitment procedures comply with Article 5 of the Employment Service Act.	If any related incident occurs, recruitment-related operations will be suspended, and the Administration Department – Human Resources Section will conduct investigation procedures and education and training.
Labor Rights	**Forced Labor**	Foreign employees	Check foreign employees' residence permits and passports to confirm that they are kept by the employees themselves.	If any related incident occurs, the relevant documents and materials will be returned to the foreign employees immediately.
Labor Rights	**Working Hour Management**	All employees	Check employee attendance to confirm compliance with Article 36 of the Labor Standards Act, requiring one day off every seven days.	If any related incident occurs, the Administration Department – Human Resources Section will be responsible for reviewing work schedules and will require supervisors to adjust schedules immediately.
Labor Rights	**Compensation and Benefits**	All employees	Check salary payments to confirm that all payments are completed before the 10th day of each month.	If any related incident occurs, operations will be reviewed and processes optimized to ensure that salaries are paid on schedule.
Labor Rights	**Child Protection**	All employees	Check the ages of hired employees to confirm that no child labor is employed.	If any related incident occurs, work will be suspended and the guardian will be notified, and the employment contract will be terminated without affecting the employee's entitled rights and interests.

Category	Risk (Opportunity) Issues	Potentially Affected Groups	Mitigation Measures	Remediation Measures
Labor Rights	**Right to Family Life**	All employees	Check employees who apply for parental leave without pay to confirm that they are not treated unfairly.	If any related incident occurs, internal investigations and rewards or disciplinary measures will be implemented in accordance with the “Leave and Vacation Management Regulations.”
Health and Safety	**Personal Liberty and Security**	All employees	Regularly promote workplace safety rules and confirm that employees are aware of the rules.	If any related incident occurs, internal investigations and rewards or disciplinary measures will be implemented in accordance with the disciplinary provisions of the “Work Rules.”
Health and Safety	**Gender Equality**	All employees	Regularly promote sexual harassment prevention to confirm that employees comply with relevant requirements and avoid inappropriate conduct.	If any related incident occurs, internal investigations and rewards or disciplinary measures will be implemented in accordance with the “Sexual Harassment Prevention Management Regulations.”
Health and Safety	**Workplace Health and Safety**	All employees	Arrange on-site medical personnel to provide health consultation and promotion services to confirm improvements in employee health risks.	If any related incident occurs, the Safety and Health Department will confirm the progress and results of services on the day of the on-site medical service.

Workplace Gender Equality

To uphold gender equality in employment and provide employees and job applicants with a work and service environment free from sexual harassment, the Company has established a dedicated grievance hotline, a physical mailbox, and an email mailbox for sexual harassment prevention. During the grievance process, all matters are handled confidentially, and the complainant's name or any other information sufficient to identify them will not be disclosed, thereby protecting the complainant.

Grievance Filing	Grievance Handling Committee	Grievance Resolution	Follow-up After Case Closures
◆ Written submission with name ◆ Confidential handling	◆ Grievance investigation ◆ Grievance resolution	◆ If the investigation confirms the grievance to be substantiated, disciplinary action may be taken against the respondent in accordance with the Work Rules and other relevant regulations, depending on the severity of the circumstances.	◆ Ensure the effective implementation of disciplinary action or handling measures. ◆ Provide the parties with necessary assistance, such as counseling or medical support.

Preventive Measures	Publicly Disclose Grievance Channels
◆ Revise the Sexual Harassment Prevention Management Regulations in accordance with the Gender Equality in Employment Act. ◆ Post sexual harassment prevention awareness posters throughout all plants.	**Grievance receiving unit:** Administration Department **Dedicated hotline:** 049-2257450#201 **Dedicated physical mailboxes:** Employee Suggestion Boxes at each plant **Dedicated email:** sbi_mgmt@sbinet.com.tw

Human Rights Protection Implementation Results

Shuang-Bang has established the “Human Rights and Employee Communication Management Regulations,” the “Sexual Harassment Prevention Management Regulations,” and the “Regulations for the Prevention of Unlawful Infringement in the Performance of Duties.” These regulations clearly define grievance processes and handling procedures, and set forth corresponding mitigation measures for human rights incidents that employees may face. No human rights violations occurred in 2025. The Company will continue to monitor relevant issues and ensure the full implementation of its human rights commitments.

Protection Mechanism	2025 Implementation Effectiveness
Human rights and sexual harassment prevention education and training	567 participants, with total training hours of 520.5 hours.
Handling of sexual harassment and human rights violation grievances	No grievance cases.

Human Rights Incidents	2025
Discrimination incidents	0
Child labor incident	0
Sexual harassment grievance and reporting incidents	0
Forced or compulsory labor incidents	0

2.8 Risk Management

2.8.1 Risk Management Policy [GRI 2-13]

Shuang-Bang Industrial Corp. is committed to establishing a comprehensive risk management mechanism to prevent and mitigate the impact of various risks on the Company's operations. Through systematic risk assessments, we identify potential risks and formulate corresponding countermeasures while integrating risk management awareness into business activities and daily management processes. By doing so, we reduce the risks that may arise during operations, ensure that corporate strategies and objectives are effectively achieved, and safeguard the Company's stable operations and sustainable development.

Risk Management Organizations	
Board of directors	◆ Approve risk management policies, procedures, and frameworks. ◆ Ensure consistency between business direction and risk management policies. ◆ Ensure that appropriate risk management mechanisms and culture have been established. ◆ Supervise and ensure the effective operation of the overall risk management mechanism. ◆ Allocate and assign adequate and appropriate resources to ensure effective risk management.
Risk Management Committee	◆ Review the risk management policies, procedures and framework, and review their applicability and implementation effectiveness on a regular basis. ◆ Determine risk appetite (risk tolerance) and guide resource allocation. ◆ Ensure that the risk management measures can adequately address the risks faced by the Company and are integrated into the operating procedures. ◆ Approval of risk management priorities and risk levels. ◆ Review the implementation of risk management, provide recommendations for improvement, and report to the Board of Directors at least once a year. ◆ Carry out the risk management decisions of the board.
Risk Management Promotion Team	◆ Formulate risk management policies, procedures, and frameworks. ◆ Develop risk appetite (risk tolerance) and establish qualitative and quantitative measurement standards. ◆ Analyze and identify the sources and categories of the Company's risks, and regularly review their applicability. ◆ Consolidate and report the Company's risk management implementation status to the Committee at least once a year. ◆ Assist and supervise the execution of risk management activities by each operational unit. ◆ Coordinate cross-departmental interaction and communication for risk management operations. ◆ Implement the Committee's risk management decisions. ◆ Plan risk management training to improve overall risk awareness and foster a risk-conscious culture. ◆ Handle other risk management-related matters.
Business Units	◆ Each operational unit is responsible for risk identification, analysis, assessment, and response within its respective unit. It must fully understand the risks faced by the businesses under its authority, establish crisis management mechanisms, and make plans and revisions in response to changes in internal and external environments and regulations. ◆ Regularly report risk management information to the Risk Management Task Force. ◆ Ensure that risk management and related control procedures within the unit are effectively implemented in compliance with risk management policies.

Risk Management Process	
Risk Identification	Adopt feasible analytical tools and methods and, through analysis and discussion, comprehensively identify internal and external risks that may affect the Company's operations.
Risk Analysis	Understand the nature and characteristics of the identified risk events and assess the likelihood of occurrence and degree of impact using qualitative and quantitative methods to evaluate the impact of risks on the Company.
Risk Assessment	Based on the results of risk analysis, evaluate the degree of impact on the Company and classify risks according to their likelihood of occurrence and level of impact.
Risk Response	Adopt appropriate response measures for identified risks.
Risk Monitoring and Review	The Risk Management Promotion Team shall consolidate risk information provided by each unit and regularly prepare risk management reports for review by the Sustainability Development Committee and the Board of Directors. Execution of risk management shall be carried out in accordance with the review results.
Risk Reporting and Disclosure	In addition to disclosing relevant information in accordance with regulatory requirements, the Company also discloses information related to risk management in its annual report, sustainability report, or on the Company's Website.

Risk Management Effectiveness Evaluation Indicators	
Risk Assessment and Monitoring	Conduct risk identification and assessment on a regular basis once a year to ensure that management strategies align with the most recent conditions.
Internal Audit and Review	Carry out internal reviews annually to ensure the effective operation of the risk management system.
Stakeholder Communication	Disclose risk management measures through the ESG report to enhance transparency and corporate accountability.
Management System Certification	Continue to obtain external management system certifications to optimize the Company's internal management processes.

2.8.2 Risk Identification, Analysis, and Response Strategies

Risk Identification

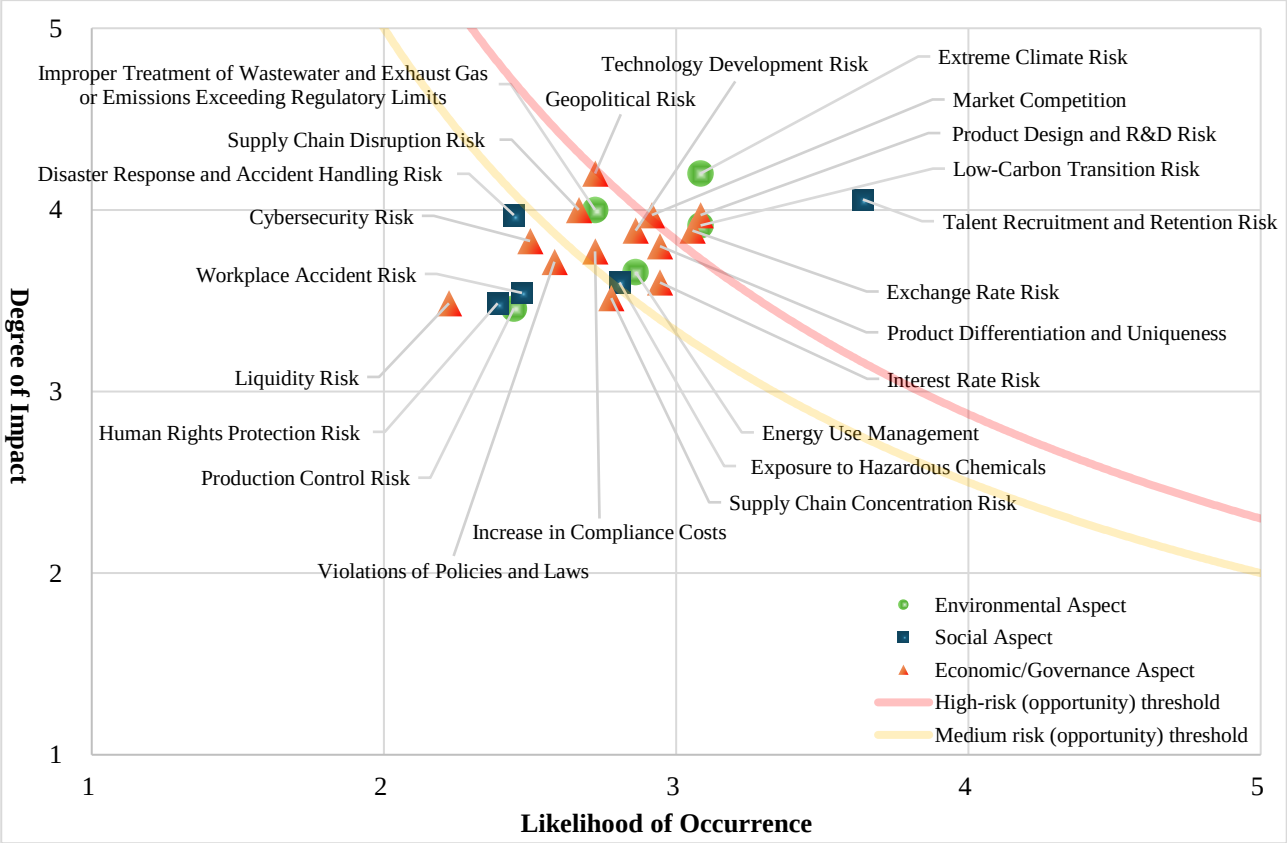
In accordance with the "Risk Management Policies and Procedures," Shuang-Bang Industrial Corp. carries out risk identification and analysis processes. Each operational unit collects and identifies potential risks each year based on the Company's short-, medium-, and long-term objectives and business responsibilities. The sources and categories of risks include, but are not limited to, strategic risks, operational risks, financial risks, information risks, regulatory compliance risks, integrity risks, and other emerging risks. In 2025, a total of 23 risks were identified, including financial, operational, cybersecurity, regulatory compliance, occupational safety, human resources, human rights, climate change, and environmental protection risks.

Risk Dimension	Risk Category	Risks	Risk Description
Governance Aspect	**Financial Risks**	A. Interest rate risk	Fluctuations in interest rates may result in reduced income or increased costs and expenses.
		A. Exchange rate risk	Fluctuations in exchange rates may result in reduced income or increased costs and expenses.
		A. Liquidity risk	Inability to liquidate assets or obtain sufficient funds may result in failure to meet obligations when due.
	Operational Risks	B. Market competition	Excessive market competition or the entry of new competitors may lead to business decline.
		B. Supply chain concentration risk	Overconcentration of purchases and sales, or suppliers' inability to deliver or delayed delivery.
		B. Supply chain disruption risk	Supply chain disruptions caused by geopolitics, trade wars, port congestion, or raw material shortages affect production and delivery schedules.
		B. Geopolitical risk	Threats of war, threats to peace, arms buildup, nuclear threats, terrorism, threats of war outbreak, escalation of conflict, or terrorist activities may affect the Company's operations. Threats from tariff and exchange rate issues may create barriers to entry in certain markets and pose risks to the Company's operations.
		B. Increased compliance costs	Strengthening corporate governance to ensure compliance with the requirements of relevant brands and third-party certification bodies may result in reduced profitability.
		B. Product R&D risk	Failure in product development or newly developed products not meeting market demand.
		B. Product differentiation and uniqueness	Risks may arise from excessive concentration of product applications in a single field, lack of industry diversification, and insufficient market uniqueness of products.
		B. Technological development risk	Rapid technological updates may cause the Company to fail to respond or invest in a timely manner, resulting in loss of market competitiveness.

Risk Dimension	Risk Category	Risks	Risk Description
Governance Aspect	**Cybersecurity risk**	C. Cybersecurity and customer privacy protection	Cyberattacks or hacking may cause system damage, data breaches, or financial extortion.
	Legal compliance risk	D. Violation of policies and laws	For example, violations of environmental regulations, the Labor Standards Act, and other legal requirements may result in property or operational losses.
Social Aspect	**Occupational Safety Risk**	E. Workplace accident risk	Failure to provide healthy and safe working conditions and environments may endanger workers' safety and health.
		E. Disaster response and accident handling risk	Lack of a comprehensive emergency response plan, such as for fires or leaks, and the absence of response mechanisms in the event of major accidents or natural disasters may increase losses.
		E. Exposure to hazardous chemicals	Employees may suffer health damage due to long-term exposure to unfavorable operating conditions, such as chemicals and noise.
	Human resources risk	F. Talent recruitment and retention risk	Talent loss and difficulty in recruiting professional talent may result in insufficient talent cultivation and development, as well as insufficient service capacity. As employees age and face a wave of retirement, the lack of a comprehensive succession plan may result in vacancies in key positions, affecting the Company's operations and development.
	Human rights risk	G. Human rights protection risk	Human rights risks include forced labor, discrimination, unfair compensation, excessive working hours, workplace violence, and infringement of personal privacy.
Environmental Aspect	**Climate change risk**	H. Extreme climate risk	Climate change may increase the severity of extreme weather events, such as typhoons and floods. This may lead to higher energy prices, increased operating costs, or affect the Company's deliveries, causing customers to adjust their procurement policies in response to environmental changes.
		H. Low-carbon transition risk	In the process of low-carbon transition, insufficient resource investment or improper strategies may lead to cost overruns or market loss.
	Environmental protection risk	I. Production control risk	Ineffective control of energy and raw materials for finished products may pose risks of environmental harm.
		I. Improper treatment or excessive discharge of wastewater and exhaust gas	Air, water, and soil pollution caused by corporate activities may result in legal liability, social protests, or fines.
		I. Energy use management	Ineffective control over the use of energy, water, and raw materials may lead to higher costs and increased carbon emissions.

Risk impact

The Risk Management Promotion Team distributes risk assessment questionnaires based on the results of risk identification. Each business unit evaluates risks through qualitative and quantitative methods, assessing the "likelihood of occurrence" and the "degree of impact," in order to understand the impact level of each risk issue on the Company. Risks are defined as follows: a risk value greater than 11.5 points is classified as high risk; 10 to 11.5 points is classified as medium risk; and less than 10 points is classified as low risk. This serves as the basis for determining the priority of risk events that need to be addressed. In 2025, a total of 36 questionnaires were collected, identifying 6 high-risk items, 9 medium-risk items, and 8 low-risk items.



High Risk	Medium Risk	Low Risk
A. Exchange Rate Risk	A. Interest Rate Risk	A. Liquidity Risk
B. Market Competition	B. Supply Chain Disruption Risk	B. Supply Chain Concentration Risk
B. Product Design and R&D Risk	B. Geopolitical Risk	C. Cybersecurity Risk
F. Talent Recruitment and Retention Risk	B. Increased Compliance Costs	D. Violation of Policies and Laws
H. Extreme Climate Risk	B. Product Differentiation and Uniqueness	E. Workplace Accident Risk
H. Low-Carbon Transition Risk	B. Technological Development Risk	E. Disaster Response and Accident Handling Risk
	E. Exposure to Hazardous Chemicals	G. Human Rights Protection Risk
	I. Improper Treatment or Excessive Discharge Of Wastewater And Exhaust Gas	I. Production Control Risk
	I. Energy Use Management	

Note 1: Risk (opportunity) value = average likelihood of occurrence × average impact level.

Note 2: Likelihood of occurrence: almost never occurs = 1 point; occasional (once every 3–5 years), may occur = 2 points; certain probability (annually), possible = 3 points; high probability (quarterly), likely = 4 points; almost certain (monthly or more frequently) = 5 points.

Note 3: Degree of impact: negligible (almost no substantive impact) = 1 point; minor (limited impact only on daily operations) = 2 points; moderate (controllable impact on specific processes or projects) = 3 points; significant (clear impact on major departments or core business) = 4 points; major (far-reaching impact on overall operations) = 5 points.

Risk Response Strategy

After risk assessment and analysis, each business unit formulates appropriate response measures for the high risks it faces and submits the high-risk response strategies to the Risk Management Promotion Team. The Risk Management Promotion Team consolidates the risk information provided by each business unit and regularly prepares risk management reports for review by the Risk Management Committee and the Board of Directors. After the review is completed, the Risk Management Team implements risk management in accordance with the review results.

Risk	Response Strategy
Market Competition	◆ Differentiation strategy: Adopt distinctive design, quality improvement, brand management, and service optimization to clearly differentiate products/services from competitors. ◆ Cost leadership and efficiency improvement: Reduce costs and improve efficiency through process optimization, production automation, and procurement optimization to maintain advantages in price competition. ◆ Market expansion and customer diversification: Expand into new markets, enter new geographic regions, or develop new customers/new product lines to reduce the risk of overreliance on a single market or customer group. ◆ Innovation and technology investment: Continue to invest in R&D, digital transformation, and service model innovation to respond to market changes and raise barriers to competition. ◆ Customer relationship management and brand loyalty enhancement: Strengthen the brand, service experience, and customer stickiness to reduce the risk of losing customers to competitors. ◆ Competitive intelligence and market monitoring: Regularly analyze competitors, substitutes, and market trends, and adjust strategies early to maintain advantages.
Exchange Rate Risk	◆ Use financial hedging instruments: In accordance with the Company's "Procedures for Acquisition and Disposal of Assets," evaluate various derivative financial instruments that can effectively reduce exchange rate risk, and have the responsible supervisors strictly control hedging positions to avoid improper transactions and reduce exchange losses arising from exchange rate risk. ◆ Natural hedging: Achieve a certain degree of natural hedging through controls that offset recurring foreign-currency receivables and payables against each other. ◆ Pricing and billing currency strategy: Use local-currency pricing where possible, or transfer foreign-currency risks to customers/suppliers. ◆ Internal exchange rate risk management system: Regularly conduct sensitivity analysis of foreign-currency exchange rate risks and monitor changes and information in the foreign exchange market.
Product Design and R&D Risk	◆ Please refer to the Material Topic Management in Section 3.1 Product Design and R&D.
Talent Recruitment and Retention Risk	◆ Please refer to the Material Topic Management in Section 5.3 Talent Recruitment and Development.
Low-Carbon Transition Risk	◆ Please refer to the Material Topic Management in Section 4.6 Climate Change and Adaptation.
Extreme Climate Risk	◆ Please refer to the Material Topic Management in Section 4.6 Climate Change and Adaptation.

CH3 Products and Services

3.1 Product Design and R&D

Management of Material Topics [GRI 2-23, GRI 2-24, GRI 2-25, GRI 3-3]

Material Topics		**Product Design and R&D**		
Significance to Shuang-Bang		It helps enhance competitiveness and brand recognition, while also serving as a key driver of sustainable development and strengthening the Company's commitment and professional image in the ESG field.		
Actual and Potential Impacts	**Negative Impacts**	Failure to respond in a timely manner to increasingly stringent environmental regulations and ethical transparency requirements may cause products to fall short of international certification standards and market expectations, resulting in the loss of business opportunities.		
	Positive Impacts	In view of the international trend toward zero-carbon supply chains and reduced reliance on petrochemical resources, the Company should actively invest in environmentally friendly and low-carbon product lines to respond to market and sustainable development requirements.		
Policies and Commitments		(1) Promote the development of low-VOC-emission products, such as water-based PU and solvent-free products. (2) Accelerate the introduction of bio-based materials and r-PET recycled materials into PU (TPU) products. (3) Establish closed-loop process technologies to comply with international environmental regulations.		
Action Plans		(1) Continuously monitor various international environmental regulations and standards, regularly update information on banned substances, and implement annual restricted substance monitoring plans. (2) Introduce applications of bio-based materials, recycled materials, and water-based products to develop sustainable new products that balance environmental protection and market competitiveness.		
Effectiveness Evaluation Indicators		(1) Annual monitoring of restricted substances in raw materials. (2) Annual monitoring of restricted substances in textiles.		
Objectives		**Short-term goal (2025-2027):** Green product project completion items > 40%	**Medium-term goal (2028-2030):** Green product project completion items > 70%	**Long-term goal 2030 and beyond:** Green product project completion items > 90%
2025 Performances		Green product development: Completed the development of two water-based resin products, one bio-based material resin product, and one recycled material (r-PET) resin product.		
Influence of Stakeholder Engagement on Actions		Continue to promote the development of low-carbon and environmentally friendly products based on international and government regulatory requirements, combined with market and product trends.		

Product R&D Outcomes

The R&D team embraces scientific rigor and data orientation as its core values. Through rigorous experimental design and systematic data analysis, the team comprehensively analyzes various test results. By continuously accumulating experimental data and technical experience, the team is able to promptly adjust R&D directions and reduce development uncertainties. At the same time, the team actively introduces advanced analytical instruments, testing equipment, and professional technologies. Through standard operating procedures (SOPs) and cross-departmental collaboration mechanisms, the Company ensures that quality requirements at each stage are implemented, and that R&D outcomes can be smoothly connected with production and market needs. With professional analysis and institutionalized management operating in parallel, the R&D team can not only effectively ensure the stability of product quality, but also accelerate the transition of R&D outcomes from the laboratory to mass production and market application. This further strengthens product differentiation advantages and lays a solid foundation for the Company to continuously create market competitiveness, brand trust, and long-term business value.

R&D Expenses in the Past Three Years **Unit: NTD thousands**



Major R&D Projects in Recent Years	
Bio-based PU resin	
By introducing bio-based raw materials, the Company reduces the use of petrochemical raw materials and thereby lowers carbon emissions, aligning with global low-carbon and environmental trends and strengthening the sustainable competitiveness of its products.	
Bio-based wet-process film resin (bio-based content > 35%)	◆ Applications: functional textiles, outdoor sportswear, mountaineering jackets, and other products.
Bio-based wet-process transfer lamination resin (bio-based content > 35%)	◆ Applications: Medical bed covers, home furnishings, etc.
Bio-based TPU particles (bio-based content > 25%)	◆ Successfully developed products with no back-sticking after high-frequency processing, UV resistance above grade 4.5, and rebound resilience exceeding 45%. ◆ Applications: extrusion and injection processing of footwear materials, demonstrating excellent performance and processing adaptability.

Major R&D Projects in Recent Years	
Water-based PU resin	
Use water to replace organic solvents, reducing the risk of organic gas volatilization during production. This is environmentally friendly and aligns with low-carbon trends.	
Water-based composite resin	◆ Water-based PU, water-based EVA, and water-based acrylic composite resin. ◆ Applications: yarn bonding, industrial fabrics/bag materials.
Water-based ink	◆ Non-yellowing water-based resin, with flex resistance >50,000 cycles. ◆ Applications: ink and leather fabrics.
Water-based moisture-permeable waterproof transfer lamination resin	◆ Water pressure resistance > 10K, moisture permeability B1 > 10K, and washing resistance of 10 cycles. ◆ Applications: textile coating.
Water-based moisture-permeable waterproof film resin	◆ Water pressure resistance > 15K and moisture permeability B1: 40–50K. ◆ Applications: textile coating.
Recycled material (r-PET) PU resin	
Through partial depolymerization of PET and copolymerization technology, recycled PET flakes from plastic bottles are converted into polyols used as PU resin raw materials, which are subsequently processed into PU and TPU products. In compliance with the Global Recycled Standard (GRS), the recycled material content is > 20%. The r-PET polyols and their derived products have also completed GRS certification registration, demonstrating the Company's technical capabilities and market commitment to sustainable material applications.	
Recycled polyester (r-PET) polyol process technology	◆ Several recycled polyols for internal use have been developed, such as r-PET-2800, r-PPT-250, and r-PPT-15. ◆ Applications: PU resin and TPU synthesis.
r-PET moisture-curable hot melt adhesive (PUR)	◆ Moisture-curable resin can be left to stand to complete adhesion, with no chemical solvents required throughout the entire process. It also contains recycled r-PET material and features low VOC emissions and low carbon emissions, meeting sustainability and environmental requirements. ◆ PUR products containing >20% recycled materials have been developed.
r-PET TPU particles	◆ Recycled content >30%, wash resistance >25 cycles ◆ Applications: textiles.
TPU supercritical foaming process	
Use a supercritical fluid as a physical foaming agent, allowing the gas to dissolve uniformly in the TPU melt under high-temperature and high-pressure conditions. Instant pressure reduction induces the formation of fine bubbles, creating foamed materials with closed-cell or semi-closed-cell structures. These materials are suitable for product combinations such as shoe midsoles, insoles, and bra pads, making them lightweight while supporting recycling and reuse, thereby enhancing the sustainable value of the products.	
Thermoplastic polyurethane (TPU) supercritical foaming particles	◆ The Company has independently manufactured supercritical nitrogen-foamed midsoles and achieved mass production. ◆ Applications: footwear materials.

3.2 Product and Service Quality

Management of Material Topics [GRI 2-23, GRI 2-24, GRI 2-25, GRI 3-3]

Material Topics		**Product and Service Quality**		
Significance to Shuang-Bang		Adhere to the business principle of "Quality First, Customer First," follow the ISO 9001 Quality Management System, strictly control product quality, and meet customer expectations for product and service quality.		
Actual and Potential Impacts	**Negative Impacts**	Poor product quality and low yield rates may lead to loss of customer orders and erosion of consumer trust.		
	Positive Impacts	Improve product quality, increase customer orders, and enhance consumer trust.		
Policies and Commitments		(1) Process improvement and inspection optimization, along with increased customer communication frequency, to meet customer needs. (2) Continuously evaluate and replace production and inspection equipment to enhance capacity and yield.		
Action Plans		(1) Monthly quality meetings track goal achievement and review customer complaints and quality issues. (2) Collect market trends and customer feedback during monthly business meetings, review the sales performance of new products, and adjust targets in a timely manner. (3) Conduct routine and ad hoc customer visits to build trust and obtain real-time updates from clients.		
Effectiveness Evaluation Indicators		(1) Conduct regular customer satisfaction surveys. (2) Use digital systems to monitor product quality and process parameters in real time, and to analyze and trace parameters related to raw material quality control, process conditions, and product quality.		
Objectives		**Short-term goal (2025-2027):** Achieve 90% customer satisfaction.	**Medium-term goal (2028-2030):** Conduct annual customer satisfaction surveys and continuously establish various communication platforms to promptly address customer issues.	**Long-term goal (2030 and beyond):** Strengthen the frequency of regular discussions with customers or brands on new product development progress and issues to facilitate the smooth advancement of new products.
2025 Performances		Customer satisfaction: Coating Division: 93.28 points; Polymer Division: 91.96 points; TPU Division: 92.03 points.		
Influence of Stakeholder Engagement on Actions		(1) Establish a dedicated customer service hotline, handled by a specialized department to provide customers and suppliers with professional consultation in real time. (2) Conduct product exchanges, seminars, or exhibitions on an ad hoc basis to communicate face-to-face, demonstrate product functions, gather customer feedback, and create opportunities for broader customer interaction.		

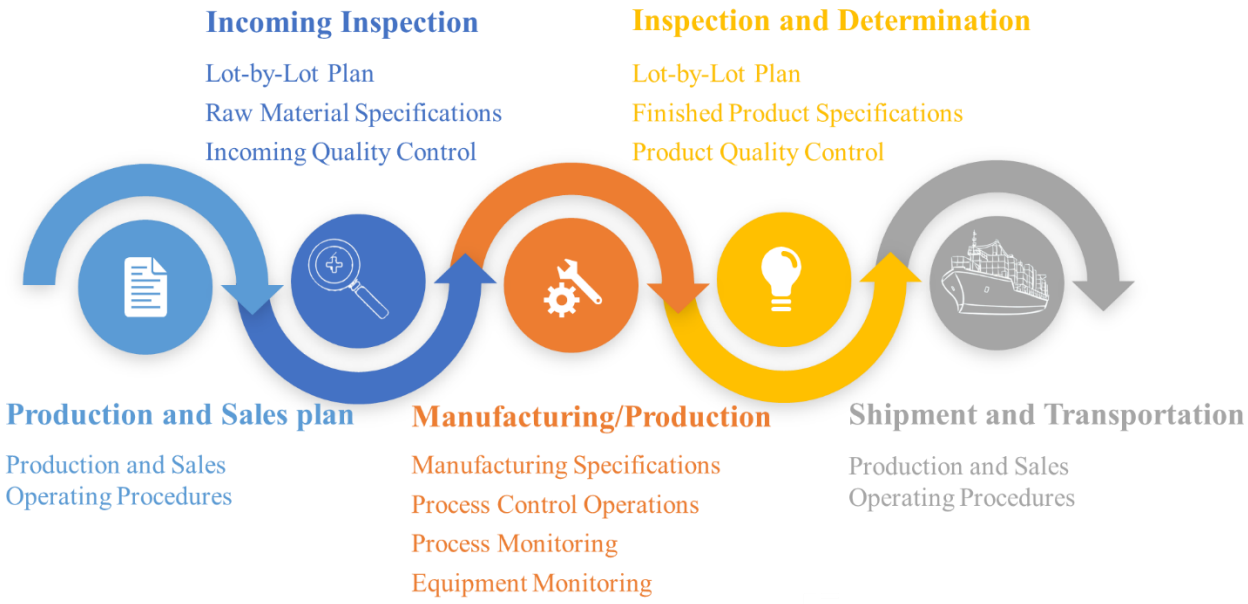
Quality Management

Shuang-Bang Industrial Corp. implements the ISO 9001 Quality Management System. A rigorous management framework has been established across the processes of production and sales planning, incoming inspection, manufacturing, quality determination, and shipment and transportation. With the support of information technology, the Company has built quality and process databases, as well as an ERP system, to enable real-time monitoring of product quality and process parameters, thereby ensuring the quality of the final products. The system also allows for statistical analysis and traceability of product quality, process parameters, and raw material quality. In addition, the digital change management system ensures that all process changes are strictly reviewed and managed, thereby eliminating change-related risks and contributing to the stability of production processes and product quality.

Quality Policy

Customer satisfaction, sustainable operations.

- ✧ Strive to continuously meet customer expectations and comply with all applicable laws and regulations.
- ✧ Establish and maintain an effective quality management system that emphasizes continual improvement and proactive prevention of nonconformities.



Product Verification

Shuang-Bang Industrial Corp. continuously monitors the EU Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and the EU Restriction of Hazardous Substances Directive (RoHS). The Company also complies with the restricted substance requirements of OEKO-TEX® STANDARD 100, bluesign® SYSTEM, and the Global Recycled Standard (GRS), and regularly passes reviews to obtain certifications.

Standard	Restricted Substances Regulations	Product Compliance
Registration, Evaluation, Authorization and Restriction of Chemicals REACH	◆ Substances of Very High Concern (SVHC)	Films and coating/lamination-processed textiles.
Restriction of Hazardous Substances Directive RoHS	◆ Pb, Cd, Hg, Cr^{6+}, PBB, PBDE, BBP, DBP, DIBP, DEHP	Films and coating/ lamination-processed textiles.
OEKO-TEX® STANDARD 100 OEKO-TEX® Standard 100	◆ OEKO-TEX® STANDARD 100 Appendix 4	Mainly moisture-permeable waterproof coating/lamination-processed textiles.
bluesign® SYSTEM bluesign® SYSTEM	◆ bluesign® SYSTEM Black Limits (BSBL) ◆ bluesign® SYSTEM Substance List (BSSL)	bluesign® APPROVED resins, films, and coating/lamination-processed textiles.
Global Recycled Standard GRS	◆ Substances of Very High Concern (SVHC) ◆ GHS special hazard codes ◆ ZDHC Manufacturing Restricted Substances List (MRSL)	TPU particles, TPU films, and GRS textile coating and lamination processing containing more than 20% recycled materials.

Customer Service

Customer Issue Reporting	Cross-departmental Communication	Customer Issue Response
◆ Sales personnel handle customer issues as soon as possible.	◆ Technical issues (with assistance from the R&D Department) ◆ Social responsibility issues (with assistance from the Administration Department) ◆ Environmental management and hazardous substance control issues (with assistance from the Safety and Health Department)	◆ Sales personnel must provide customers with an initial response on the handling progress within 24 hours. ◆ Sales personnel must provide customers with effective handling measures within five business days.

3.3 Supply Chain Management

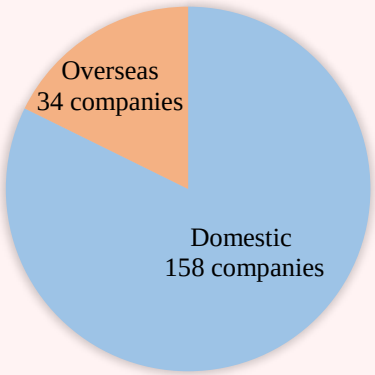
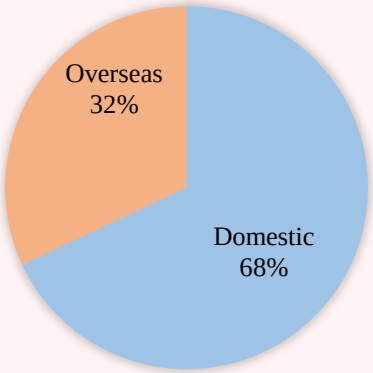
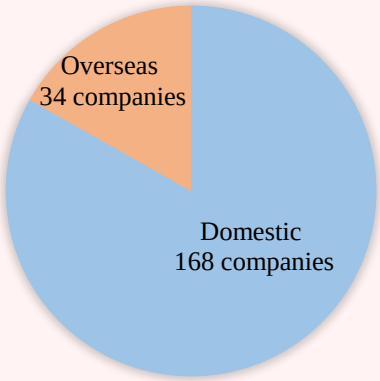
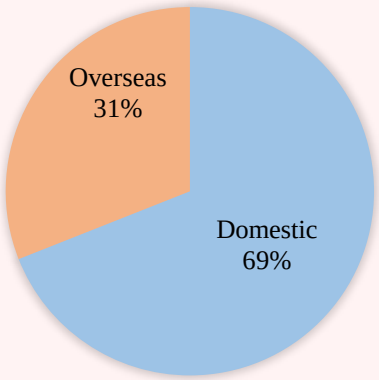
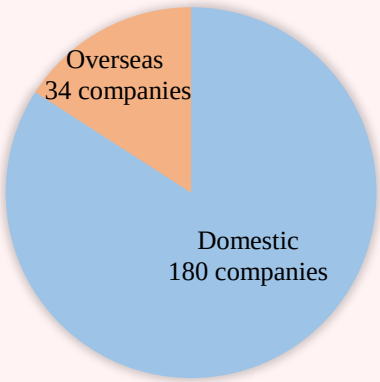
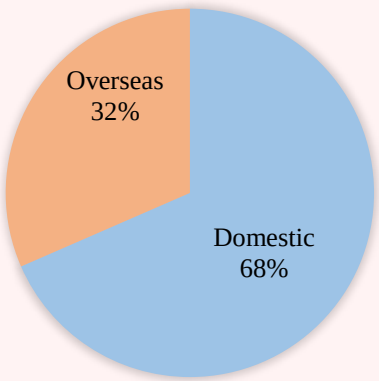
Supplier Management Policy

Global economic conditions affected by factors such as uncontrollable inflation across countries and heightened geopolitical risks, together with increasingly severe climate change and frequent global disasters, have further highlighted the importance of supply chain management. To mitigate the impact of imbalanced supply chain management on the Company, Shuang-Bang Industrial Corp. has strengthened supplier sustainability management. In addition to monitoring supply and transportation, the Company also enforces stricter evaluations of new suppliers on environmental and social responsibility, requires reporting on green procurement, and promotes digitalization in supplier management. At the same time, while upholding a commitment to continuous innovation, the Company works with customers to develop and identify applicable raw materials that must comply with international regulations and standards such as the EU Restriction of Hazardous Substances Directive (RoHS), the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), bluesign®, ISO 9001, and ISO 14001, as well as Taiwan's relevant environmental regulations, so as to jointly enhance quality and create win–win outcomes.

Supplier Signing of the Supplier Code of Conduct and Commitment and the Integrity Commitment	The Supplier Code of Conduct and Commitment sets behavioral standards regarding labor and human rights, health and safety, environmental friendliness, ethical norms, and management systems. Through suppliers' signing, Shuang-Bang's belief in sustainable development is communicated to them, and this signed document is also listed as one of the conditions for Shuang-Bang's evaluation in procurement and contracting.
New Raw Material Testing	The R&D unit conducts sample testing and provides test results, and is responsible for providing technical information and assisting in evaluating the technical capabilities of raw material suppliers.
Raw Materials Procurement	The Procurement unit makes purchases following the inquiry, comparison, and negotiation model, while also taking into consideration practical conditions such as delivery deadlines, payment terms, supplier credit status, and quality durability as the basis for selection.
Green Procurement	Prioritize raw materials and products that meet environmental standards, regularly inventory and report the green procurement ratio, and continuously increase the utilization rate of eco-friendly materials.
Digitalization of Supplier Management	Use the EASY FLOW system for supplier management approvals to enhance efficiency, transparency, and compliance.

Supplier Procurement Ratio [GRI 204-1]

Taiwan is an important operating site for Shuang-Bang Industrial Corp. Raw material procurement is prioritized locally, which not only reduces the environmental impact of carbon emissions generated from raw material transportation, but also enables better control over raw material supply conditions, thereby providing customers with stable raw material quality to meet long-term demand. If raw materials have special sources or cannot be supplied locally, the Company procures them from overseas.

Year	Number of Procurement Suppliers	Procurement Amount Ratio
2023		
2024		
2025		

Note 1: The proportion of procurement from local suppliers is calculated as procurement amount from local suppliers/total procurement amount.

Note 2: Shuang-Bang Industrial Corp.'s operating sites are located in Taiwan, and it has no overseas operating sites. Local is defined as Taiwan, including Taiwan's offshore islands, while overseas refers to imports from countries outside Taiwan, such as China, Japan, and European countries.

Note 3: Significant operating sites include the Yongxing Plant, Renhe Plant, Nangang Plant, and Taipei Office.

Supplier Evaluation

To implement Shuang-Bang's quality policy of "customer satisfaction and sustainable operations," a stable raw material supply is extremely important. Therefore, the Company has established supplier evaluations to be conducted regularly every six months. Suppliers that pass the evaluation serve as a reference for continued transactions in the following half-year, ensuring the stability of quality and delivery schedules.

Evaluation Targets	**The top 10 suppliers by transaction amount from January to June and from July to December each year, as well as single-source suppliers.**		
Evaluation Content	Evaluation is conducted based on three major related items: quality/safety, delivery, and price.		
Evaluation Grades	Grade A: 80 points or above; priority suppliers. Grade B: 60–79 points; general suppliers. Grade C: below 60 points; rejected suppliers.		
Scoring Criteria	**Quality/Safety (Total score: 50 points)**	**Delivery (Total score: 35 points)**	**price (Total score: 15 points)**
	◆30 points: Ratio of supplier quality failing to meet acceptance criteria.	◆25 points: Supplier delivery delays that do not affect production.	◆5 points: Current purchase price level ratio, excluding changes due to market factors.
	◆10 points: Timeliness of supplier handling, specific improvement measures, and recurrence prevention for quality abnormalities.	◆10 points: One-day delay in delivery of urgent orders by the supplier.	◆10 points: Supplier's willingness to absorb cost increases caused by market-driven price increases in raw material sources.
	◆10 points: Packaging, labeling, or transportation not complying with requirements or causing abnormalities.	-	-
Passing Criteria	Suppliers with a total evaluation score of 60 points or above are qualified suppliers; procurement from suppliers evaluated as Grade C will be suspended.		
Follow-up Improvement	The evaluation results report is submitted to the procurement department supervisor for approval. Variance analysis is conducted on the scores of the top 10 suppliers between the first and second periods, and follow-up/improvement plans are proposed.		

Supplier Evaluation Results				
Evaluation Year	Number of Suppliers Evaluated	Number of Grade A Suppliers	Number of Grade B Suppliers	Number of Grade C Suppliers
First Half of 2023	51	51	0	0
Second Half of 2023	43	41	2	0
First Half of 2024	56	55	1	0
Second Half of 2024	77	76	1	0
First Half of 2025	83	80	3	0
Second Half of 2025	81	81	0	0

Note 1: All suppliers passed the supplier evaluation in 2025.

Note 2: Results of variance analysis between the first and second halves of 2025: Compared to the first half of 2025, the total number of evaluated suppliers in the second half of 2025 was adjusted from 83 to 81, and the Grade A achievement rate increased from 96% to 100%.

Supplier Sustainability Management

Shuang-Bang Industrial Corp. has long been committed to promoting and enhancing environmental protection, social responsibility, and corporate governance. The Company also expects all suppliers to uphold similar principles in their business activities and, therefore, encourages them to comply with behavioral standards regarding labor and human rights, health and safety, environmental friendliness, ethical norms, and management systems.

Sustainability Requirements Compliance	Require suppliers to sign the "Supplier Code of Conduct and Commitment Letter" and the "Integrity Commitment," and jointly comply with standards regarding labor and human rights, health and safety, environmental friendliness, ethical norms, and management systems.
Sustainability Risk Survey	◆ Starting in 2025, assessment audits conducted every five years have been added. The Supplier Code of Conduct and ESG Self-Assessment Form have also been introduced, enabling suppliers to conduct self-risk assessments. Shuang-Bang reviews the suppliers' self-assessment results to identify supplier sustainability risks. ◆ The assessment targets are suppliers rated Grade A in supplier evaluations and ranked among the top 20 suppliers by purchase amount in the previous year.
Sustainability Audit	◆ **Document Audit:** Conduct compliance verification based on the Supplier Code of Conduct and ESG Self-Assessment Form, Supplier Evaluation Form, and supporting documents, and request suppliers to provide supplementary information when necessary. ◆ **Onsite Audit:** Conduct onsite inspections and evaluations by Shuang-Bang's procurement and relevant units.
Guidance for Improvement	Based on the assessment audit results, request suppliers to provide a deficiency improvement review form within the prescribed deadline, formulate improvement plans, and regularly track improvement progress.

Supplier Code of Conduct				
Labor and Human Rights	**Health and Safety**	**Environmental Friendliness**	**Ethical Norms**	**Management System**
◆ Prohibition of forced labor. ◆ Prohibit child labor and protect young workers. ◆ Ensure working hours, wages, and benefits comply with local regulations. ◆ Anti-discrimination, no harassment, and ensure humane treatment. ◆ Protect freedom of association and labor–management negotiation.	◆ Provide a safe working environment. ◆ Establish procedures to prevent, manage, track, and report work-related injuries and occupational diseases. ◆ Physical labor. ◆ Provide employees with health and safety training.	◆ Obtain required environmental permits. ◆ Conflict-free minerals. ◆ Prevent pollution and conserve resources. ◆ Identify and manage hazardous substances. ◆ Manage emissions and water resources. ◆ Energy consumption and greenhouse gas emissions.	◆ Prohibit improper gains. ◆ Sign the Integrity Commitment. ◆ Protect information security, privacy, and personal data.	◆ Senior management should be responsible for implementing and reviewing the operation of management systems and plans. ◆ Risk assessment and management. ◆ Employee training and communication. ◆ Provide grievance channels. ◆ Establish and retain documents and records.

2025 Performance			
Supplier Evaluation and Audit		Supplier Code of Conduct and Commitment	Integrity Commitment
Onsite audit	**Document audit**	**Signing rate**	**Signing rate**
2 suppliers	1 supplier	73%	72%

Note 1: Signing rate = (number of suppliers that have signed the commitment letter/total number of cooperating suppliers) × 100%

3.4 Customer Relationship Management

From an overall perspective of corporate governance and management, Shuang-Bang connects its internal processes across execution, management, and decision-making levels, systematically strengthening its operational management mechanisms to fully enhance management effectiveness. The Company also continues to improve customer satisfaction and loyalty, consolidate its corporate reputation, and further strengthen new customers' willingness to establish cooperative relationships with Shuang-Bang, thereby jointly creating long-term and stable operating results and value.

Customer Information Handling

Order Management	Upon receiving customer orders, relevant information is recorded in the ERP system to control order progress and delivery schedules.
Order Tracking	Based on customer basic information and order commitments, order tracking is conducted through the order management system, and relevant purchase requisition data are established.

Customer Data Protection

Shuang-Bang maintains comprehensive confidentiality management for customers' confidential information. To date, the Company has not received any customer complaints involving infringement of customer privacy or loss of customer data.

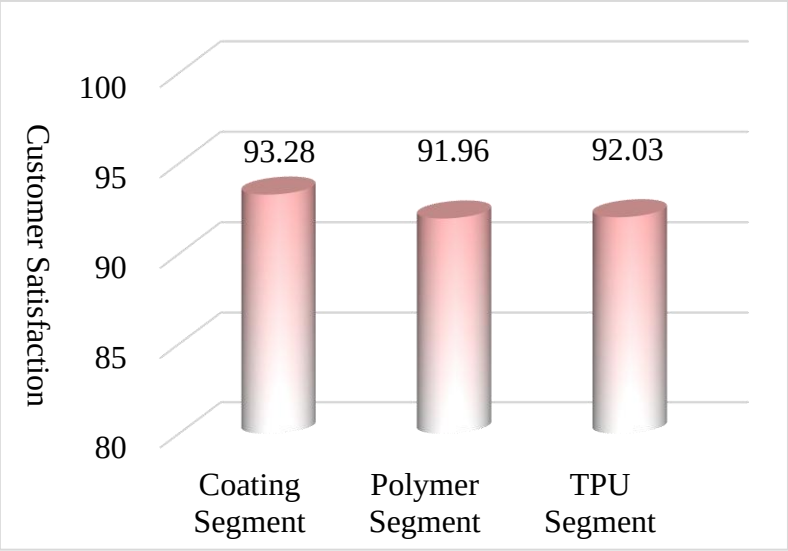
Establishment of Data Control-Related Management Regulations	"Document Management Regulations," "Confidential Document Management Regulations," and "Customer Service Management Procedure."
Internal Document Management Unit and System	The Administration Department serves as the general document management unit, and a document control center has been established.
Comprehensive Information Security Protection Measures	The Information Technology Section is responsible for access control over electronic data, and unauthorized personnel cannot access customer information.
Signing a Confidentiality Agreement	Established confidential partnerships in response to customer needs.

Customer Satisfaction

Shuang-Bang upholds a customer-oriented business philosophy, establishes a comprehensive internal quality and service management system, provides real-time and localized customer service, and has formulated and follows the “Customer Service Management Procedure” to conduct customer satisfaction surveys on a regular annual basis. Through the continuous collection and analysis of customer feedback, the Company identifies customer needs and drives ongoing improvements to strengthen service quality and consistently provide products that meet customer expectations.

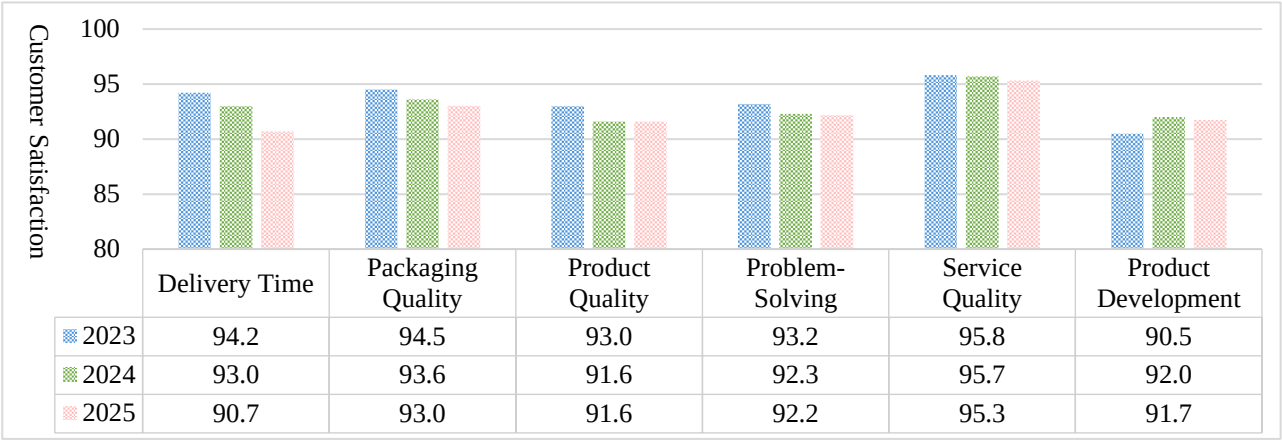
Survey Targets	The top 30 major customers of each business unit are surveyed.
Assessment	Delivery time, packaging quality, product quality, problem solving, service attitude, and product development.
Follow-up Improvement	Review, track, and formulate improvement measures for overall satisfaction and items where customers express dissatisfaction.

The 2025 customer satisfaction survey results showed that the average scores of all three major business units exceeded 90 points, demonstrating that Shuang-Bang continues to receive customer recognition in product quality, service response, and customer communication. At the same time, for areas involving frequent customer interaction and greater impact on operations, the Company proactively strengthens relevant management measures to improve service stability and risk response capabilities.



In the “Delivery time” aspect, the Company continues to strengthen delivery schedule management and production planning. The main measures are as follows:

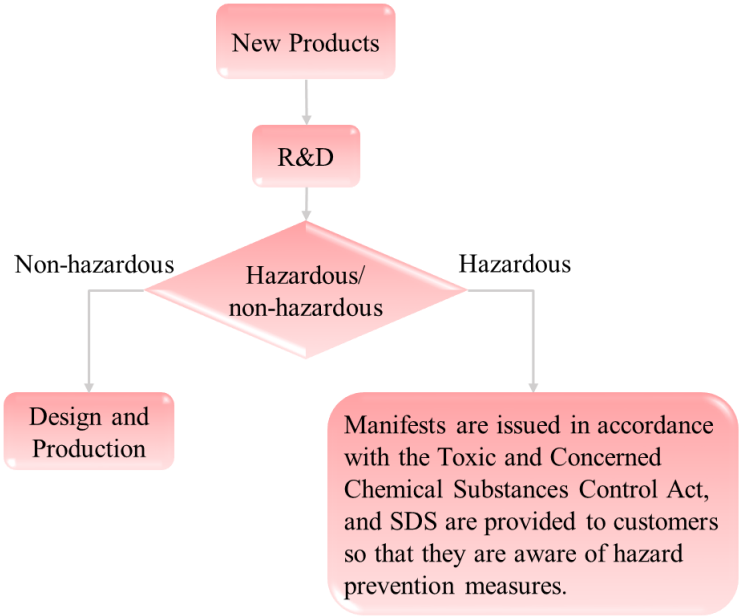
1. Communicate with customers in advance regarding order forecasts and changes in demand, and introduce early warning mechanisms and risk assessments to reduce the impact of concentrated production line loads on delivery schedules.
2. Improve production flexibility and delivery stability as new production lines are established and production capacity is adjusted.
3. Combine sales data analysis and safety stock management to respond to demand fluctuations and improve delivery timeliness and supply reliability.



	Delivery Time	Packaging Quality	Product Quality	Problem-Solving	Service Quality	Product Development
2023	94.2	94.5	93.0	93.2	95.8	90.5
2024	93.0	93.6	91.6	92.3	95.7	92.0
2025	90.7	93.0	91.6	92.2	95.3	91.7

Customer Health and Safety [GRI 416-2, GRI 417-1, GRI 417-2]

To protect customer health and safety, Shuang-Bang labels products in accordance with the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) and provides complete and accurate Safety Data Sheets (SDS) to prevent hazardous substances in products from posing potential risks to customer health and safety.



Raw Material Control

All raw materials subject to inspection are controlled and inspected in accordance with internal inspection standards. For items that cannot be inspected internally by the Company, or that involve special safety/environmental specifications, such as RoHS and REACH, and must meet customer requirements, priority is given to reviewing Certificates of Analysis (COAs) and relevant regulatory certificates provided by suppliers. When necessary, third-party certification bodies are commissioned to conduct testing to ensure that raw materials do not contain substances hazardous to health or the environment, reduce risks, and comply with regulatory and customer requirements.

Finished Product Control

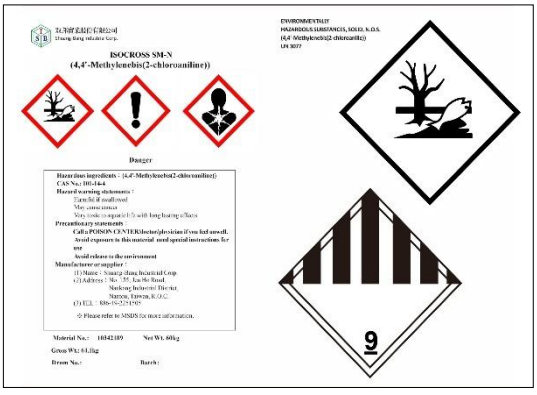
Before finished products are shipped, full inspection or sampling inspection is conducted for each batch in accordance with the "Finished Product Inspection Standards" to ensure that physical properties and appearance meet quality specifications. If customers have special safety or health requirements, such as toxicity testing or specific restricted substances, additional inspections are conducted according to order requirements or contract-specified items, and inspection records are fully retained. If the Company is unable to conduct special item inspections, it proactively commissions third-party certification bodies to perform testing to ensure product safety and compliance with regulatory and customer requirements.

Product Labeling

(1) In accordance with the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) and relevant regulatory requirements, production personnel carry out product label application and confirmation procedures before shipment to ensure that label content is accurate and complete.

(2) Before export products are shipped, applicable regulatory requirements are confirmed according to the destination country, and necessary information is disclosed on product labels to ensure compliance with local regulations and avoid causing inconvenience to customers or creating regulatory risks.



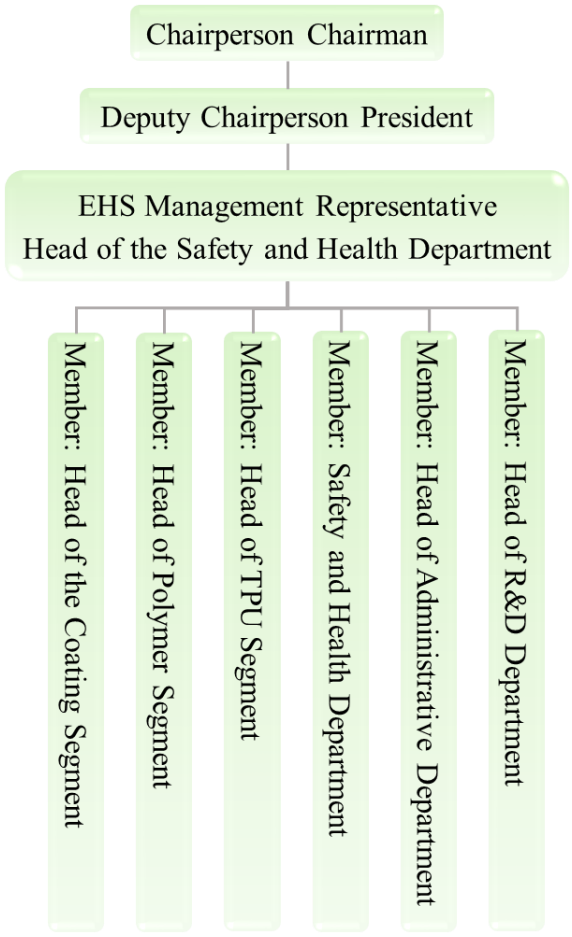


Customer Rights Infringement Incidents

Customer Rights Infringement Incidents	2024	2025
Customer privacy infringement incidents	0	0
customer data loss incident	0	0
Violations of health and safety regulations related to products and services	0	0
Violations of voluntary codes related to products and services	0	0
hazard labeling error incidents	0	0

CH4 Environmental Protection

Shuang-Bang complies with environmental laws and regulations, as well as international standards. Since December 2021, the Company has introduced the "Environmental and Safety Cloud System," using digital technology to monitor the latest regulatory developments in real time to ensure regulatory compliance and operational transparency. The Company also implements the ISO 14001:2015 Environmental Management System, with the latest certificate valid from January 23, 2025 to January 23, 2028, and has established the "Safety, Health, and Environmental Management Committee." The Chairman serves as the Chairperson, the President serves as the Deputy Chairperson, the head of the Safety and Health Department serves as the safety, health, and environmental management representative, and department heads and employees serve as implementation committee members. Appropriate environmental management systems have been established based on the nature of operating activities at the Yongxing Plant and Renhe Plant. Relevant systems are promoted and maintained by each environmental management unit or responsible personnel. Environmental protection-related education and training are also regularly provided to management and employees to ensure the effective operation and continuous improvement of the environmental management system.

EHS Committee	Shuang-Bang's Commitments
	✧ Comply with government environmental protection regulations and other relevant requirements. ✧ Implement continuous improvement and prevent recurring pollution. ✧ Effectively establish and implement the environmental management system. ✧ Strengthen employees' environmental awareness through education and training. ✧ Strengthen internal and external communication and promote environmental protection concepts.

4.1 Greenhouse Gas Management

Shuang-Bang has actively responded to global climate change challenges by committing to reducing GHG emissions and strengthening environmental sustainability management. In 2023, the Company adopted ISO 14064-1:2018 for organizational-level GHG emissions accounting and developed a "Greenhouse Gas Inventory Management Procedure." Through clear roles and responsibilities and internal management mechanisms, the Company regularly inventories and discloses GHG emissions from the Yongxing Plant, Renhe Plant, Nangang Plant, Taipei Office, and employee dormitories. Furthermore, a third-party independent verification agency conducts an annual verification of these emissions.

Greenhouse Gas Emissions [GRI 305-1, GRI 305-2, GRI 305-4]

Unit of GHG emissions: metric tons CO_2e

Scope	Emissions		
	2023	2024	2025
Scope 1	8,717.6643	8,467.6397	7,900.4355
Scope 2	8,857.7022	10,066.2229	9,729.9183
Scope 3	Not inventoried	33,923.6297	45,351.3640
Total GHG emissions	17,575.3665	52,457.4923	62,981.7178
Greenhouse Gas Emission Intensity (metric tons CO_2e/NT$ million)	11.9210	29.3664	35.5933
Biomass combustion emissions	6,307.4224	7,275.0374	5,692.8384

Note 1: Greenhouse gas emissions are mainly quantified using the emission factor method. Carbon dioxide emissions = activity data × emission factor × global warming potential (GWP).

Note 2: Scope 1 emission factors are based on Version 6.0.4 of the Greenhouse Gas Emission Factor Management Table announced by the Ministry of Environment and the greenhouse gas emission factors announced by the Ministry of Environment on February 5, 2024.

Note 3: For Scope 2 purchased electricity, the electricity carbon emission factors announced by the Ministry of Economic Affairs are adopted: 0.494 $kgCO_2e$/kWh in 2023; 0.474 $kgCO_2e$/kWh in 2024; and **0.474** $kgCO_2e$/kWh in 2025 (as of the issuance date of this Report, the 2025 electricity carbon emission factor has not yet been announced).

Note 4: For Scope 3 emission factors, priority is given to the carbon footprint database of the Ministry of Environment's Product Carbon Footprint Information Platform, followed by international life cycle databases.

Note 5: Global warming potential (GWP) values are based on those announced in the 2021 Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC AR6).

Note 6: Greenhouse gas emission intensity = total greenhouse gas emissions/Shuang-Bang's revenue as an individual entity.

Note 7: Biogenic combustion emissions refer to carbon dioxide emissions from the combustion of biomass fuel wood pellets.

Note 8: The Scope 3 greenhouse gas inventory boundary corresponds to the categories under ISO 14064-1:2018, including emissions from Category 3 activities such as upstream raw material transportation, employee commuting, business or employee travel, and outsourced transportation of industrial waste, as well as emissions from Category 4 activities such as the extraction, manufacturing, and processing of purchased raw materials, and the disposal of solid and liquid waste.

Note 9: GHG emissions for 2023 were verified by AFNOR (Association Française de Normalisation); GHG emissions for 2024 were verified by LRQA (Lloyd's Register Quality Assurance) Taiwan Branch. Verification of GHG emissions for 2025 is expected to be completed by August 2026.

Emissions of Seven Greenhouse Gases			Unit of GHG emissions: metric tons CO_2e
Greenhouse Gas Types	**2023**	**2024**	**2025**
Carbon dioxide (CO2)	17,286.2365	52,215.0953	62,768.3422
Methane (CH_4)	89.3196	104.8986	87.6768
Nitrous oxide (N_2O)	79.6069	87.3608	64.1593
Hydrofluorocarbons (HFCs)	120.2035	50.1375	61.5396
Perfluorocarbons (PFCs)	0.0000	0.0000	0.0000
Sulfur hexafluoride (SF_6)	0.0000	0.0000	0.0000
Nitrogen trifluoride (NF_3)	0.0000	0.0000	0.0000

Greenhouse Gas Reduction Plan [GRI 305-5]

Considering the Company's current process characteristics, capacity utilization, and the completion of many existing energy-saving improvements in recent years, the potential for further short-term carbon reduction is limited. To ensure the feasibility and implementability of its reduction targets, Shuang-Bang has established 2024 GHG emissions as the base year and adjusted its 2030 reduction target to 3%. The Company will continue to develop mid- and long-term plans for process improvement, equipment replacement, and energy structure optimization to gradually expand carbon reduction results and demonstrate a long-term commitment to addressing climate change.

GHG Reduction Targets		
Short-Term (2026)	**Mid-Term (2027)**	**Long-Term (2030)**
GHG emissions decreased by 0.5% compared to the previous year.	GHG emissions decreased by 0.5% compared to the previous year.	GHG emissions decreased by 3% compared to the base year of 2024.

2025 GHG Reduction Strategy	
Replace High-Energy-Consumption Equipment	(1) Continue to inventory high-energy-consumption equipment in the plants and gradually replace older, less efficient models with more energy-efficient ones. (2) Equipment upgrades should prioritize improvements to energy-intensive processes and utilities.
Introduction of High-Efficiency Motors and Variable Frequency Drives	(1) High-efficiency motors and variable frequency control systems are being gradually introduced to adjust operating conditions based on actual equipment load and reduce unnecessary energy consumption. (2) For motor-driven equipment, employ high-efficiency motors with variable frequency drives to prevent prolonged operation at full load or in an idle state.
Optimization of Process Operating Conditions	(1) Enhance energy monitoring and management by regularly compiling and analyzing electricity consumption data to understand energy use across all units, providing a foundation for energy-saving improvements and informed management decisions. (2) Establish an energy monitoring and management system to track energy use in real time, identify unusual consumption patterns promptly, and continuously implement improvement measures.
Improvement of Equipment Maintenance and Operating Efficiency	(1) Regularly maintain and inspect equipment to ensure proper maintenance and prevent energy waste due to efficiency loss. (2) Enhance equipment maintenance management and operating condition checks to enhance equipment efficiency and reduce unplanned energy consumption.
Promotion of Employee Energy Conservation Awareness and Electricity Management	(1) Internal communication and training programs enhance employee awareness of energy conservation and encourage responsible electricity management in daily operations. (2) Encourage employee energy conservation through behavioral management, integrating electricity usage guidelines and awareness campaigns to foster collective participation in energy-saving initiatives.

Note 1: For 2025 implementation effectiveness, please refer to Section 4.2 Energy Management.

4.2 Energy Management

In the early years, Shuang-Bang's energy sources included electricity, natural gas, heavy fuel oil, and coal. Since 2020, we have been progressively transitioning from coal to biofuels (primary solid biofuels) to reduce our reliance on petrochemical fuels and support clean renewable energy. We completely ceased the use of coal in April 2023.

Energy Use Status [GRI 302-1, GRI 302-3]

Energy Consumption Within the Organization — Consumption Unit: GJ

Energy Category	2023		2024		2025	
	Consumption	Percentage (%)	Consumption	Percentage (%)	Consumption	Percentage (%)
Non-Renewable Energy						
Purchased Electricity	64,564.7598	32.2177	76,435.9209	37.5770	73,912.7376	38.9863
Natural Gas	26,890.1555	13.4181	28,680.7966	14.0999	55,885.0040	29.4773
Special Low-Sulfur Fuel Oil	24,997.2944	12.4736	22,838.4303	11.2277	0.0000	0.0000
Diesel	1,896.4108	0.9463	2,275.6821	1.1188	2,400.3018	1.2661
Gasoline	426.9610	0.2131	430.9292	0.2118	457.3368	0.2412
Coal	25,308.2914	12.6288	0.0000	0.0000	0.0000	0.0000
Renewable Energy						
Biomass Fuel	56,317.6126	28.1024	72,749.7733	35.7648	56,931.1026	30.0291
Self-Generated Energy for Own Use	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Total Energy Consumption	200,401.4855	100.0000	203,411.5324	100.0000	189,586.4828	100.0000

Note 1: The calorific value of purchased electricity is based on the "Table of Calorific Values of Energy Products" published by the Energy Administration, Ministry of Economic Affairs; Electricity (Consumption side); 860 kcal/kWh.

Note 2: The calorific value of natural gas for 2023 and 2024 is based on the "Table of Calorific Values of Energy Products" published by the Energy Administration, Ministry of Economic Affairs; (Domestic) Natural Gas; 8,000 kcal/m^3. The calorific value of natural gas for 2025 is based on suppliers' calorific value test reports and calculated as the weighted average calorific value according to natural gas usage; 8,056 kcal/m^3.

Note 3: The calorific value of special low-sulfur fuel oil is based on the "Table of Calorific Values of Energy Products" published by the Energy Administration, Ministry of Economic Affairs; Fuel Oil; 9,600 kcal/L.

Note 4: The calorific value of coal is based on the "Table of Calorific Values of Energy Products" published by the Energy Administration, Ministry of Economic Affairs; Bituminous Coal – Fuel Coal; Other; 6,080 kcal/kg.

Note 5: The calorific value of diesel for 2023 and 2024 is based on the "Table of Calorific Values of Energy Products" published by the Energy Administration, Ministry of Economic Affairs; Diesel; 8,400 kcal/kg. The calorific value of diesel for 2025 is based on the "2025 Diesel Lower Heating Value" announced by the Ministry of Environment (8,636 kcal/L).

Note 6: The calorific value of gasoline for 2023 and 2024 is based on the "Table of Calorific Values of Energy Products" published by the Energy Administration, Ministry of Economic Affairs; Motor Gasoline; 7,800 kcal/kg. The calorific value of gasoline for 2025 is based on the "2025 Motor Gasoline Lower Heating Value" announced by the Ministry of Environment; 7,586 kcal/L.

Note 7: Biomass fuel refers to wood pellets. The calorific value is based on suppliers' wood pellet calorific value test reports and is calculated as the weighted average calorific value according to the amount of wood pellets used. The calorific value of wood pellets was 4,096 kcal/kg in 2023, 4,194 kcal/kg in 2024, and 4,193 kcal/kg in 2025.

Note 8: The conversion unit for calorific values is based on the "Common Energy Unit Conversion Table" published by the Energy Administration, Ministry of Economic Affairs; 1 kcal = 4.187 kJ.

Note 10: In 2024, all coal was replaced with biomass fuel (wood pellets). In 2025, all special low-sulfur fuel oil was replaced with natural gas.

Note 11: Self-generated energy equipment for own use has not yet been established; therefore, there are no records of self-generated energy for own use.

Energy Intensity Within the Organization				Intensity unit: GJ/NT$ million
Energy Category		2023	2024	2025
Non-Renewable Energy	Purchased Electricity	43.7929	42.7898	41.7708
	Natural Gas	18.2390	16.0559	31.5827
	Special Low-Sulfur Fuel Oil	16.9552	12.7852	0.0000
	Diesel	1.2863	1.2740	1.3565
	Gasoline	0.2896	0.2412	0.2585
	Coal	17.1661	0.0000	0.0000
Renewable Energy	Biomass Fuel	38.1991	40.7263	32.1738
Total		135.9282	113.8724	107.1423

Note 1: Energy intensity = total energy consumption / Shuang-Bang's revenue as an individual entity.

Energy Management Implementation Effectiveness

Shuang-Bang continues to promote energy-saving improvement plans. In 2025, energy consumption was reduced by 964.5862 GJ.

Strategy	2025 Energy-Saving Improvement Measures	Electricity Savings Unit: kWh	Energy Savings Unit: GJ
Replace High-Energy-Consumption Equipment	Replace lighting equipment and optimize electricity use efficiency.	94,050	338.6571
	Introduce high-efficiency chillers to improve energy use efficiency in the air conditioning system.	52,230	188.0717
Introduction of High-Efficiency Motors and Variable Frequency Drives	Implement energy-saving measures by adjusting the load of aeration equipment.	36,720	132.2221
	Adjust pressure settings of process air compressors to reduce system operating energy consumption.	7,519	27.0746
Optimization of Process Operating Conditions	Reduce exhaust fan operating hours.	11,698	42.1224
	Install timer start controllers on mixing tanks to optimize operating schedules and reduce unnecessary electricity use.	33,838	121.8445
Improvement of Equipment Maintenance and Operating Efficiency	Implement energy-saving measures by optimizing chiller water sources and adjusting air conditioning loads.	31,824	114.5938

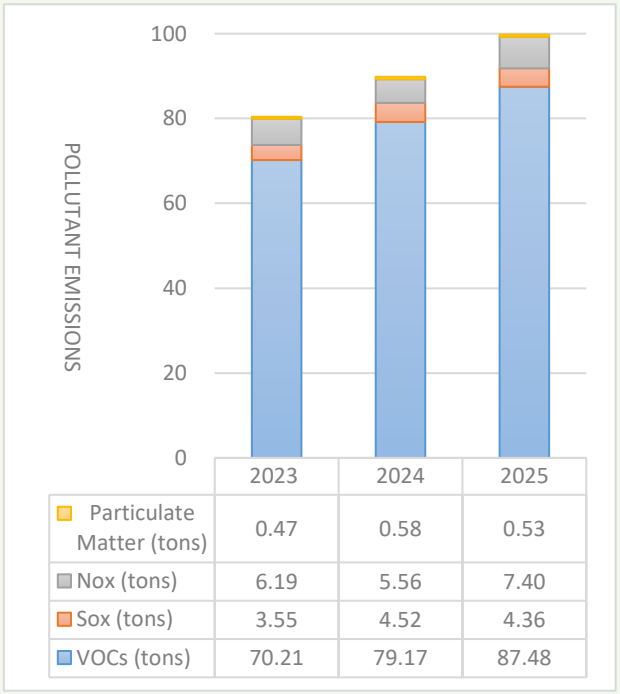
4.3 Air Pollution Control

Shuang-Bang's Yongxing Plant is primarily engaged in coating and lamination processing, while the Renhe Plant focuses on chemical material manufacturing. Volatile Organic Compounds (VOCs) generated from operations may have potential negative impacts on the surrounding area. The Nangang Plant is currently leased to an external company, has no self-operated production activities, and does not generate air pollution. To reduce VOC emissions, Shuang-Bang has installed stationary pollution source control equipment in accordance with regulatory requirements and regularly tests emissions of various air pollutants to ensure compliance with applicable regulations. The Company will also continue to improve air quality and reduce air pollution by actively implementing its environmental sustainability goals.

Air Pollutant Emissions [GRI 305-7]

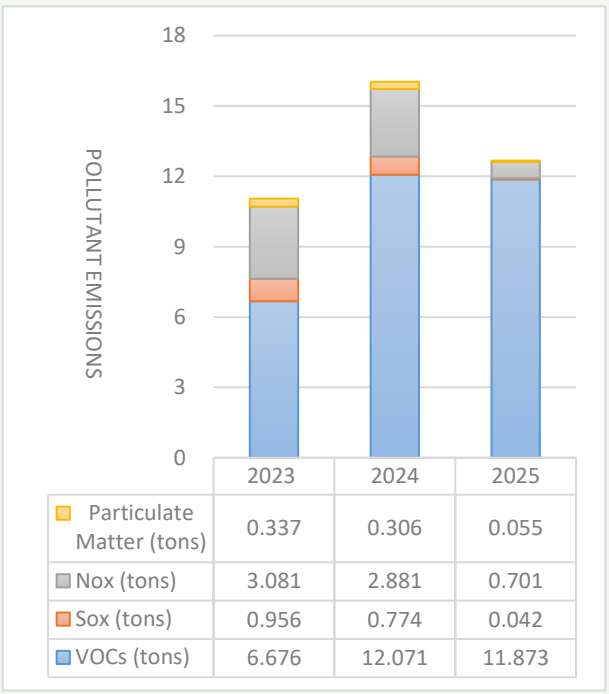
Air Pollutant Emissions Over the Past Three Years Pollutant emission unit: metric tons

Yongxing Plant



	2023	2024	2025
Particulate Matter (tons)	0.47	0.58	0.53
Nox (tons)	6.19	5.56	7.40
Sox (tons)	3.55	4.52	4.36
VOCs (tons)	70.21	79.17	87.48

Renhe Plant



	2023	2024	2025
Particulate Matter (tons)	0.337	0.306	0.055
Nox (tons)	3.081	2.881	0.701
Sox (tons)	0.956	0.774	0.042
VOCs (tons)	6.676	12.071	11.873

Note 1: Air pollutant emissions are calculated in accordance with the Ministry of Environment's Air Pollution Control Fee Collection Regulations.

Air Pollution Control Equipment

Shuang-Bang continues to inventory and manage air pollutant emissions from stationary pollution sources and formulates reduction measures for VOCs. Through the addition of control equipment, improvement of control equipment treatment efficiency, and process improvements, the Company effectively achieves the goal of reducing air pollutants from stationary pollution sources. In 2025, to improve the reduction rate of DMF (VOCs) emissions from the wet process at the Yongxing Plant, the Company planned and implemented a short-term improvement project. By adding air pollution control equipment and improving the treatment efficiency of existing equipment, Shuang-Bang strengthened emissions control and pollution prevention performance.

2025 Air Pollution Control Actions

DMF scrubber (A105)	DMF scrubber (A107)
	

(1) Improve the completeness of emissions control and the systematic VOCs management mechanism.

(2) Strengthen emissions control for stationary pollution sources and improve air pollution control effectiveness.

(3) The DMF (VOCs) reduction rate increased from 83.5% to 95.1%.

(4) Significantly improve emissions control effectiveness for stationary pollution sources and reduce VOC emissions.

4.4 Water Resources and Wastewater Management

Extreme climate events bring risks of drought and water scarcity. Conserving and protecting water resources is one of Shuang-Bang's key responsibilities. Effective water resource management reduces corporate water consumption and dependence on aquatic ecosystems. Based on the ISO 14001 management system, Shuang-Bang actively carries out water resource and wastewater management.

Management Approach

Policies and Commitments	Action Plans
✧ Commit to the sustainable use of water resources, continuously enhance wastewater treatment efficiency, and reduce environmental impacts. ✧ Comply with the "Regulations for Management and the Fee Rates for the Usage of the Wastewater Treatment System of Service Centers of Industrial Zones under the Jurisdiction of Ministry of Economic Affairs" and other government environmental regulations and policies.	(1) Water Withdrawal: Continue to promote conservation measures, replace and upgrade aging water supply pipelines and equipment, conduct water use inspections, increase water recycling and reuse measures, and provide employees with education and awareness on water conservation. (2) Water Discharge: Establish wastewater treatment plants, applying chemical treatment, biological treatment, such as the activated sludge process, and other technologies to ensure that water quality meets effluent discharge standards. Regularly test effluent quality and conduct required reporting.

4.4.1 Water Withdrawal Management

Shuang-Bang's Nangang, Yongxing, and Renhe Plants are located in Nangang Industrial Park, Nantou County, Taiwan. Tap water is supplied by the Nangang Water Treatment Plant of Taiwan Water Corporation, with the primary source being the Shuili River. According to the water stress assessment by the World Resources Institute (WRI) Aqueduct Water Risk Atlas, Taiwan falls within the low- to medium-water-stress category. However, in response to rainfall uncertainty caused by climate change and the challenge of declining reservoir storage levels in 2021, Shuang-Bang applied for groundwater extraction rights for the Yongxing Plant in June 2021 to establish a more resilient water allocation mechanism.

Water Withdrawal Status in the Last Three Years [GRI 303-3]

Shuang-Bang's primary water needs are for purification and replacement in the production process. In 2025, with business growth and the phased development of solvent recovery and aqueous resin processes at the Renhe Plant, total water intake increased by 5.10% compared to 2024 levels.

Water withdrawal unit: million liters

Water Source	2023	2024	2025
Groundwater	64.3910	90.6310	82.1010
Third-Party Water	27.7629	29.2890	43.7670
Total Water Withdrawal	92.1539	119.9200	125.8680
Water Intensity (metric tons/NT$ million revenue)	62.5061	67.1328	71.1326

Note 1: Third-party water is defined as tap water and excludes surface water, seawater, and produced water.
Note 2: Water intensity = Total water withdrawal / Shuang-Bang's revenue as an individual entity.

Water Conservation Initiatives

Water Conservation Advocacy	Post water conservation slogans in plants and distribute awareness materials to promote water-saving concepts and related knowledge among employees, thereby enhancing water conservation awareness among all personnel.
Water Consumption Monitoring and Management	Record monthly water consumption and compare it with the same period of the previous year. Unless justified by special reasons, water consumption should show a negative growth trend as a management principle, with continuous tracking of improvement results.
Review of Water Conservation Performance	Report water usage and water conservation performance at quarterly Safety, Health, and Environmental meetings, review implementation results, and make rolling adjustments to improvement strategies to ensure the effective implementation of water conservation goals.

4.4.2 Wastewater and Effluent Management

Wastewater generated from Shuang-Bang's Nangang, Yongxing, and Renhe Plants is discharged into the Nangang Industrial Park wastewater sewer system. The Company strictly complies with the Water Pollution Control Act and the Nangang Industrial Park Sewer System User Wastewater Quality Standards, and is committed to reducing the environmental impact of wastewater discharge. The Renhe Plant has established a wastewater treatment facility, applying chemical treatment, biological treatment – such as the activated sludge process – and other technologies to ensure that water quality meets effluent discharge standards. In 2024, process wastewater reuse treatment facilities were established to reduce reliance on outsourced wastewater treatment and continuously optimize water resource use efficiency.

Environmental Management Goals	Description	Implementation Results
Increase the onsite treatment rate of waste R-2503 dimethylformamide (DMF) crude liquid by 15% and reduce outsourced treatment.	Change the treatment of R-2503 waste liquid from outsourced treatment by external treatment agencies to onsite treatment.	In 2025, the waste liquid volume was 10,449.60 metric tons, and the onsite treatment volume was 369.18 metric tons.

Water Discharge in the Past Three Years [GRI 303-4]

Water discharge volume unit: million liters

Discharge Destination		2023	2024	2025
Third-Party Water	**Effluent**	71.5920	99.4970	108.9480
	Reuse and Treatment	9.0845	10.9991	11.5397
Total Discharge		80.6765	110.4961	120.4877

Note 1: Third-party water consists of effluent discharge and process wastewater recycling treatment. No discharges are made to surface water, groundwater, or seawater.

Note 2: Effluent is discharged to the wastewater treatment plant of the Nangang (also Zhushan) Industrial Park Service Center under the Ministry of Economic Affairs.

Note 3: Recycled treatment refers to the outsourcing of crude dimethylformamide (R-2503) to qualified third-party contractors for recycling treatment.

Note 4: The Taipei Office and employee dormitories are not factory sites connected to the sewer system; therefore, water discharge data cannot be obtained.

Water Discharge Monitoring [GRI 303-2]

Shuang-Bang complies with the Water Pollution Control Measures and Test Reporting Management Regulations, the Regulations for Sewerage Usage and Management, and the Fee Rates of Industrial Park Management Institutions under the Ministry of Economic Affairs. Based on process characteristics and the degree of impact on water quality, the Company has selected Chemical Oxygen Demand (COD) and Suspended Solids (SS) as priority substances of concern for wastewater discharge treatment. These are compared against relevant control standards to demonstrate wastewater treatment and management performance and to ensure that the discharged water quality meets the sewer intake standards of the Nangang Industrial Park Service Center.

Region	Year	Plant	Effluent (million liters)	Effluent Concentration (mg/L)		Handling Unit	Receiving Water Body
				Chemical oxygen demand (COD) ≦ 640 mg/L	Total suspended solids (SS) ≦ 320 mg/L		
Nantou County, Taiwan	**2024**	**Yongxing Plant**	25.2660	87.85	16.69	Wastewater treatment plant of the Nangang and Zhushan Industrial Park Service Center, Ministry of Economic Affairs	Maoluo River
		Renhe Plant	70.9600	131.78	56.08		
		Nangang Plant	3.2710	11.80	4.30		
	2025	**Yongxing Plant**	25.4580	66.21	15.30		
		Renhe Plant	80.4490	127.50	55.91		
		Nangang Plant	3.0410	12.56	4.36		

4.5 Waste Management

If waste is not properly treated or recycled, it may cause ecological damage. Shuang-Bang achieves waste control and reduction through waste reduction, classification management, and recycling.

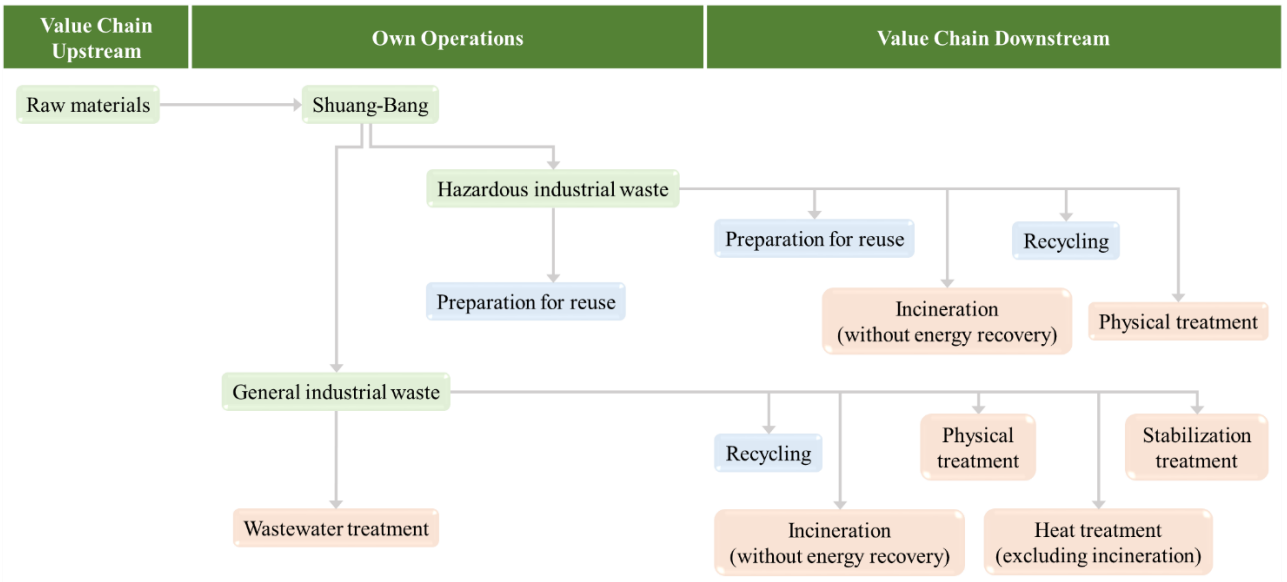
Management Approach [GRI 306-1, GRI 306-2]

Policies and Commitments	Action Plans
✧ Promote waste reduction at the source. ✧ Implement waste sorting and recycling. ✧ Commission qualified waste clearance and treatment vendors.	(1) Continue to plan waste reduction and resource recycling and reuse, and provide education and training to all employees every six months. (2) Waste-generating units must package and collect hazardous liquid waste that is prone to leakage or corrosion in appropriate containers according to waste classification methods, paying attention to the compatibility of different types of waste and collecting and storing them separately. (3) The clearance and treatment of industrial waste generated must be entrusted to licensed clearance and treatment vendors, with valid and legal contracts signed.
Influence of Stakeholder Engagement on Actions	**Effectiveness Evaluation Indicators**
(1) Ensure proper waste treatment through rigorous classification, storage, clearance, and treatment processes, and work with qualified public and private institutions to implement the circular economy and increase the resource reuse rate. (2) Actively recycle reusable items in accordance with standards announced by the Ministry of Environment to reduce environmental burdens and jointly create a cleaner and more sustainable future.	◆ Visit entrusted vendors that receive inorganic sludge and hazardous industrial waste – identified as hazardous by their hazardous characteristics – at least once a year to understand the operational management of storage, clearance, treatment, and reuse of entrusted waste, and retain records. ◆ In 2025, Shuang-Bang entrusted a total of 16 waste clearance and treatment vendors, all of whom were included in the annual visit scope, achieving a visit coverage rate of 100%. The visit results showed that the overall operations of the visited vendors complied with relevant regulations and contractual requirements, and no material violations or environmental pollution incidents were identified.

Waste Clearance and Disposal [GRI 306-3, GRI 306-4, GRI 306-5]

In 2025, total waste cleared amounted to 13,972.4480 metric tons. General industrial waste accounted for 13.1119%, and hazardous waste accounted for 86.8881%. All outsourced waste treatment was entrusted to qualified domestic clearance and treatment vendors in accordance with the law.

General industrial waste mainly consisted of boiler water, inorganic sludge, waste resin, waste synthetic fibers, waste wood, and other waste. Recycling accounted for 13.31%, while the remainder was directly disposed of through wastewater treatment, incineration, thermal treatment excluding incineration, physical treatment, and stabilization treatment. Hazardous waste mainly consisted of waste containers and crude dimethylformamide (DMF) liquid. Of this, preparation for reuse and recycling accounted for 99.8764%, while the remainder was directly disposed of through incineration and physical treatment.



2025 Waste Unit of waste quantity: metric tons

Type of Waste	Waste Composition	Clearance Volume	Waste Diverted from Disposal	Waste Directed to Disposal
General Industrial Waste	**Category D**	1,588.2800	0.0000	1,588.2800
	Category R (excluding R-25)	243.7800	243.7800	0.0000
	Subtotal	1,832.0600	243.7800	1,588.2800
Hazardous Industrial Waste	**Category B**	0.0000	0.0000	0.0000
	Category C	231.5580	216.5580	15.0000
	Category R-25	11,908.8300	11,908.8300	0.0000
	Subtotal	12,140.3880	12,125.3880	15.0000
Total Volume		13,972.4480	12,369.1680	1,603.2800
Industrial Waste Intensity (metric tons/NT$ million revenue)		7.8963	-	-

Note 1: Industrial waste intensity = total industrial waste clearance volume/Shuang-Bang's revenue as an individual entity.

Waste Diverted from Disposal in 2025				Unit of waste quantity: metric tons
Type of Waste	Disposal Method	Onsite	Off-Site	Total Volume
General Industrial Waste	Preparation for reuse	0.0000	0.0000	0.0000
	Recycling	0.0000	243.7800	243.7800
	Other recovery operations	0.0000	0.0000	0.0000
	Subtotal	0.0000	243.7800	243.7800
Hazardous Industrial Waste	Preparation for reuse	369.1800	11,730.2500	12,099.4300
	Recycling	0.0000	25.9580	25.9580
	Other recovery operations	0.0000	0.0000	0.0000
	Subtotal	369.1800	11,756.2080	12,125.3880
Total volume		369.1800	11,999.9880	12,369.1680

Waste Directed to Disposal in 2025				Unit of waste quantity: metric tons
Type of Waste	Disposal Method	Onsite	Off-Site	Total Volume
General Industrial Waste	Incineration (with energy recovery)	0.0000	0.0000	0.0000
	Incineration (without energy recovery)	0.0000	286.9600	286.9600
	Landfill	0.0000	0.0000	0.0000
	Other disposal operations	650.7800	650.5400	1,301.3200
	Subtotal	650.7800	937.5000	1,588.2800
Hazardous Industrial Waste	Incineration (with energy recovery)	0.0000	0.0000	0.0000
	Incineration (without energy recovery)	0.0000	0.0000	0.0000
	Landfill	0.0000	0.0000	0.0000
	Other disposal operations	0.0000	15.0000	15.0000
	Subtotal	0.0000	15.0000	15.0000
Total Volume		650.7800	952.5000	1,603.2800

Note 1: Onsite other disposal operations for general industrial waste refer to wastewater treatment.

Note 2: Off-site other disposal operations for general industrial waste refer to thermal treatment excluding incineration, physical treatment, and stabilization treatment.

Note 3: Off-site other disposal operations for hazardous industrial waste refer to physical treatment.

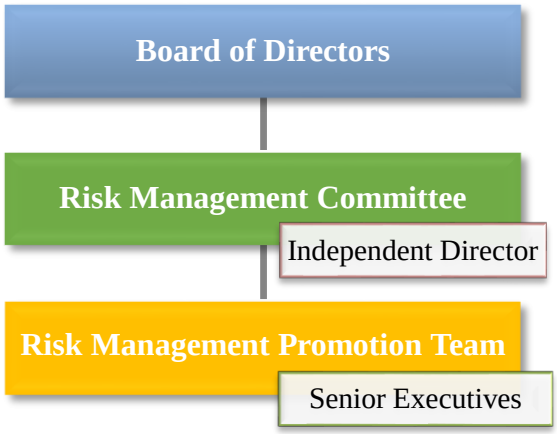
4.6 Climate Change and Adaptation

Management of Material Topics [GRI 2-23, GRI 2-24, GRI 2-25, GRI 3-3]

Material Topics		Climate Change and Adaptation		
Significance to Shuang-Bang		By changing social and economic development models, the Company enables its operations to adapt to the impacts of climate change, seeking to sustain survival, livelihood, and development under extreme climate conditions and the effects of global warming.		
Actual and Potential Impacts	**Negative Impacts**	Failure to effectively implement adaptation measures may intensify global climate change, increase climate risks, and lead to deterioration of the Company's operating environment and financial condition.		
	Positive Impacts	Sound adaptation strategies can effectively manage climate-related risks and reduce the potential impacts of climate change on the Company's operations and finances.		
Policies and Commitments		✧ Conduct climate risk assessments to analyze physical and transition risks. ✧ Use scenario analysis tools (such as the TCFD framework) to assess future climate scenarios.		
Action Plans		(1) Formulate replacement plans based on annual electricity and energy consumption. (2) Formulate inventory plans in accordance with the Greenhouse Gas Inventory Management Procedure. (3) Evaluate the procurement of renewable energy, solar power generation, or other energy sources. (4) Seek communication and collaboration with relevant units.		
Effectiveness Evaluation Indicators		(1) Achieve the annual average electricity savings rate target of 1% as required by the Bureau of Energy, Ministry of Economic Affairs. (2) Implement electricity savings rate targets set annually by each department. (3) Continue R&D development of low-carbon-emission products.		
Objectives		**Short-term Goal (2026):** GHG emissions decreased by 0.5% compared to the previous year.	**Medium-term Goal (2027):** GHG emissions decreased by 0.5% compared to the previous year.	**Long-term Goal (2030):** GHG emissions decreased by 3% compared to the base year of 2024.
2025 Performance		(1) Improve energy efficiency: The special low-sulfur fuel oil used as boiler fuel at the Renhe Plant was completely replaced with natural gas. (2) Optimize cooling systems: A total of three pieces of equipment were replaced.		
Influence of Stakeholder Engagement on Actions		Raise awareness of energy conservation and carbon reduction concepts and Company policies among all employees, with the Company and all employees working together to implement them.		

4.6.1 Climate-Related Governance

To address the uncertainties of climate change and promptly understand potential impacts that may arise from climate change, Shuang-Bang has incorporated climate change-related risks into its "Risk Management Policy and Procedures." The Board of Directors serves as the highest governance body for climate issues and oversees the effective operation of climate-related risk management. Under the Board, the Risk Management Committee, comprising three independent directors, ensures that climate-related risks and opportunities are aligned with the Company's operations. The Risk Management Promotion Team, composed of senior executives, has been established under the Committee to implement climate-related response mechanisms.



Organization	Responsibilities
Board of Directors	(1) Approve climate change-related strategies, procedures, and framework, and ensure that climate-related issues are considered in alignment with the Company's operating direction. (2) Oversee the effective operation and key performance of climate-related risk management mechanisms, and allocate resources to ensure the effective operation of risk management.
Risk Management Committee	(1) Review the effectiveness of climate risk management implementation and propose necessary recommendations for improvement. (2) Report climate change-related implementation results to the Board of Directors at least once a year, ensuring that management mechanisms adequately address the risks faced by the Company and align with global climate policy trends and investor expectations.
Risk Management Promotion Team	(1) Identify and analyze climate-related risks and opportunities and formulate risk management policies. (2) Collect the latest information on climate risk regulations and formulate a climate change response mechanism. (3) Consolidate and report the Company's climate change-related implementation progress to the Risk Management Committee at least once a year.

4.6.2 Climate-related Risk Management

Climate-Related Risk Identification and Assessment	◆ Shuang-Bang, with reference to the Task Force on Climate-related Financial Disclosures (TCFD) guidelines, responds effectively to the risks and opportunities brought by climate change through four core elements: governance, strategy, risk management, and metrics and targets. ◆ Each business unit, considering its business scope, conducts identification and analysis of climate-related risks and opportunities based on a five-level scale of likelihood and impact, and develops a matrix chart to identify material risks and opportunities.
Climate-Related Risk Management	◆ Based on the results of climate-related risk and opportunity identification, the Risk Management Promotion Team formulates corresponding adaptation strategies, assesses the potential impacts of climate change on the Company, and guides each business unit in developing concrete adaptation measures to remain competitive and create long-term value amid the challenges of climate change.
Integration of the Risk Management System	◆ To effectively manage internal and external risks that may arise during operations and ensure the achievement of operating objectives, Shuang-Bang assigns the Risk Management Committee and its Risk Management Promotion Team to identify and manage operational risks, including risks and opportunities that may arise from climate change. The Risk Management Committee reports at least once annually to the Board of Directors on the implementation and results of risk management, ensuring that climate-related risks are managed in alignment with the Company’s other significant operational risks.

4.6.3 Climate-Related Strategy [GRI 201-2]

Identification of Climate-Related Risks and Opportunities

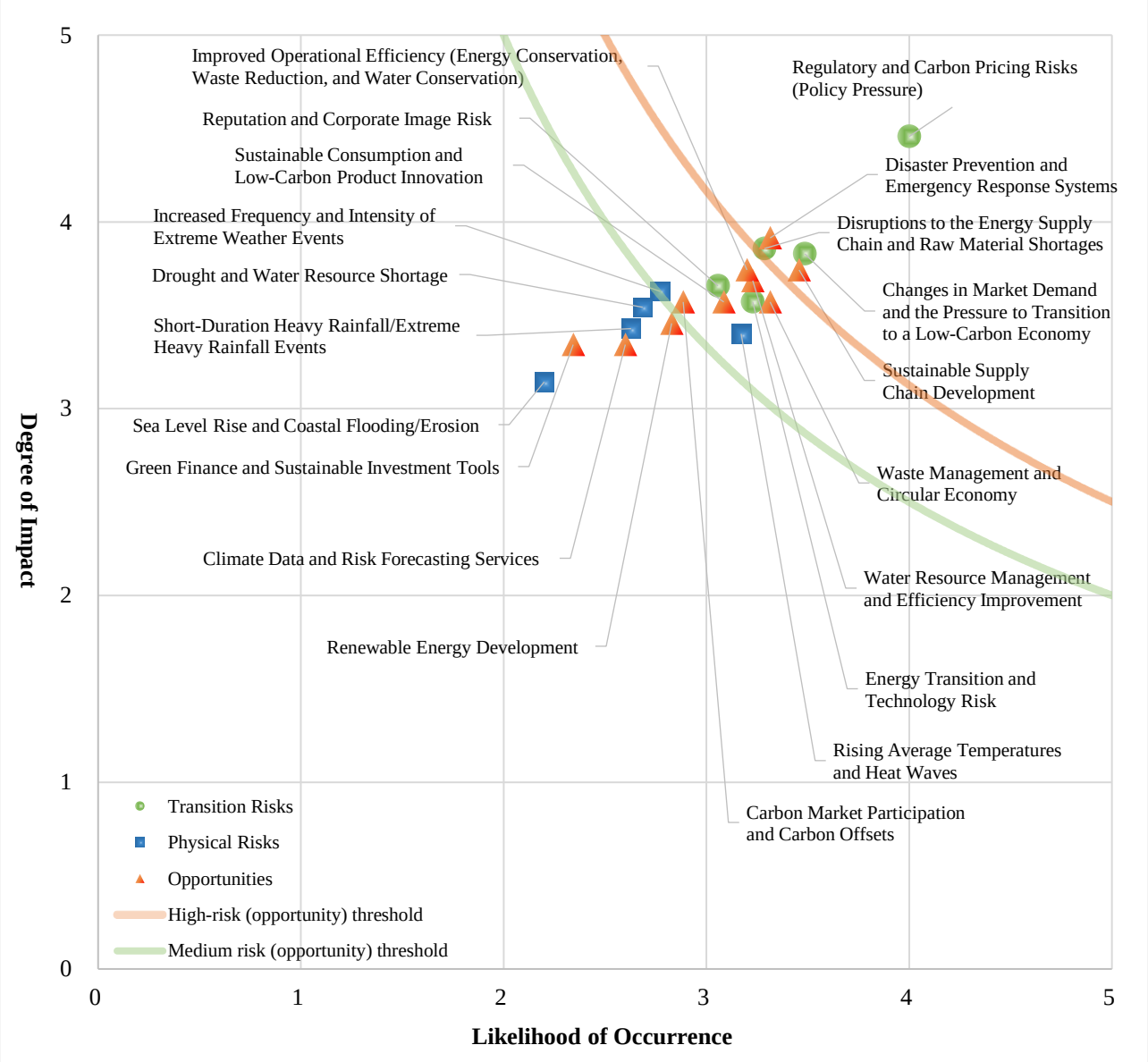
Shuang-Bang, referring to the Task Force on Climate-related Financial Disclosures (TCFD) framework, has its Risk Management Promotion Team collect potential and actual impacts of climate-related risks and opportunities on an annual basis. Time horizons are defined as short term (within three years), medium term (three to six years), and long term (over six years) to assess the possible timing of impacts. In 2025, through issue collection and risk assessment procedures, the Company identified a total of five transition risks, five physical risks, and ten opportunities.

Risks and Opportunities	Risk (Opportunity) Issues	Possible Occurrence Time Frame	Description of Risk (Opportunity)
Transition Risks	**Regulatory and carbon pricing risks (policy pressure)**	Short term	The government may strengthen carbon taxes and emissions standards, placing pressure on corporate operations.
	Changes in market demand and the pressure to transition to a low-carbon economy	Short term	Consumer and investor preferences may shift toward green and sustainable products, changing market demand.
	Reputation and Corporate Image Risk	Medium term	If the Company fails to properly respond to climate issues, it may face reputational damage and boycotts.
	Disruptions to the energy supply chain and raw material shortages	Long term	Climate impacts may affect the stability of energy and raw material supply, resulting in production bottlenecks.
	Energy Transition and Technology Risk	Medium term	New energy technologies are developing rapidly but remain unstable, which may lead to investment mistakes.
Physical Risks	**Increased frequency and intensity of extreme weather events.**	Short term	Extreme weather events such as heavy rain, typhoons, and floods are becoming increasingly frequent and intense.
	Sea level rise and coastal flooding/erosion	Long term	Sea level rise may cause flooding in coastal areas, land loss, and saltwater intrusion.
	Rising average temperatures and heat waves	Long term	Average temperatures are rising year by year, resulting in extreme high temperatures and prolonged heat waves.
	Drought and water resource shortage	Long term	Unstable rainfall and insufficient allocation of water resources may cause droughts and competition for water use.
	Short-duration heavy rainfall/extreme heavy rainfall events	Short term	Under extreme climate change and warming conditions, short-duration, high-volume rainfall events occur frequently, causing drainage system overload, localized flooding, landslides, and debris flows.

Risks and Opportunities	Risk (Opportunity) Issues	Possible Occurrence Time Frame	Description of Risk (Opportunity)
Opportunities	**Renewable Energy Development**	Medium term	Invest in green power technologies such as solar, wind, and biomass energy.
	Water Resource Management and Efficiency Improvement	Long term	Improve water use efficiency and recycling systems.
	Waste Management and Circular Economy	Short term	Promote resource recycling, reuse, and zero-waste strategy.
	Carbon Market Participation and Carbon Offsets	Short term	Invest in carbon trading, purchase carbon credits, and develop carbon-neutral products.
	Climate Data and Risk Forecasting Services	Medium term	Use AI/big data to forecast climate risks and adaptation actions.
	Green Finance and Sustainable Investment Tools	Long term	Issue green bonds, participate in ESG funds, and obtain green financing.
	Operational Efficiency Improvement (Energy Saving, Waste Reduction, and Water Conservation)	Short term	Optimize production processes and resource utilization.
	Sustainable Consumption and Low-carbon Product Innovation	Medium term	Develop products with low carbon footprints and sustainable packaging.
	Disaster prevention and emergency response systems	Short term	Establish disaster early warning and rapid response capabilities.
	Sustainable supply chain development	Long term	Establish low-carbon and highly transparent supply chain management system.

Impact of Climate-Related Risks and Opportunities

Shuang-Bang conducts surveys across its business units to assess the level of climate-related risks and opportunities based on "likelihood of occurrence" and "impact level." A risk/opportunity score greater than 12.5 is defined as high risk/opportunity; a score between 10 and 12.5 as medium risk/opportunity; and a score below 10 as low risk/opportunity. This process determines which climate-related risks and opportunities may have significant financial impacts on the Company, and analyzes the potential impacts and response strategies for the top three high-risk transition risk issues, the top two medium-risk physical risk issues, and the top two high-opportunity issues on the Company's operations and finances.



High Risk	Medium Risk	Low Risk
● Regulatory and Carbon Pricing Risks (Policy Pressure)	■ Rising Average Temperatures and Heat Waves	■ Drought and Water Resource Shortage
● Changes in Market Demand and the Pressure to Transition to a Low-Carbon Economy	■ Increased Frequency and Intensity of Extreme Weather Events.	■ Short-Duration Heavy Rainfall/Extreme Heavy Rainfall Events
● Disruptions to The Energy Supply Chain and Raw Material Shortages	● Energy Transition and Technology Risk	■ Sea Level Rise and Coastal Flooding/Erosion
▲ Disaster Prevention and Emergency Response Systems	● Reputation and Corporate Image Risk	▲ Renewable Energy Development
▲ Sustainable Supply Chain Development	▲ Operational Efficiency Improvement (Energy Saving, Waste Reduction, and Water Conservation)	▲ Climate Data and Risk Forecasting Services
	▲ Water Resource Management and Efficiency Improvement	▲ Green Finance and Sustainable Investment Tools
	▲ Waste Management and Circular Economy	
	▲ Sustainable Consumption and Low-Carbon Product Innovation	
	▲ Carbon Market Participation and Carbon Offsets	

Note 1: Risk (opportunity) value = average likelihood of occurrence × average impact level.

Note 2: Likelihood of occurrence: almost never occurs = 1 point; occasional (once every 3–5 years), may occur = 2 points; certain probability (annually), possible = 3 points; high probability (quarterly), likely = 4 points; almost certain (monthly or more frequently) = 5 points.

Note 3: Degree of impact: negligible (almost no substantive impact) = 1 point; minor (limited impact only on daily operations) = 2 points; moderate (controllable impact on specific processes or projects) = 3 points; significant (clear impact on major departments or core business) = 4 points; major (far-reaching impact on overall operations) = 5 points.

Risks and Opportunities	Risk (Opportunity) Issues	Risk levels	Operational and Financial Impact (−/+)	Response Strategy
Transition Risks	**Regulatory and Carbon Pricing Risks (Policy Pressure)**	High	− Increased operating costs: Carbon taxes and stricter emission standards will increase compliance costs for the enterprise. − Declined profit margins: If the Company is unable to pass on costs to consumers, its profits will be directly affected.	◆ Investment in equipment and technology: Improve energy efficiency and reduce carbon emissions. ◆ Strengthening of compliance management: Establish a dedicated team to monitor policy changes and ensure company compliance with the latest regulations.
	Changes in Market Demand and the Pressure to Transition to a Low-Carbon Economy	High	− Market decline: Failure to promptly adjust products to meet market demand may result in customer loss. − Declined revenue: Reduced sales volume directly impacts revenue.	◆ Development of green products: Launch environmentally friendly products that meet customer needs. ◆ Enhancement of market research: Regularly survey customer preferences and quickly adapt product strategies.
	Disruptions to the Energy Supply Chain and Raw Material Shortages	High	− Rising production costs: Raw material shortages will drive up costs. − Production delays: Supply disruptions will lead to delayed deliveries, impacting customer satisfaction.	◆ Diversified supply chain: Identify alternative suppliers to reduce dependence on a single source. ◆ Development of an emergency response plan: establish corresponding measures to address supply disruptions.
Physical Risks	**Rising Average Temperatures and Heat Waves**	Medium	− Rising energy costs: Increased cooling demand will lead to higher power costs. − Reduced productivity: High temperatures could lower employee performance.	◆ Optimizing the cooling system: Improve equipment energy efficiency and reduce energy consumption. ◆ Heatwave response plan: Ensure employee safety and health in high-heat environments.
	Increased Frequency and Intensity of Extreme Weather Events	Medium	− Production decline: Extreme weather may result in factory shutdowns and impact production output. − Increased insurance costs: Insurance premiums may increase as risks rise.	◆ Contingency planning: Develop contingency plans to address extreme weather and ensure business continuity. ◆ Strengthening of infrastructure: Invest in flood defenses and typhoon resilience.
Opportunities	**Disaster Prevention and Emergency Response Systems**	High	+Loss reduction: Effective emergency systems will reduce disaster losses. +Improved production recovery capability: Quick response can minimize downtime.	◆ Establishment of emergency plans: Develop detailed emergency plans. ◆ Emergency drills: Regularly practice disaster response drills to enhance preparedness.
	Sustainable Supply Chain Development	High	+Reduction of supply chain risks: Supply chain transparency can reduce risks. +Improvement of company image: Sustainable supply chain management can attract more customers.	◆ Assessment of supplier sustainability: Select suppliers that meet sustainability standards.

Climate-Related Scenario Analysis

The climate change scenario analysis is based on the Shared Socioeconomic Pathways (SSPs) presented in the Sixth Assessment Report (IPCC AR6) of the Intergovernmental Panel on Climate Change (IPCC), including two emission scenarios: the low-emission scenario SSP1-2.6 and the very high-emission scenario SSP5-8.5. The analysis also considers localized information, including Taiwan climate change projection results provided in response to the IPCC AR6 SSPs, as presented in the Summary of Scientific Highlights of the IPCC Sixth Assessment Report and the Updated Climate Change Assessment for Taiwan (hereinafter referred to as the Updated Climate Change Assessment for Taiwan), jointly published by the Taiwan Climate Change Projection Information Platform (TCCIP) and other Taiwanese climate science teams.

Climate Trend Projection \ Emissions Scenario		SSP 1-2.6 low emission	SSP 5-8.5 very high emissions
Projected Temperature Increase under Different Emission Scenarios	**Near term (2021–2040)**	1.5°C (1.2-1.8°C)	1.6°C (1.3-1.9°C)
	Medium term (2041–2060)	1.7°C (1.3-2.2°C)	2.4°C (1.9-3.0°C)
	Long term (2081–2100)	1.8°C (1.3-2.4°C)	4.4°C (3.3-5.7°C)

TCCIP Updated Climate Change Assessment for Taiwan (Baseline Period: 1985–2014)			
Climate Trend Projection \ Emissions Scenario		Ssp 1-2.6 Ideal Mitigation Scenario	Ssp 5-8.5 Worst-Case Scenario
Increase in annual mean temperature	**Mid-21st century (2036–2065)**	1.3°C	>1.8°C
	End of 21st century (2071–2100)	1.4°C	>3.4°C
Increase in number of days with extreme high temperatures above 36°C	**Mid-21st century (2036–2065)**	6.8 days	8.5 days
	End of 21st century (2071–2100)	6.6 days	48.1 days
Increase in annual total precipitation	**Mid-21st century (2036–2065)**	12%	15%
	End of 21st century (2071–2100)	16%	31%
Increase in annual maximum 1-day rainfall intensity	**Mid-21st century (2036–2065)**	15.70%	20%
	End of 21st century (2071–2100)	15.30%	41.30%
Change in annual maximum consecutive dry days	**Mid-21st century (2036–2065)**	Decrease by 1.8%	Increased by 5.5%
	End of 21st century (2071–2100)	Decrease by 0.4%	Increased by 12.4%

Shuang-Bang has selected the climate change models SSP1-2.6 and SSP5-8.5 for future scenario simulations. The Company identifies the market, technological, financial, and operational impacts of climate change in the Taiwan region where it operates. Under the low-emission scenario SSP1-2.6 and the very high-emission scenario SSP5-8.5, which represent active carbon reduction and no carbon reduction actions, respectively, scenario analyses are conducted on the major risk types of the top three high-risk transition risk factors and the top two medium-risk physical risk factors to assess their impacts and the Company's resilience capabilities. These analyses support the development of future impact adaptation plans for the Company.

Type	Transition Risks			Physical Risks	
Risks	**Regulatory and Carbon Pricing Risks (Policy Pressure)**	**Changes in Market Demand and the Pressure to Transition to a Low-Carbon Economy**	**Disruptions to the Energy Supply Chain and Raw Material Shortages**	**Rising Average Temperatures and Heat Waves**	**Increased Frequency and Intensity of Extreme Weather Events**
Key Assumptions	According to Taiwan's current policy planning, climate-related policies in the jurisdiction of the operation continued to follow the "2050 Net Zero Emission Path" and complied with Appendix 1, "Industry-Specific Reduction Rates," of the "Greenhouse Gas Reduction Target Designation for Carbon Levy Subjects," which stipulated that the GHG annual emission reduction rate for other industries in 2030 was 42% relative to the 2021 baseline.			Impact of national or regional variables: According to official reports, such as the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform and national meteorological observations, climate models indicate that the length of summer has increased from approximately 130 days to 155-210 days. Additionally, the maximum consecutive days without rainfall and the number of days with high temperatures above 36°C have also increased.	
Selection Scenarios	2050 net zero emissions scenario			SSP 1-2.6 (low-emission), and SSP 5-8.5 (high-emission)	
Time Interval	2025–2050			2025–2050	
Analysis Scope	Main Operations (Taiwan)			Main Operations (Taiwan)	
Impacts and Resilience	**Assessment of impact:** Under the 2050 net-zero emissions scenario, the Company faces potential risks of increased operating costs in the mid- to long term due to GHG emission controls and carbon taxes. As for shifts in customer product selection criteria, the risks were relatively higher in the short and medium term due to the rise of sustainable practices and growing environmental awareness in recent years. However, these risks have potentially lowered over the long term as the green market matured. **Resilience:** Actively focus on the R&D of low-carbon products and circular products, and procure products or equipment with green labels. In addition, the Sustainable Development Executive Team convenes sustainability meetings on a regular quarterly basis to discuss tracking and analysis results and formulate response measures.			**Assessment of impact:** According to the scenario analysis results, there were no significant impacts under the low-emission scenario (SSP1-2.6). Under the high-emission scenario (SSP5-8.5), in the long term, certain plants may be potentially affected by power restrictions due to high temperatures, water restrictions due to drought, or work suspension due to high temperatures. **Resilience:** The Sustainable Development Executive Team convenes sustainability meetings on a regular quarterly basis to discuss tracking and analysis results and formulate response measures.	

4.6.4 Indicators and Objectives

Greenhouse gas inventory

Shuang-Bang has set 2024 as its base year for GHG emissions and has regularly collected carbon emissions data annually according to its "Greenhouse Gas Inventory Management Procedure." Third-party verification ensuring the accuracy of the Company's GHG emissions has been completed, and the Company has set a carbon reduction target for 2030 by implementing process improvements, equipment upgrades, and energy structure optimization initiatives.

Scope	Greenhouse Gas Emission Intensity (metric tons CO2e/NT$ million)		
	2023	2024	2025
Scope 1	5.9130	4.7403	4.4648
Scope 2	6.0080	5.6352	5.4987
Scope 3	Not inventoried	18.991	25.6297

Note 1: Greenhouse gas emission intensity = total greenhouse gas emissions/ Shuang-Bang's parent-company-only revenue.

Green product development

Shuang-Bang continues to develop green products and processes that enhance user benefits, with the aim of providing customers with more low-carbon solutions.

Eco-friendly Product Development	Development Results
Bio-based products	1 case
Water-based products	2 cases
r-PET products	1 case

External Verification Audit

To enhance quality, protect the environment, maintain the ecological balance, and promote material recycling, the Company regularly undergoes external verification and audits to minimize its environmental and social impact throughout the production process.

Verification Items	Yongxing Plant	Renhe Plant	Nangang Plant	Taipei Office	Dormitories
ISO 9001:2015	●	●			
ISO 14001:2015	●	●			
ISO 45001:2018	●	●			
ISO 14064-1:2018	●	●	●	●	●
bluesign® Standard Certificate	●	●			
Global Recycled Standard (GRS)	●	●	●		
OEKO-TEX® STANDARD 100	●				
Higg FEM	●				
Higg FSLM	●				

Note 1: ● indicates organizational boundaries that have obtained verification.

4.7 Green Production

In recent years, Shuang-Bang has faced the following challenges in promoting green production:

(1) Environmental Burden: Issues such as high energy consumption and carbon emissions, waste treatment, and raw material substitution create challenges for the implementation of the circular economy.

(2) Safety Risks: Potential risks associated with chemicals may affect worker safety and community health, while the ability of the supply chain and customers to adapt to new technologies may also affect the transformation process.

(3) Regulatory and Market Pressure: In response to increasingly stringent environmental regulations, substantial R&D resources must be invested to meet market and investor requirements for ESG. Failure to respond properly may result in regulatory risks, damage to brand reputation, or questions of greenwashing.

To this end, Shuang-Bang values environmental protection and social responsibility, takes various actions, continues to obtain international standard certifications, and is committed to developing green products and processes that minimize impacts on human health and ecosystems. Through these efforts, the Company reduces its environmental impact and achieves sustainable development and competitive advantages.

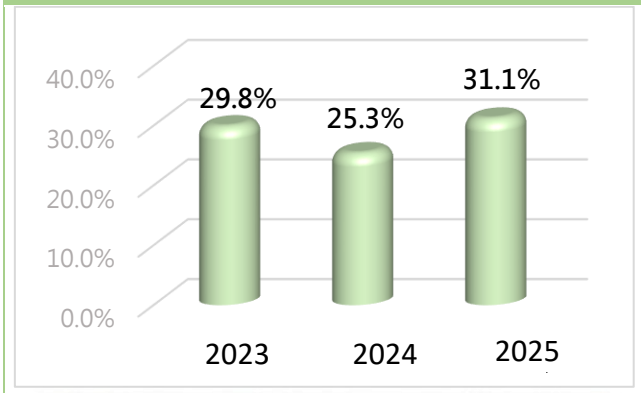
- **Management Systems:** Implement the ISO 9001 Quality, ISO 14001 Environmental, and ISO 45001 Occupational Health and Safety Management Systems.
- **International Certification:** Join the bluesign® SYSTEM and obtain certifications such as OEKO-TEX® STANDARD 100 and Global Recycled Standard (GRS) annually.

4.7.1 Waste Reduction and Circular Model [GRI 301-3]

High-performance textiles are an important segment of Taiwan's textile industry, and water vapor-permeable waterproof fabrics are a relatively mature technology within this field. Shuang-Bang is a leading manufacturer of such high-performance water vapor-permeable waterproof fabrics in Taiwan and also operates polyurethane (PU) production lines. Through resin raw materials designed and produced independently, the Company can meet various high-performance processing requirements. At the same time, Shuang-Bang recognizes that chemical manufacturing is often accompanied by energy consumption, pollution, and waste. With consideration for minimizing impacts on the natural environment and ecological resources, the Company has established circular programs for source reduction, production waste reduction and classification, recycling, and reuse.

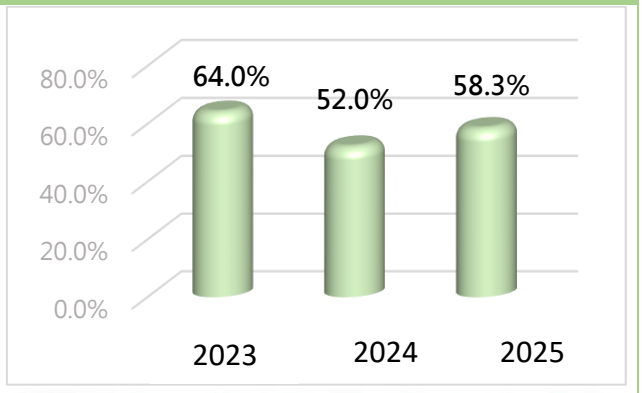
Raw Materials	◆ Replace existing materials with eco-friendly and bio-based raw materials to avoid excessive reliance on petrochemical raw materials and reduce hazards to human health. ◆ Use recovered solvents instead of purchased solvents, and add solvent purification fractionation towers to reuse recovered solvents and reduce environmental impacts. The initial target is to maintain the usage rate of internally recovered solvents at more than 20%, with efforts moving toward the target of 50%.
Manufacturing Process	◆ Develop solvent-free products to reduce solvent use. ◆ Improve processes and replace aging equipment to reduce defect rates and waste generation.
Packaging	◆ Use recyclable packaging materials, such as stainless steel ton containers, IBC containers, and 50-gallon steel drums, and reuse them for recurring orders of specific products from designated customers.

Proportion of Recycled Solvent Used





Proportion of Reused Barrels Used for PU Resin





Note 1: Proportion of recycled solvent used (%) = recycled solvent weight/total solvent consumption × 100%

Note 2: Proportion of Reused Barrels Used for PU Resin (%) = weight of finished products using reused barrels (kg)/annual total production volume (kg) × 100%

4.7.2 GRS Recycling and Reuse [GRI 301-2]

The Global Recycled Standard (GRS) requires that products contain at least 20% recycled materials and strengthens requirements for corporate social responsibility, pollution prevention and treatment in production processes, and restrictions on chemical use. The goal is to reduce or eliminate potential environmental harm and impacts through the continued use of recycled products, providing brand owners, retailers, and consumers with better choices.

Since 2021, Shuang-Bang has obtained GRS certification annually. In response to environmental trends, the Company actively addresses quality issues in the reuse of recycled materials and is committed to the goal of green production:

Recycling Ratio	◆ Production units strictly control recycled products, production processes, composition ratios, and sources of raw materials, ensuring compliance with the requirement of at least 20% recycled content. ◆ Actively conduct R&D and improvements to increase the proportion of recycled material usage.
Chemical Management	◆ Prohibit the use of chemicals classified as Substances of Very High Concern (SVHC) under EU REACH. ◆ Eliminate substances and mixtures with GHS special hazard codes. ◆ Ensure that chemicals used in production processes comply with the ZDHC Manufacturing Restricted Substances List (MRSL).

GRS Product Performance in the Past Three Years

Year	Output (kg)	GRS Finished Product Weight (kg)	GRS Output Ratio	Recycled Input (kg)	Average Recycled Content Ratio
2023	393,392	65,418	16.63%	26,264	40.15%
2024	499,687	59,700	11.95%	22,306	37.36%
2025	598,231	318,958	54.78%	120,959	37.92%

Note 1: Output: Annual total output of TPU resins.

Note 2: GRS Finished Product Weight: Weight of finished products using recycled materials and certified with a GRS Transaction Certificate.

Note 3: GRS Output Ratio = GRS Finished Product Weight/Output × 100%.

Note 4: Recycled Input: Amount of recycled materials used in GRS finished products.

Note 5: Average Recycled Content Ratio = Recycled Input/GRS Finished Product Weight × 100%.

CH5 Care for Employees

5.1 Employee Structure and Diversity, Equity, and Inclusion

5.1.1 Workforce Structure

Shuang-Bang is committed to fostering a corporate spirit of inclusion and shared prosperity, and to creating a diverse and inclusive workplace environment for all employees. As of December 31, 2025, Shuang-Bang had a total of 376 employees. Permanent contract employees included 273 full-time and part-time employees, of whom 182 were male and 91 were female. There were 101 temporary contract employees, of whom 98 were male and 3 were female. Male employees mainly outnumbered female employees in technical, machinery and equipment operation, and labor positions, while there were no significant gender differences in other job functions.

Employee Structure Distribution [GRI 2-7]

Region	Category	Gender	2023		2024		2025	
			Number of Workers	Percentage	Number of Workers	Percentage	Number of Workers	Percentage
Taiwan – Shuang-Bang	Indefinite-term Contract Employee – Full-time	Male	169	48.42%	173	48.73%	182	48.41%
		Female	88	25.22%	88	24.79%	91	24.20%
	Indefinite-term Contract Employees – Part-time	Male	0	0.00%	0	0.00%	0	0.00%
		Female	2	0.57%	2	0.56%	2	0.53%
	Fixed-term Contract Employees	Male	90	25.79%	92	25.92%	98	26.06%
		Female	0	0.00%	0	0.00%	3	0.80%
	Total	Male	259	74.21%	266	74.93%	280	74.47%
		Female	90	25.79%	89	25.07%	96	25.53%
	Total Number of Employees		349	100.00%	355	100.00%	376	100.00%

Note 1: Gender is determined based on employees' identity documents.

Structure of Non-Employee Workers [GRI 2-8]

Region	Category	Number of Workers			Type of Work
		2023	2024	2025	
Taiwan – Shuang-Bang	Dispatched workers	13	12	10	Provided by dispatch companies to support production line manpower.
	Contractors	7	7	7	Security personnel responsible for plant patrols and access control of personnel and vehicles.
	Appointed consultants	0	1	-	Consultation in specialized fields.
	Total	20	20	17	-

5.1.2 Employee Diversity and Equal Opportunity

Employee Diversity [GRI 405-1]

As of December 31, 2025, Shuang-Bang employed 280 male employees, accounting for 74.47% of the total workforce, and 96 female employees, accounting for 25.53%. The majority of employees were between 31 and 50 years old, representing 58.51% of the total workforce. Compared to the previous two years, there were no significant changes in the overall age structure of employees.

Employee Gender and Age Distribution

Age	Gender	2023		2024		2025	
		Headcount	Percentage	Headcount	Percentage	Headcount	Percentage
Under age 30	**Male**	61	17.48%	67	18.87%	79	21.01%
	Female	5	1.43%	6	1.69%	7	1.86%
Age 31 to 50	**Male**	156	44.70%	158	44.51%	160	42.55%
	Female	57	16.33%	57	16.06%	60	15.96%
Age 51 and above	**Male**	42	12.04%	40	11.27%	41	10.91%
	Female	28	8.02%	27	7.60%	29	7.71%
Total		349	100.00%	355	100.00%	376	100.00%

Note 1: Age 30 and under refers to individuals who are not yet 31; ages 31–50 refers to individuals who have reached 31 but are not yet 51; ages 51 and above refers to individuals who are 51 or older.

Note 2: Gender is determined based on employees' identity documents.

Employees from Minority or Disadvantaged Groups

Category	2023		2024		2025	
	Headcount	Percentage	Headcount	Percentage	Headcount	Percentage
Employees with Disabilities	3	0.86%	3	0.85%	3	0.80%
Foreign Employees	90	25.79%	92	25.92%	99	26.33%
Indigenous Employees	0	0.00%	0	0.00%	0	0.00%

As of December 31, 2025, Shuang-Bang had 94 managers, an increase of 10 compared to 2024. This growth included two additional male executives at the senior level, alongside six male and two female managers at the junior level. Senior managers were mostly aged 51 and above, while middle and junior managers were mainly between 31 and 50 years old.

Gender and Age Distribution of Managers at All Levels

Level	Gender	2023		2024		2025	
		Headcount	Percentage	Headcount	Percentage	Headcount	Percentage
Senior Executives	Male	9	2.58%	11	3.10%	10	2.66%
	Female	3	0.86%	3	0.84%	4	1.06%
Mid-Level Managers	Male	17	4.87%	17	4.79%	19	5.05%
	Female	4	1.15%	4	1.13%	6	1.60%
First-Line Managers	Male	43	12.32%	49	13.80%	48	12.77%
	Female	8	2.29%	10	2.82%	11	2.93%
Non-Managerial Positions	Male	190	54.44%	188	52.96%	203	53.99%
	Female	75	21.49%	73	20.56%	75	19.94%
Total		349	100.00%	355	100.00%	376	100.00%

Level	Age	2023		2024		2025	
		Headcount	Percentage	Headcount	Percentage	Headcount	Percentage
Senior Executives	Under age 30	0	0.00%	0	0.00%	0	0.00%
	Age 31 to 50	5	1.43%	6	1.69%	5	1.33%
	Age 51 and above	7	2.01%	8	2.25%	9	2.39%
Mid-Level Managers	Under age 30	0	0.00%	0	0.00%	1	0.27%
	Age 31 to 50	11	3.15%	12	3.38%	14	3.72%
	Age 51 and above	10	2.87%	9	2.54%	10	2.66%
First-Line Managers	Under age 30	3	0.86%	5	1.41%	5	1.33%
	Age 31 to 50	31	8.88%	38	10.70%	38	10.11%
	Age 51 and above	17	4.87%	16	4.51%	16	4.25%
Non-Managerial Positions	Under age 30	63	18.05%	68	19.15%	80	21.28%
	Age 31 to 50	166	47.56%	159	44.79%	163	43.35%
	Age 51 and above	36	10.32%	34	9.58%	35	9.31%
Total		349	100.00%	355	100.00%	376	100.00%

Note 1: Senior executives refers to managerial positions at Grade 7 and above; middle management refers to managerial positions at Grades 4 to 6; junior management refers to managerial positions at Grade 3 and below.

Note 2: Gender is determined based on employees' identity documents.

Note 3: Age 30 and under refers to individuals who are not yet 31; ages 31–50 refers to individuals who have reached 31 but are not yet 51; ages 51 and above refers to individuals who are 51 or older.

Proportion of Senior Management Hired from the Local Community [GRI 202-2]

Category	2023	2024	2025
Number of Senior Management	12	14	14
Number Hired from the Local Community	12	14	14
Percentage	100%	100%	100%

Note 1: Senior management refers to managerial positions at Grade 7 and above.

Note 2: Shuang-Bang's operating sites are located in Taiwan, and the Company has no overseas operating sites. "Local" is defined as Taiwan, including Taiwan's offshore islands.

Employee Basic Salary and Compensation Ratio [GRI 405-2]

Shuang-Bang's compensation system is determined based on factors such as educational background, work experience, job responsibilities, professional capabilities, performance, and management responsibilities, and does not differ by gender. The salary ratios of male and female employees at each job level remain within a reasonable range. However, in 2025, the ratio of basic salary and compensation for male senior management increased compared to the previous year, mainly due to personnel changes among senior management during the year, including position adjustments and changes in the remuneration structure. These changes resulted in differences in the distribution of salary and rewards for the year and were not caused by gender.

Category	Basic Salary/Remuneration	2023		2024		2025	
		Female	Male	Female	Male	Female	Male
High-Level Executives	**Base salary**	1	1.10	1	1.01	1	1.43
	Base salary and other remuneration	1	0.93	1	0.91	1	1.22
Mid-Level Managers	**Base salary**	1	1.26	1	1.27	1	1.28
	Base salary and other remuneration	1	1.08	1	1.38	1	1.34
First-Line Managers	**Base salary**	1	0.99	1	0.99	1	0.94
	Base salary and other remuneration	1	1.28	1	1.04	1	1.05
Non-Managerial Positions	**Base salary**	1	0.95	1	0.99	1	0.98
	Base salary and other remuneration	1	1.03	1	1.13	1	1.01

Note 1: Senior executives refers to managerial positions at Grade 7 and above; middle management refers to managerial positions at Grades 4 to 6; junior management refers to managerial positions at Grade 3 and below.

Note 2: Base salary (basic salary) refers to the minimum fixed amount paid to employees for performing their duties.

Note 3: Base salary and other remuneration refers to base salary plus all other allowances and bonuses paid by the Company.

Note 4: Gender is determined based on employees' identity documents.

Ratio of Standard Entry-Level Wage to Local Minimum Wage [GRI 202-1]

Region	Gender	2023		2024		2025	
		Employee Entry-level Personnel	Non-employee Entrylevel Personnel	Employee Entry-level Personnel	Non-employee Entrylevel Personnel	Employee Entry-level Personnel	Non-employee Entrylevel Personnel
Taiwan	**Male**	1	1.21	1	1.20	1	1.15
	Female	1	0	1	0	1	0

Note 1: Gender is determined based on employees' identity documents.

Note 2: The statutory minimum wage in January 2025 and January 2024 were NT$28,590 and NT$27,470, respectively.

Note 3: Entry-level personnel refer to full-time employees at the lowest employment grade.

Note 4: Salary ratio formula = standard salary/minimum salary (basic wage for the year).

5.2 Employee Rights

5.2.1 Employee Compensation and Benefits [GRI 401-2]

Employees are the Company's greatest asset, and enabling employees to work at the Company with peace of mind and comfort has always been a goal that Shuang-Bang strives to achieve. In accordance with relevant laws and regulations stipulated by the competent authorities, including the Labor Standards Act, the Act of Gender Equality in Employment, the Employment Services Act, the Sexual Harassment Prevention Act, and the Labor Pension Act, Shuang-Bang ensures that all employees enjoy work- and leave-related rights and benefits as provided by law. Employee welfare activities are carried out in accordance with the "Employee Welfare Management Guidelines" and the "Welfare Committee Charter," including additional employee health examinations, health seminars, group insurance, childcare subsidies, and scholarships for employees' family members, thereby extending care to matters beyond employees' work. The Company also holds an annual Outstanding Employee Selection to reward employees from various departments who demonstrate outstanding performance or make special contributions, in recognition of their contributions to the Company.

Outstanding Employee Recognition

Each year, department heads recommend employees who have demonstrated outstanding performance within their departments during the year. The Administration Department conducts the selection in accordance with the annual Outstanding Employee Selection and Reward Guidelines, and employees who pass the selection are awarded plaques as recognition.



Retirement System

The classification principles for the old and new pension systems are mainly based on differences in implementation timing, calculation methods, and pension collection conditions. The old pension system applies to employees hired before July 1, 2005, while the new pension system has been mandatorily applicable to all newly hired employees since July 1, 2005. The sources of funds and management methods under the two systems are entirely different. Under the old system, employers are required to contribute 2% to 15% of total employee wages to the "Labor Retirement Reserve Account," which is uniformly managed by the Bank of Taiwan, and the ownership of the funds belongs to the employer. The new system adopts individual accounts, under which employers contribute at least 6% of monthly wages to employees' individual accounts, and employees may also voluntarily contribute an additional 1% to 6% of their wages to their pension accounts.

Compensation System

Shuang-Bang strives to provide employees with a stable foundation for their livelihoods. Accordingly, the Company's salary standards are based on the basic wage announced under the Labor Standards Act and the Regulations for Reviewing Basic Wages, and also consider market salary levels, educational background, work experience, job responsibilities, professional capabilities, performance, and management responsibilities, thereby providing a comprehensive compensation system.

Benefit System

Category	System	Purpose
Benefits	Covers both employee welfare and the Welfare Committee.	Provide comprehensive welfare and care, allowing employees to work with peace of mind.
Insurance	Divided into social insurance and commercial insurance.	Provide additional commercial insurance for different positions or job functions to offer comprehensive employee protection and establish a friendly employer–employee relationship.

Benefit Item		
Subsidized Item	**Company**	**Employee Welfare Committee**
Marriage Subsidy	●	●
Childbirth Subsidy	●	●
Hospitalization Subsidy	●	●
Funeral Subsidy	●	●
Housewarming Gift	●	●
Birthday Bonus		●
Holiday Bonuses		●
Employee Travel		●
Child Care Subsidy	●	
Employee Dormitory	●	
Health Checkup	●	
Year-End Party		●
Meal Subsidy	●	
Milk Subsidy	●	

Insurance Items	
Social Insurances	**Commercial Insurances**
◆ Labor Insurance ◆ Labor pension ◆ National Health Insurance ◆ Labor Occupational Accident Insurance	◆ Directors and Officers Liability Insurance ◆ Employer's Liability and Group Accident Insurance ◆ Public liability insurance ◆ Liability Insurance for Handling Toxic and Concerned Chemical Substances ◆ Travel accident insurance

Note 1: Employee Travel: In 2025, due to the budget allocation of the Employee Welfare Committee, no employee travel was held.

Note 2: Year-end Party: No year-end party was held in 2025, and the Employee Welfare Committee compensated employees by distributing cash.

Childcare Protection [GRI 401-3]



Shuang-Bang actively implements gender equality and creates a friendly environment that supports marriage and childcare. The Company has promoted a number of concrete measures to help employees achieve a sound balance between family care and career development.

(1) Provide statutory and friendly measures such as maternity leave, pregnancy checkup accompaniment leave, and paternity leave.

(2) Set up dedicated breastfeeding rooms and provide a parental leave without pay system.

(3) Provide monthly childcare subsidies to employees with children under the age of five.

Parental Leave and Reinstatement Rate

Year	2023			2024			2025		
Category Item	Female	Male	Total	Female	Male	Total	Female	Male	Total
Number of Employees Eligible	3	3	6	3	5	8	3	4	7
Number of Employees Who Actually Applied	3	0	3	2	0	2	2	0	2
Expected Number of Employees Reinstated	3	0	3	2	0	2	3	0	3
Number of Employees Actually Reinstated	3	0	3	1	0	1	3	0	3
Actual Number of Employees Reinstated in the Previous Year	1	0	1	3	0	3	1	0	1
Number of Employees Who Continued Working for One Year After Reinstatement in the Previous Year	1	0	1	1	0	1	1	0	1
Parental Leave Application Rate (%)	100.00	0.00	50.00	66.67	0.00	25.00	66.67	0.00	28.57
Parental Leave Reinstatement Rate (%)	100.00	0.00	100.00	50.00	0.00	50.00	100.00	0.00	100.00
Parental Leave Retention Rate (%)	100.00	0.00	100.00	33.33	0.00	33.33	100.00	0.00	100.00

Note 1: The number of employees eligible for applying parental leave refers to the number of employees who took maternity leave, leave for accompanying prenatal checkups, or paternity leave during the year.

Note 2: The number of employees who actually applied refers to the number of employees eligible for applying parental leave who applied for parental leave without pay.

Note 3: The expected number of employees reinstated refers to the number of all employees whose parental leave without pay was scheduled to end and who were expected to return to work during the year.

Note 4: The number of employees actually reinstated refers to the number of employees who applied for parental leave without pay and returned to work during the year.

Note 5: Parental Leave Application Rate = number of employees who actually applied/number of employees eligible for applying parental leave.

Note 6: Parental Leave Reinstatement Rate = number of employees actually reinstated/expected number of employees reinstated.

Note 7: Parental Leave Retention Rate = number of employees who continued working for one year after reinstatement in the previous year/actual number of employees reinstated in the previous year.

Child Care Subsidy

Year	2023	2024	2025
Number of Recipients	309	273	265

5.2.2 Two-Way Communication [GRI 2-30]

Shuang-Bang has not established a labor union and has no collective agreement. However, the Company holds Labor-Management Committee Meetings on a regular quarterly basis and provides employees with diverse and accessible communication platforms to ensure that employees can fully express their opinions. Based on mutual trust as the foundation of communication, the Company provides both regular and ad hoc communication channels, enabling employees to fully express their opinions and ideas through diverse channels.

Regular Communication			
Communication Channel	**Frequency**	**Participants**	**Functions**
Monthly Meetings (All-employee meetings)	Semi-annually	◆ All employees	Ensure that all employees are informed of departmental work plans and performance, achieving information sharing and alignment of goals. Employees may also raise suggestions during these meetings, which receive direct responses from senior management.
Labor–Management Committee Meeting	Quarterly	◆ Labor representative ◆ Management representative	Labor and management representatives engage in open communication and coordination regarding corporate governance and employee rights, fostering mutual trust, shared benefits, and cooperative outcomes.
Migrant Worker Forum	Quarterly	◆ Migrant workers ◆ Administrative Department ◆ Manpower agency ◆ Dormitory Supervisor for Migrant Workers	Inform migrant workers of Company policies, work requirements, and regulatory awareness, while also providing care and assistance in adapting to work and life.
Ad hoc communication			
Communication Channel	**Applicable Target**	**Functions**	
Plant Opinion Box	All employees	Allow employees to submit their valuable opinions at any time. The Administration Department designates personnel to collect and handle the submissions. Proposals adopted by the Company may be rewarded with bonuses as encouragement.	
Dormitory Opinion Box	All employees	Opinion boxes are installed in both migrant worker and Taiwanese employee dormitories, with labels provided in languages understandable to the residents, enabling migrant workers to understand the function of the opinion box.	

5.3 Talent Recruitment and Development

Management of Material Topics [GRI 2-23, GRI 2-24, GRI 2-25, GRI 3-3]

Material Topics		**Talent Recruitment and Development**		
Significance to Shuang-Bang		Employee growth is a source of the Company's competitiveness and helps the Company create operational value.		
Actual and Potential Impacts	**Negative Impacts**	Failure to address employee turnover or employees approaching retirement may result in talent loss and gaps in experience and technical capabilities.		
	Positive Impacts	Recruit and retain outstanding talent, enhance employees' professional capabilities, and strengthen corporate competitiveness.		
Policies and Commitments		✧ Enable every employee to work with peace of mind and fully apply their expertise, allowing the Company to maintain competitiveness. ✧ Provide employees with opportunities for continuous learning and growth, and create a diverse and inclusive workplace environment.		
Action Plans		(1) Review employees approaching retirement and plan workforce replenishment in advance. (2) Review employee turnover to understand and improve internal issues. (3) Conduct compensation surveys to understand external compensation conditions. (4) Provide education and training to continuously enhance employee capabilities.		
Effectiveness Evaluation Indicators		Employee retention status and recruitment performance.		
Objectives		**Short-term goal (2025-2027):** 1. The annual number of resignations was 48 or fewer. 2. Annual recruitment fulfillment rate of 45% or higher.	**Medium-term goal (2028-2030):** 1. 100% of internal training courses introduced to the online learning platform. 2. New employee retention rate of 80% or more.	**Long-term goal (2030 and beyond):** 1. Average recruitment period for vacancies within 70 days. 2. Complete the inventory of successors for department heads.
2025 Performance		(1) The annual number of resignations was kept at 37. and the annual recruitment fulfillment rate was 40%. (2) Participated in five campus recruitment events and one job fair, and partnered with one school on corporate internships.		
Influence of Stakeholder Engagement on Actions		Participate in various recruitment activities to provide job seekers with more opportunities and channels to learn about Shuang-Bang, thereby enhancing talent recruitment capacity and the Company's image.		

5.3.1 Talent Recruitment

Facing the challenges of declining birth rates and labor shortages in the industry, Shuang-Bang actively expands recruitment channels and continues to recruit talented professionals from universities and colleges. This year, the Company also cooperated with the Department of Applied Chemistry of Chaoyang University of Technology on a corporate internship program.

	Campus Recruitment	Employment Expo	Corporate Internship
Chaoyang University of Technology	●		●
National United University	●		
National Chin-Yi University of Technology	●		
National Chi Nan University	●		
Nan Kai University of Technology	●		
Nantou County Government		●	



Campus Recruitment – Chaoyang University of Technology



Campus Recruitment – National Chi Nan University

New Employees [GRI 401-1]

In 2025, Shuang-Bang hired 57 new employees, with the majority aged 30 to 50, accounting for 50.88% of all new hires. The Company also strengthened recruitment of middle-aged and elderly employees, retained two new middle-aged and elderly employees, and rehired two employees who had reached the retirement age of 65. Shuang-Bang continues to employ middle-aged and senior workers, providing pre-employment education, training, and care, hazard identification and assessment, and health protection. The Company also provides training to enhance digital capabilities, such as digital tools, software applications, and cybersecurity, to narrow the digital capability gap, support industrial upgrading, and create a friendly workplace that enables the transfer of knowledge and experience.

Gender and Age Distribution for New Employees

Category	Gender	2023		2024		2025	
		Headcount	Percentage	Headcount	Percentage	Headcount	Percentage
Under age 30	**Male**	18	32.73%	21	51.22%	22	38.60%
	Female	3	5.45%	4	9.75%	3	5.26%
Age 31 to 50	**Male**	28	50.91%	13	31.71%	21	36.84%
	Female	5	9.09%	1	2.44%	8	14.04%
Age 51 and above	**Male**	1	1.82%	2	4.88%	0	0.00%
	Female	0	0.00%	0	0.00%	3	5.26%
Total		55	100.00%	41	100.00%	57	100.00%

Note 1: Age 30 and under refers to individuals who are not yet 31; ages 31–50 refers to individuals who have reached 31 but are not yet 51; ages 51 and above refers to individuals who are 51 or older.

Note 2: Gender is determined based on employees' identity documents.

Employee Turnover [GRI 401-1]

In 2025, Shuang-Bang recorded 37 employee resignations, with the majority aged 31 to 50, accounting for 67.57% of total resignations. When employees submit their resignation, the Company shows full understanding and respect by arranging interviews between supervisors and employees to gain deeper insights into the reasons for resignation, so as to continuously optimize relevant management strategies.

To reduce turnover, Shuang-Bang actively promotes multiple measures, including regular care programs for new employees to proactively address issues encountered by new employees. Each department also continues to improve the work environment, equipment, and work processes to provide employees with a more comfortable working environment.

Gender and Age Distribution for Departing Employees

Category	Gender	2023		2024		2025	
		Headcount	Percentage	Headcount	Percentage	Headcount	Percentage
Under age 30	**Male**	11	20.37%	12	34.29%	6	16.22%
	Female	3	5.56%	2	5.71%	1	2.70%
Age 31 to 50	**Male**	27	50.00%	12	34.29%	19	51.35%
	Female	4	7.41%	2	5.71%	6	16.22%
Age 51 and above	**Male**	8	14.81%	6	17.14%	4	10.81%
	Female	1	1.85%	1	2.86%	1	2.70%
Total		54	100.00%	35	100.00%	37	100.00%

Note 1: Age 30 and under refers to individuals who are not yet 31; ages 31–50 refers to individuals who have reached 31 but are not yet 51; ages 51 and above refers to individuals who are 51 or older.

Note 2: Gender is determined based on employees' identity documents.

5.3.2 Talent Development

Shuang-Bang provides employees with diverse and systematic training programs through a combination of core, general, and professional courses, enabling employees and the Company to grow together and laying a solid foundation for Shuang-Bang's sustainable operations.

Diverse Courses [GRI 404-2]

Core Courses

Director I-tsen Hou of the Occupational Health Nursing Center at Chung Shan Medical University Hospital was specially invited to deliver courses to employees on "Prevention of Unlawful Workplace Infringement" and "Labor Health Promotion and Disease Prevention," enabling employees to become more familiar with relevant regulations and pay greater attention to health issues.



General Education Courses

To relieve employees' work stress and enhance their physical and mental health, a series of general education courses was arranged. Through these courses, the Company aims to help employees achieve work–life balance, relax physically and mentally, and create a healthy and friendly workplace environment.

Item	Course Name
1	What the science of happiness teaches us: A positive psychology prescription for stress relief
2	The best teammates in the technology generation: Parents upgrading and growing with you
3	Understanding the characteristics of persons with disabilities and making floral tea
4	Key considerations for filing insurance claims for car accidents, earthquakes, and fires, and how to plan finances properly
5	Easily break free from metabolic syndrome



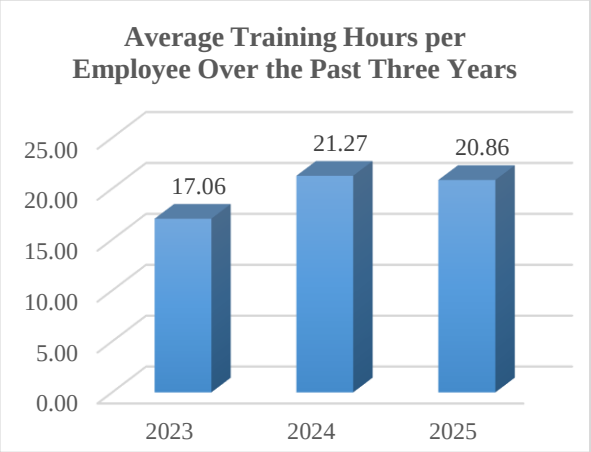
Professional Courses

To enhance employees' software operation capabilities in a rapidly changing knowledge era, the Company offered "BI Analysis" and "Excel PivotTable Analysis" this year, helping employees improve work quality and efficiency.



Employee Training [GRI 404-1]

In 2025, the total training hours for all employees were 7,841.50 hours, with an average of 20.86 training hours per employee. The average training hours were 20.71 hours for male employees and 21.27 hours for female employees. The average training hours were 20.32 hours for senior management, 27.48 hours for middle management, 22.11 hours for junior management, and 20.02 hours for non-managerial employees.



2025 Employee Training

Category	Gender	Number of Employees	Total Training Hours	Average Training Hours
Senior Executives	**Male**	10	197.00	19.70
	Female	4	87.50	21.88
	Total	14	284.50	20.32
Mid-Level Managers	**Male**	19	499.00	26.26
	Female	6	188.00	31.33
	Total	25	687.00	27.48
First-Line Managers	**Male**	48	1,099.00	22.90
	Female	11	205.50	18.68
	Total	59	1,304.50	22.11
Non-Management Positions	**Male**	203	4,005.00	19.73
	Female	75	1,560.50	20.81
	Total	278	5,565.50	20.02
Not Categorized	**Male**	280	5,800.00	20.71
	Female	96	2,041.50	21.27
	Total	376	7,841.50	20.86

Note 1: Senior executives refers to managerial positions at Grade 7 and above; middle management refers to managerial positions at Grades 4 to 6; junior management refers to managerial positions at Grade 3 and below.

Note 2: Gender is determined based on employees' identity documents.

Note 3: Training person-time statistics include only employees in service as of December 31, 2025.

5.4 Occupational Health and Safety

Management of Material Topics [GRI 2-23, GRI 2-24, GRI 2-25, GRI 3-3]

Material Topics		**Occupational Health and Safety**
Significance to Shuang-Bang		Only by ensuring that all employees work in a safe, healthy, and friendly environment can the Company continue to provide high-quality products and services and achieve its sustainable development goals.
Actual and Potential Impacts	**Negative Impacts**	Poor occupational health and safety management may result in harm to employees' physical and mental health, occupational accidents, production line interruptions, and damage to corporate reputation.
	Positive Impacts	Implement the occupational health and safety management system, provide employees with a healthy and high-quality working environment, reduce accident risks, and improve production efficiency.
Policies and Commitments		**Policy:** Compliance with regulations, strict discipline, healthy workplace, friendly environment, risk management, continuous improvement, full participation, safety and health accountability, contractor management, and safety first. **Commitment:** Continue to refine management and strengthen disaster prevention resilience, move toward the vision of "zero injuries and zero accidents," and become an industry benchmark for safety culture.
Action Plans		(1) Conduct safety and health education and training annually. (2) Conduct general health examinations and special item health examinations annually. (3) Promote health promotion activities. (4) Hold Safety, Health, and Environmental Management Committee meetings quarterly. (5) Implement PDCA under the occupational health and safety management system and undergo third-party verification.
Effectiveness Evaluation Indicators		(1) Education and training participation rate of 80%. (2) Health lecture participation rate of 80%. (3) Safety, Health, and Environmental Management Committee participation rate of 80%. (4) Obtain third-party verification.

Objectives	**Short-Term Goal (2025-2027):** (1) Pass third-party verification of the ISO 45001 Occupational Health and Safety Management System each year. (2) Completion rate of occupational health and safety (OHS) objectives at 85%	**Medium-Term Goal (2028-2030):** (1) Fewer than 20 occupational safety incidents per year (2) Target program achievement rate of 100% (3) Three health seminars per year, with a participation rate of 85%	**Long-Term Goal (2030 and Beyond):** (1) Fewer than 15 occupational safety incidents per year (2) Zero major accidents (3) Health promotion activity participation rate of 60%.
2025 Performances	(1) The ISO 45001 Occupational Health and Safety Management System underwent certification for the first time, passed third-party certification, and obtained the certificate. (2) A total of nine improvement and preventive measures were implemented under the objectives and targets management programs, with a completion rate of 100%.		
Influence of Stakeholder Engagement on Actions	Incorporate nonconformities and recommendations from external certification of the occupational health and safety management system into improvement plans, using them as an important basis for enhancing risk control and optimizing the management system, while continuously strengthening occupational health and safety performance.		

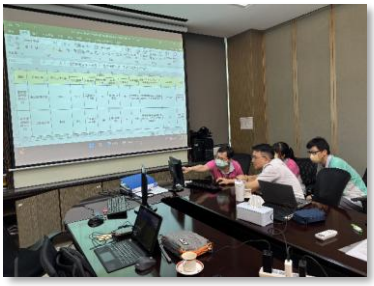
5.4.1 Occupational Health and Safety Management

Occupational Health and Safety Management System [GRI 403-1, GRI 403-8]

Shuang-Bang recognizes that merely meeting regulatory requirements is insufficient to fully safeguard the safety and health of employees and related personnel. Emphasizing corporate social responsibility and the pursuit of a strong occupational safety culture, the Company proactively introduced and implemented the ISO 45001:2018 Occupational Health and Safety Management System in 2024. In 2025, the Yongxing Plant and Renhe Plant underwent initial third-party certification and obtained ISO 45001:2018 certificates, confirming that the management system operates in compliance with international standards and that a continuous improvement mechanism has been established to enhance overall occupational health and safety performance. Other sites, including the Taipei Office, Nangang Plant, and employee dormitories, have not undergone certification and continue to be managed under the Company's existing safety and health management system. The Company will continue to evaluate the feasibility of expanding the certification scope of the management system in the future based on operational needs.

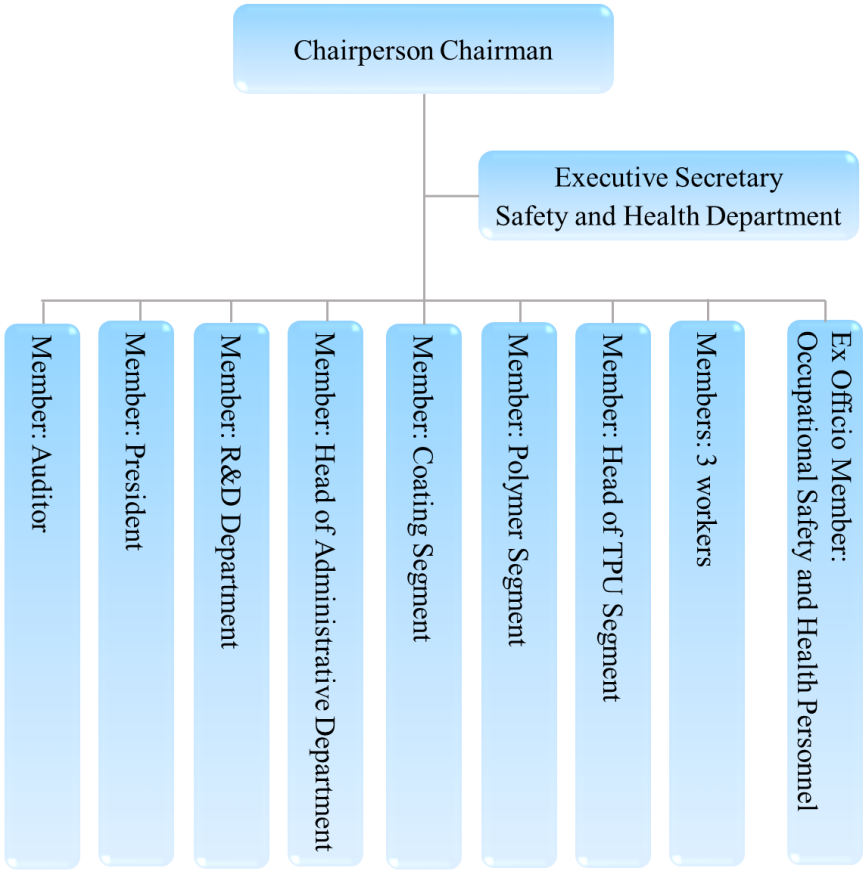
Operational Items	Date	Participants
Internal audit training and drills	2025.03.31	Seed personnel from each unit
Preparation, issuance, and review of the internal audit plan	2025.04.08	Safety and Health Department
Internal audit operations	2025.04.16~2025.04.17	All employees
Submission of audit reports and internal audit corrective measures	2025.04.18~2025.04.30	Seed personnel from each unit
Management review operations and implementation	2025.05.15	Members of Safety, Health, and Environmental Management Committee
Stage 1 audit document review and deficiency review	2025.05.26~2025.05.28	All employees
Stage 2 audit operations	2025.06.30~2025.07.03	All employees





Safety, Health, and Environmental Management Committee



- Annual management review meeting
- EHS Nonconformity Corrective and Preventive Procedures
- Occupational Accident Handling and Investigation Regulations
- Safety and Health Management Records
- Safety and Health Performance Review

- EHS Manual
- System Management Procedures
- Internal Audit Procedures
- Regulatory Identification and Compliance Verification Operating Procedures
- Emergency Preparedness and Response Procedures



- EHS Management Supervision and Measurement Operating Procedure
- Hazard Identification and Risk Opportunity Assessment Procedures
- OSH Objectives and Targets Management Procedures
- OSH Consultation, Participation, and Communication Procedures

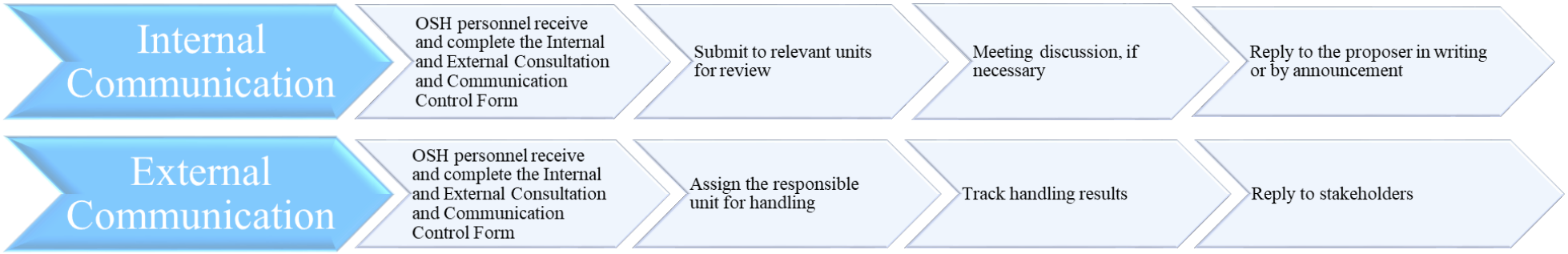
- Annual General and Special Health Examinations for current employees
- Annual Internal and External Audits
- Semi-annual Work Environment Monitoring
- Quarterly Regulatory Identification and Compliance Verification
- Quarterly SHE Management Meeting
- Monthly EHS Plant Inspection

- Occupational Safety and Health Management Plan
- Self-inspection Plan
- Hazard Communication Plan
- Work Environment Monitoring Plan
- Emergency Response Plan
- On-site Health Service Plan
- Education and Training Management Regulations

- Process and OSH Change Management Procedures
- Procurement Management
- Contractor Safety and Health Management Regulations
- Hot Work, Confined Space, and Work at Height Management Regulations
- Personal Protective Equipment Use Management Regulations

Worker Participation, Consultation, and Communication [GRI 403-4]

Shuang-Bang is committed to creating an open and transparent occupational health and safety management environment. To encourage workers to actively participate in the Company's safety and health management and fully express their opinions on workplace safety and health, the Company has specifically established the "Occupational Health and Safety Consultation, Participation, and Communication Procedure," clearly setting out diverse employee participation and communication mechanisms. These mechanisms ensure that employees' opinions are fully heard and respected. Through these institutionalized measures, the Company not only enhances employee participation in occupational health and safety management, but also strengthens communication and cooperation between labor and management, continuously promoting and implementing workplace safety and health protection.

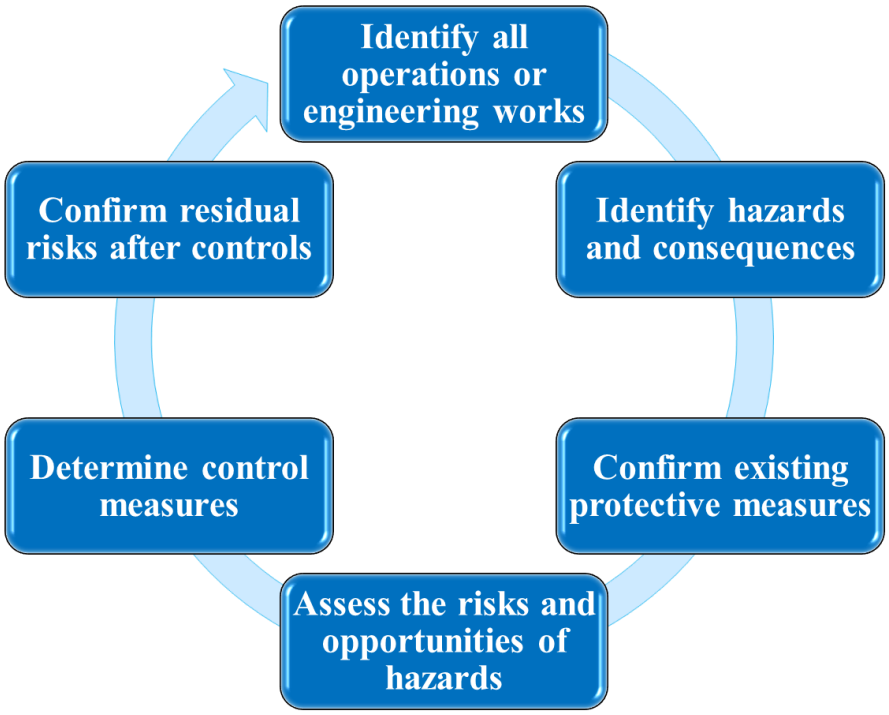


Prevention of Occupational Health and Safety Impacts [GRI 403-7]

Contractor Management	◆ Clearly inform contractors that they must comply with the Company's "Safety, Health, and Environmental Regulations under the Contractor Safety and Health Management Regulations." Before signing contracts or entering the plant for construction, contractors must sign the "Hazard Notification Form" to ensure mutual understanding and compliance with safety and health management requirements. ◆ For hot work, confined space work, elevated work, lifting operations, and other activities, contractors are required to submit the "Contractor Construction Notification Form" to effectively manage high-risk operations and prevent accidents, injuries and fatalities, and environmental impacts. ◆ Each unit requiring engineering construction must appoint a responsible person to conduct hazard notification and supervision in accordance with occupational safety and health regulations, thereby strengthening the contractor safety and health management mechanism. Conduct hazard notification before operations and hold regular or ad hoc coordination organization meetings to strengthen contractor risk communication, supervision and management, and implementation of operational safety.
Chemical Management	◆ In 2025, 20 priority management chemicals were selected and reported. In accordance with the Regulations Governing Designation and Handling Permission of Priority Management Chemicals, these chemicals are regularly reported to the central competent authority for recordation from April to September each year. ◆ Hazard communication education and training: new employees receive three hours of training on their first day of employment, and current employees receive at least three hours of training every three years. ◆ Employees engaged in operations involving special health hazards are arranged to undergo special health examinations each year to monitor employees' health conditions and implement occupational health management.
Work Environment Monitoring	◆ Work environments involving specific chemical substances, organic solvents, noise, and dust are monitored once every six months. ◆ Even when exposure concentrations are below one-half of the permissible regulatory standards, current control and management measures must continue to be maintained. ◆ When processes or work content change, appropriate change management measures must be adopted to maintain a safe working environment.

5.4.2 Hazard Identification and Risk Assessment [GRI 403-2]

To protect employees' occupational health and safety, Shuang-Bang has established the Hazard Identification and Risk/Opportunity Assessment Procedure and regularly conducts hazard identification and risk assessment each year as the core foundation of occupational safety and health management. In accordance with the Occupational Safety and Health Act, when employees discover an imminent danger while performing their duties, they may stop work on their own and retreat to a safe place without endangering the safety of other workers. Shuang-Bang may not dismiss, transfer, withhold wages during the work stoppage period, or impose any other adverse treatment on such employees. The assessment process includes identifying all operations or engineering works, identifying hazards and their consequences, confirming existing protective measures, assessing hazard risks and opportunities, determining appropriate control measures, and confirming residual risks after controls are implemented. Through this systematic approach, the Company reduces the risk of occupational accidents and continuously improves the effectiveness of safety and health management.



Risk Assessment Criteria		
Risk Score	**3 points or below**	**4-5 points**
Risk levels	Temporarily acceptable risk	High risk
Control	Maintain existing control measures	Immediately review and improve existing protective measures

2025 Hazard Identification and Risk Assessment

The 2025 hazard identification and risk assessment results showed that no high-risk incidents were identified. Improvement measures were proactively implemented for seven potential risks, effectively enhancing workplace safety and health management performance.

Category	Objectives and Target Programs	Completion Date	Improvement Results
Proactive Safety	**Replacement of explosion-proof lighting in the natural gas boiler room** Benefit: Explosion-proof lighting does not generate ignition sources, preventing explosions.	2025.03.12	
Proactive Safety	**Replacement of the corroded rapid mixing tank platform and ladder** Benefit: Prevent personnel from falling.	2025.05.06	
Proactive Safety	**Improvement of safe access platforms for ton container operations** Benefit: Provide safe access equipment and prevent falls.	2025.05.28	
Proactive Health	**Improvement of protective equipment in the coating unloading area** Benefits: Prevents health hazards to personnel.	2025.04.03	
Proactive Health	**Addition of local exhaust equipment in the chemical storage room** Benefit: Prevent occupational diseases.	2025.04.21	
Proactive Health	**TPU motor noise improvement** Benefit: Reduce operating noise and provide a good working environment.	2025.04.21	
Proactive Health	**Crusher noise improvement** Benefit: Reduce operating noise and provide a good working environment.	2025.06.23	

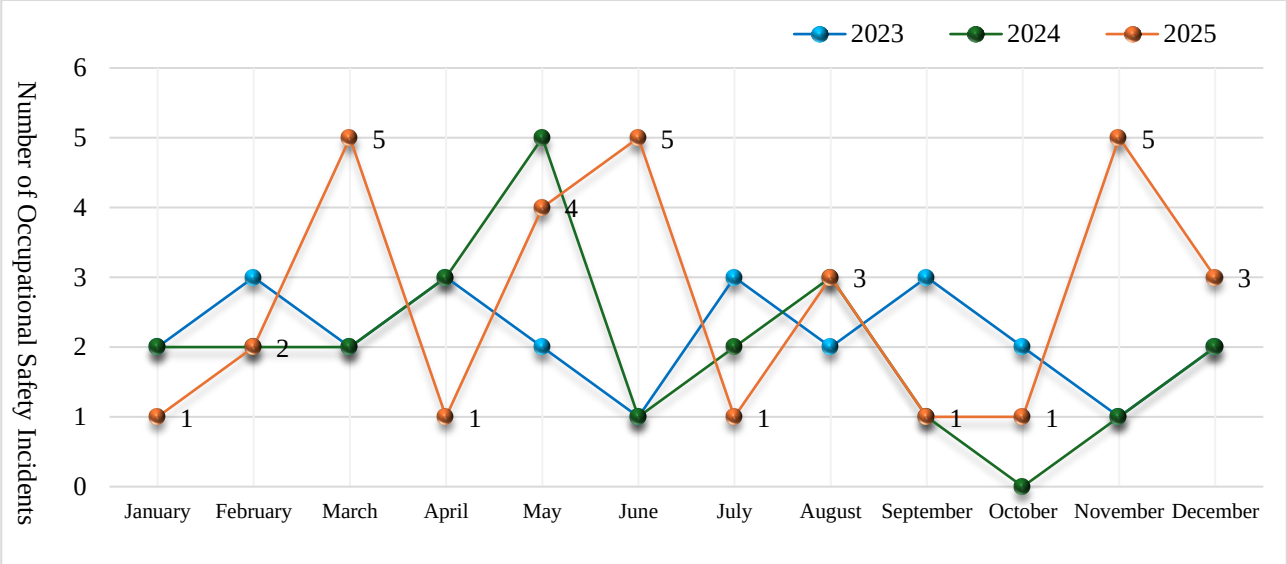
5.4.3 Accident Investigation [GRI 403-2]

Shuang-Bang has established and follows the "Occupational Safety and Environmental Accident Handling and Investigation Management Regulations." When an occupational accident occurs, the Company immediately conducts cause analysis, formulates and implements improvement measures, and presents accident investigation reports and awareness briefings at semiannual all-employee meetings to prevent similar accidents from recurring.



2025 Occupational Safety Incidents

In 2025, Shuang-Bang recorded a total of 32 occupational safety incidents. Incident types included occupational injuries, equipment damage, chemical leaks, and near-misses. No major occupational safety incidents occurred during the year. Due to the addition of two production lines during the year, namely the "Solvent Purification Unit" and "Hardener Line 5," both work content and personnel allocation increased, resulting in higher potential operational risks and an increase in reported accidents and near-miss incidents compared to previous years.



Note 1: Definition of major occupational safety incidents: fatalities, a single incident resulting in injuries to three or more people, or an incident resulting in injury to one or more people requiring hospitalization.

2025 Occupational Safety Incident Improvements

The investigation results of all occupational safety incidents and near-misses were incorporated into the hazard identification and risk assessment forms for review and updates, and improvement and preventive measures were established based on the assessment results. Two occupational safety incidents were included in the annual occupational health and safety (OHS) objectives, with improvements and effectiveness tracking carried out through engineering control measures to strengthen risk control and reduce the possibility of similar incidents recurring.

Category	Occupational Health and Safety (OHS) Objectives	Completion Date	Improvement Results
Operational Safety	**Addition of a dedicated base for the screw** Benefit: Prevent the screw from slipping during cleaning operations.	2025.04.21	
Operational Safety	**Addition of an overflow meter to the hydrochloric acid measuring tank** Benefit: Strengthen hardware equipment to prevent hydrochloric acid overflow.	2025.04.30	

5.4.4 Occupational Injuries and Diseases [GRI 403-9, GRI 403-10]

Shuang-Bang compiles annual occupational accident statistics in accordance with the occupational injury statistical indicators published by the Ministry of Labor. Following reporting procedures and accident investigation mechanisms, the investigation results are fed back to each unit to formulate corrective and preventive measures.

Occupational Accident Statistics	Employees			Non-employee workers		
Year	2023	2024	2025	2023	2024	2025
Average Number of Employees	346	354	369	-	-	-
Total Working Hours (HR)	688,048	737,742	728,200	-	-	-
Main Types of Occupational Injuries	Improper movements; caught in or pinched by objects; contact with hazardous substances, etc.	Caught in or pinched by objects; improper movements; collapse of objects; cuts.	Cuts; caught in or pinched by objects; contact with hazardous substances, etc.	Caught in or pinched by objects.	-	Falls
Number of Recordable Work-Related Injuries	4	13	8	2	0	1
Rate of Recordable Work-Related Injuries	1.16	3.52	2.19	-	-	-
Number of High-Consequence Work-Related Injuries (Excluding Fatalities)	0	0	0	0	0	0
Rate of High-Consequence Work-Related Injuries (Excluding Fatalities)	0	0	0	0	0	0
Number of Fatalities as a Result of Work-Related Injuries	0	0	0	0	0	0
Rate of Fatalities as a Result of Work-Related Injuries	0	0	0	0	0	0
Number of Occupational Disease Cases	0	0	0	0	0	0
Occupational Disease Rate (%)	0	0	0	0	0	0

Note 1: Total working hours = Σ (number of employees employed each month × monthly working days according to the Company calendar × normal daily working hours of 8 hours).

Note 2: Rate of recordable work-related injuries = number of recordable work-related injuries/total working hours × 200,000. Recordable work-related injuries do not include accident injuries occurring during commuting.

Note 3: High-consequence work-related injuries are defined as injuries that result in death or injuries from which workers cannot, or cannot be expected to, recover fully to their pre-injury health status within six months.

Note 4: Rate of high-consequence work-related injuries (excluding fatalities) = number of high-consequence work-related injuries (excluding fatalities)/total working hours × 200,000.

Note 5: Rate of fatalities as a result of work-related injuries = number of fatalities as a result of work-related injuries/total working hours × 200,000.

Note 6: Occupational disease rate = number of occupational disease cases/total working hours × 200,000.

Note 7: The total working hours of non-employee workers were not recorded; therefore, the rate of recordable work-related injuries was not calculated.

Note 8: Main types of occupational injuries are defined as the three types of occupational injuries with the highest number of occurrences during the year.

5.4.5 Occupational Safety and Health Education and Training [GRI 403-5]

With the aim of enhancing employees' o awareness and skills regarding occupational health and safety, Shuang-Bang actively promotes worker training programs. Through systematic training, the Company enables all employees to work safely and creates a safe and healthy working environment.

2025 Worker Occupational Safety and Health Training Program		
Initial Training for Occupational Health and Safety Certifications	For employees who require it, initial training for occupational health and safety licenses is provided in accordance with regulatory requirements to strengthen professional safety and health capabilities and reduce the risk of occupational accidents.	
Refresher Training for Occupational Health and Safety Certifications	Employees holding occupational health and safety-related licenses receive refresher training on schedule in accordance with regulations to continuously update and effectively apply professional knowledge.	
AED Operation Training	Professional AED vendors are invited to the Company to conduct automated external defibrillator (AED) operation training, strengthening employees' first-aid skills in emergencies.	
On-the-job Safety and Health Education and Training and Fire Drills	Safety and health education and training for current employees is held once every six months and covers basic safe operating procedures, emergency response procedures, and other topics. Fire drills are also conducted to simulate real-life scenarios and develop employees' familiarity with and response capabilities for fire emergencies.	
Overhead Crane Operation and Lifting Training for Migrant Workers	For migrant workers who operate fixed cranes with a capacity of less than three tons, dedicated certification training classes are provided, including operation and lifting training, to ensure that their operating skills comply with relevant regulations.	
Hazard Communication Education and Training	This year, professional instructors from the Safety and Health Technology Center were invited to conduct hazard communication education and training to strengthen employees' professional knowledge of chemicals.	

5.4.6 Health Promotion [GRI 403-3, GRI 403-6]

Employees' physical and mental health is essential to maintaining the Company's productivity. Shuang-Bang conducts employee health examinations each year, including general health examinations and special health examinations, and engages contracted medical personnel to provide onsite health services. The Company plans and implements health education, health promotion, and health guidance for employees, strengthening high-risk health management in the plants.



Onsite Health Services by Medical Personnel

In accordance with the Regulations for Labor Health Protection, Shuang-Bang's Yongxing Plant and Renhe Plant are classified as Category 1 business units (employing between 100 and 199 workers). To ensure all workers have access to comprehensive occupational health services and to promote employee well-being – physically, psychologically, and socially – the Company conducts onsite health services with medical personnel as required by law.

On-Site Service Frequency			Health Consultation and Advice	
Occupational Physician	Physician	Nurse	No. of People/Times	Content of Consultation
3 times/year	1 times/year	4 times/month	426 times	Human factors; workload; abnormal health examination results; specialized health examination guidance; maternal health protection; health consultation; middle-aged and senior employees; new hire health assessments; and return-to-work programs.

Note 1: Shuang-Bang's business units fall under Category 1 of the Regulations of Labor Health Protection, with a total workforce of 100 to 199 employees. The minimum frequency of onsite health services by medical personnel is as follows: occupational physicians: three times/year; physicians: once/year; and nursing personnel: four times/month.

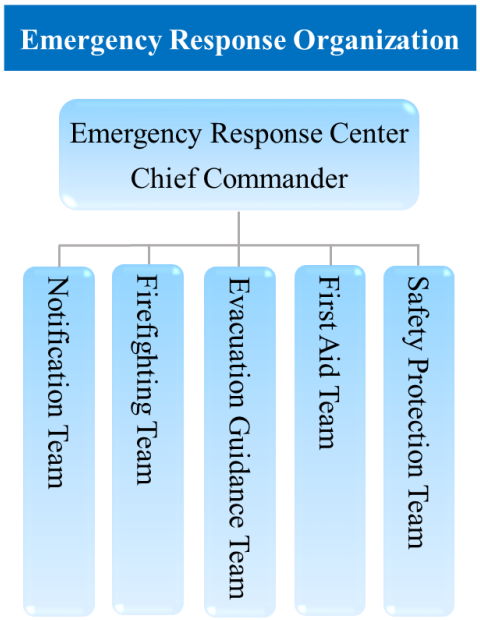
2025 Employee Health Management Plan	
Prevention of Musculoskeletal Disorders Caused by Repetitive Operations and Other Factors	◆ Establish an ergonomic hazard prevention plan. ◆ In 2025, a total of 308 employees completed the online ergonomic assessment questionnaire. After screening, 75 employees were arranged to receive individual interviews and health guidance from nursing personnel to reduce the potential impact of workload on musculoskeletal health. ◆ Medical personnel accompanied occupational safety personnel to the worksite to observe work content, assess operational risks based on ergonomic hazard checklist standards, and propose improvement plans for identified hazard factors.
Prevention of Diseases Caused by Abnormal Workloads such as Shift Work, Night Work, and Long Working Hours	◆ Establish a disease prevention plan for abnormal workload. ◆ In 2025, a total of 308 employees completed the online workload assessment questionnaire. After screening, 89 employees were arranged to receive individual interviews and health guidance from nursing personnel to reduce the potential impact of workload on health.  ◆ Nursing personnel organized health promotion seminars on the “three highs,” namely hypertension, hyperglycemia, and hyperlipidemia.
Maternal Health Protection	◆ Establish a maternal health protection plan for female workers. In 2025, a total of five pregnant employees were covered during the maternal health protection period. Nursing personnel were assigned to conduct individual interviews and health assessments, and self-health management measures were implemented to ensure the safety of their work environment and compliance with occupational health protection standards.
Prevention of Physical or Mental Unlawful Infringement Caused by the Conduct of Others in the Performance of Duties	◆ Formulate the management regulations to prevent unlawful infringement during duty performance. ◆ Revise and announce the “Written Statement on the Prevention of Unlawful Workplace Infringement” and the “Flowchart for Handling Unlawful Infringement Incidents.” ◆ Unit supervisors assign senior employees to complete the “Hazard Identification and Risk Assessment Form for Prevention of Unlawful Workplace Infringement,” and control improvements are implemented according to risk levels. ◆ Deploy security personnel as the first line of defense for maintaining plant safety. ◆ Set up opinion boxes as channels for employee reporting and grievances. ◆ In 2025, no unlawful infringement against employees occurred. ◆ Conduct education and training seminars on the prevention of unlawful infringement to help employees understand the definition of unlawful infringement and the related reporting and handling procedures. 
Operational Safety and Health for Middle-Aged and Senior Workers	◆ Establish a safety and health plan for middle-aged and senior employees. ◆ In 2025, a total of 111 employees completed the online health and operational safety assessment questionnaire. After screening, 41 employees were scheduled to receive individual interviews and health guidance from nursing personnel to provide appropriate health management recommendations. ◆ The purpose is to identify occupational health risks that middle-aged and senior workers may face, such as musculoskeletal strain, work adaptability challenges, and chronic disease management. Through individualized guidance and workplace improvement measures, the Company enhances their work safety, health, and well-being.

5.5 Logistics Safety and Emergency Response

In response to the characteristics of different hazardous chemical substances, Shuang-Bang has established the "Plan for Toxic and Chemical Substances of Concern Response Equipment, Detection, and Alarm Systems," which has been filed with and approved by the Nantou County Government. The plan clearly sets out requirements for response equipment, detection and alarm systems, and emergency response measures. To prevent major hazards caused by leaks of specific chemical substances that may endanger nearby residents, relevant personnel at operating sites storing these substances participate in both regular and ad hoc evacuation drills. These drills not only effectively reduce the risk of workplace accidents but also help convey the latest safety concepts and response techniques to families and communities, creating a safer living environment.

Equipment and Facility Maintenance	◆ Maintenance of emergency response equipment is incorporated into routine self-inspection procedures, such as fire equipment inspection checklists and detection and alarm system inspection checklists. These checklists specify inspection points and inspection frequency to ensure that all protective equipment and devices remain in optimal condition. ◆ Detection and alarm systems are inspected annually by qualified contractors.
Transportation of Toxic Chemicals	◆ In compliance with the Regulations for the Labeling and Hazard Communication of Hazardous Chemicals, containers holding hazardous chemicals are clearly labeled with the product name, hazard pictograms, warning statements, and other required information. ◆ In accordance with the Regulations for the Transportation Management of Toxic Chemical Substances, six-part manifests are reported. ◆ In the event of an abnormal situation, response measures are carried out in accordance with the Regulations Governing Toxic and Concerned Chemical Substances Risk Prevention and Response Plans. For detailed response procedures, please refer to the Emergency Incident Response section. ◆ In compliance with Article 84 of the Road Traffic Safety Rules, drivers or escort personnel transporting hazardous materials must receive professional training and carry valid training certificates in the vehicle. Appropriate personal protective equipment and valid fire extinguishers must also be carried in the vehicle according to the type of hazardous materials transported. ◆ In compliance with Article 84 of the Road Traffic Safety Rules, vehicles carrying hazardous materials must have a temporary pass issued by the highway supervision authority where the vehicle is located. Hazard symbols and placards must be displayed on both sides or on the rear of the vehicle. The hazard symbols and placards must be made of reflective material and remain clearly identifiable throughout transport without deformation, abrasion, fading, or peeling.
Disaster Prevention Training, Drills, and Educational Promotion	◆ According to the annual training plan, activities include emergency response procedures and training on the operation and maintenance of newly acquired equipment. The content covers various environmental protection regulations, occupational safety regulations, and safe work procedures. ◆ At least one comprehensive drill is conducted each year, along with no fewer than two unannounced tests. ◆ Annual disaster prevention training and drills are conducted in cooperation with the competent authorities at all levels. ◆ In response to various types of toxic chemicals and their corresponding emergency response methods, regional joint defense organizations for toxic disasters have been established. Each year, these organizations conduct team training with the response teams of the Central Region Toxic Disaster Response Center. ◆ The Company participates in annual regular toxic disaster drills organized by the national toxic disaster joint defense organization.

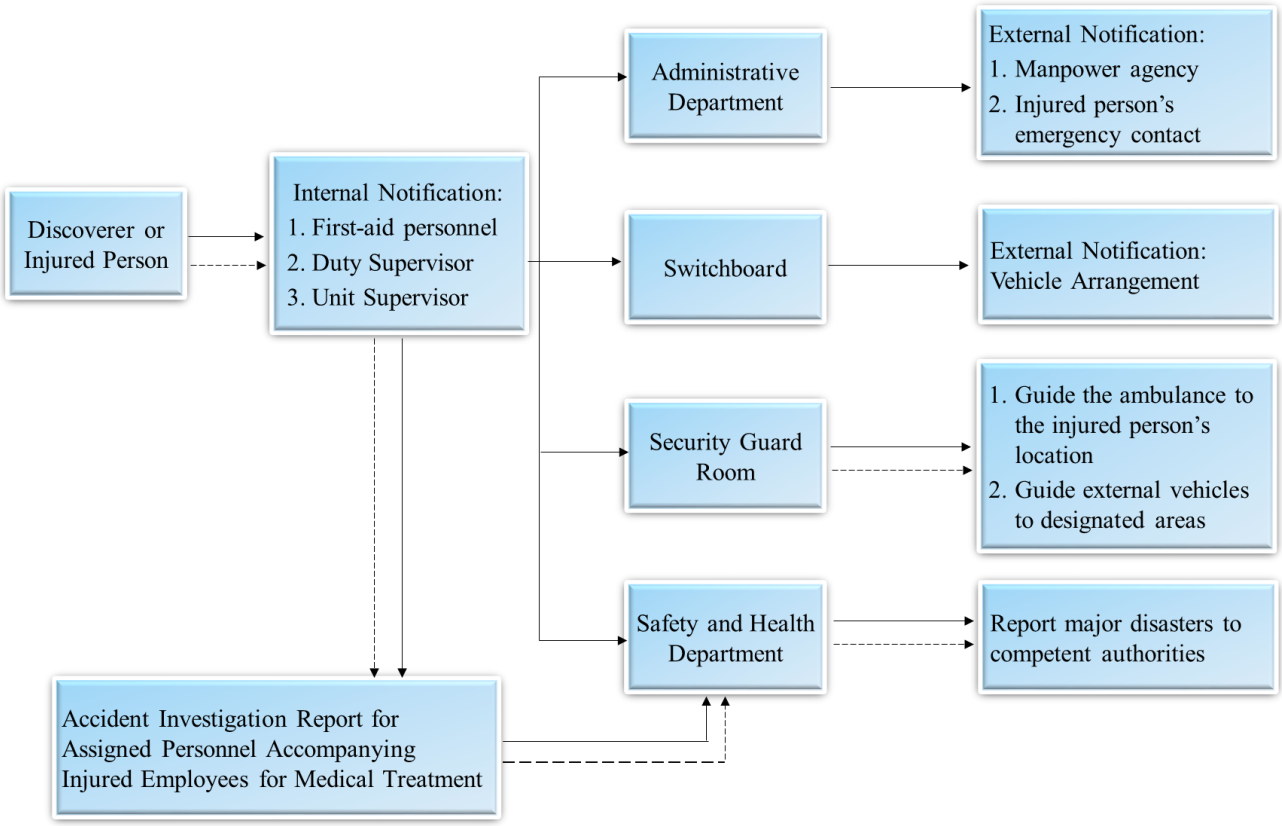
Emergency Response

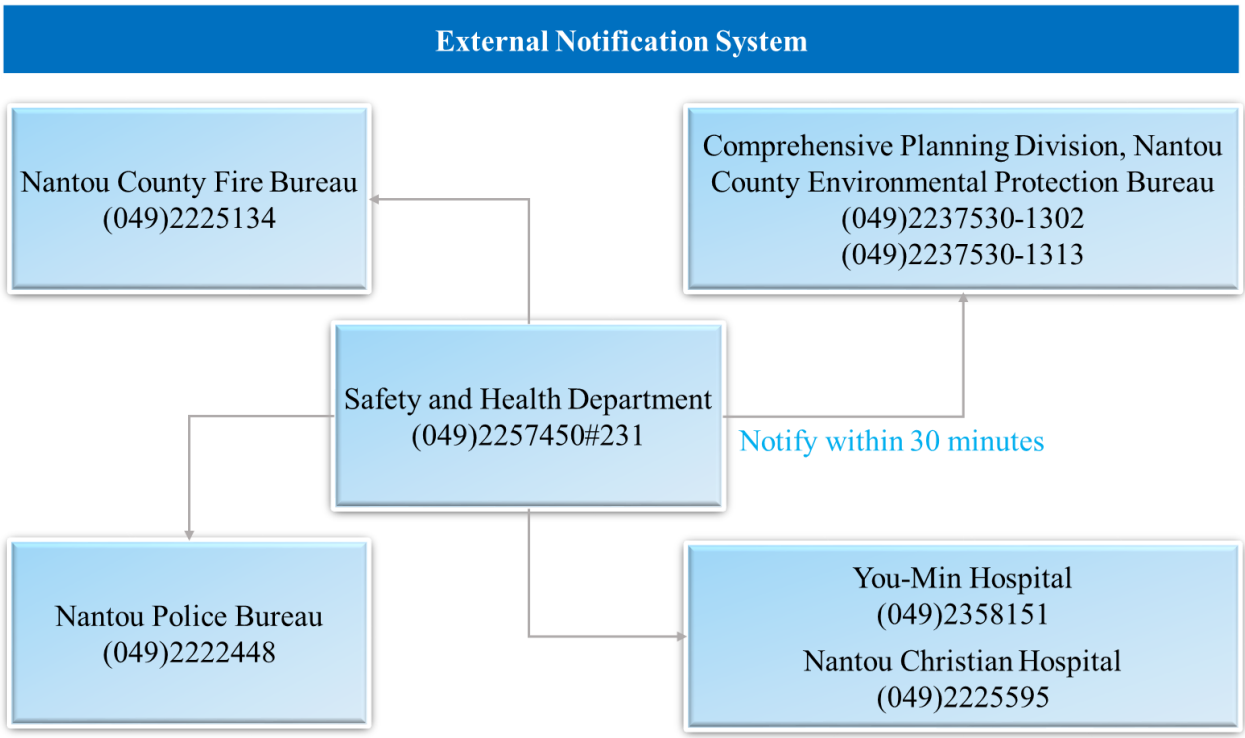


2025 Internal Drills			
2025.01.03	**Fire hydrant and fire extinguisher operation drill**		
2025.07.18	**Emergency response team operation drill for toxic chemical disaster incidents**		
2025.08.19	**Nighttime unannounced drill for toxic chemicals**		
2025.11.25	**Onsite unannounced drill for toxic chemicals**		

2025 External Drill			
2025.08.14	**Y00152 Unannounced drill of the Aniline Shuang-Bang Industrial National Joint Defense Organization**		
2025.08.25~2025.08.27	**Nantou County land transportation accident disaster prevention and rescue drill**		

Notification System Flowchart





Handling of Environmental Complaints and Petitions

TEL: 049-2257450#231 Email:mobi@sbinet.com.tw

CH6 Social Contribution

Educational Assistance and Care for Disadvantaged Groups			
Recipients	**Institution's Mission**	**Motivation for Donation**	**Amount Donated (NT$ thousand)**
The Boyo Social Welfare Foundation (Puli Township, Nantou County)	With the core philosophy of "ensuring that disadvantaged children do not lose learning opportunities due to environmental limitations," the Foundation focuses on providing stable academic guidance and learning support for disadvantaged children, accompanying them as they accumulate knowledge and confidence during their growth and gradually enhancing their future development capabilities.	Education is the most important force for transforming disadvantaged circumstances. By supporting the Boyo Social Welfare Foundation's academic guidance services, Shuang-Bang hopes to accompany disadvantaged children in building confidence and capabilities throughout the learning process, enabling knowledge to become the starting point for their future path toward a broader world.	120
Nantou Family Support Center (Nantou County)	Through the principles and methods of social work, the Center provides services to disadvantaged children and families in 13 townships and cities in Nantou County, including economic, educational, and psychological support and counseling, child protection, group recreational activities, and poverty alleviation programs. It also inspires children's potential and rebuilds family functions with the goal of helping families overcome poverty and become self-reliant.	Children's growth requires stable family and resource support. Through donations to the Nantou Family Support Center, Shuang-Bang hopes to help disadvantaged families reduce their financial burden, enabling children to continue learning and growing with peace of mind and care, build a foundation for positive development, and open up more future possibilities.	60

Support for Persons with Disabilities and Social Inclusion			
Recipients	**Institution's Mission**	**Motivation for Donation**	**Amount Donated (NT$ thousand)**
Faith, Hope and Love Center (Taichung City)	The Center is dedicated to improving the quality of life for persons with intellectual disabilities and their families. Through professional services and diverse support programs, it builds a living environment of "reintegration" and "inclusion," helping persons with intellectual disabilities develop independent living capabilities and social participation in the community. It also promotes a friendly and inclusive social atmosphere, enabling persons with intellectual disabilities to achieve stable and dignified lives with respect and support.	Persons with intellectual disabilities require long term and stable support in their growth and daily lives. Through donations to the Faith, Hope & Love Center, Shuang-Bang hopes to help the Center continue providing professional care and companionship, allowing persons with intellectual disabilities and their families to feel understood and supported in their daily lives.	120
Nantou Angel Association (Zhongliao Township, Nantou County)	The Association provides adults with intellectual disabilities a sheltered and joyful living environment through therapy, education, social engagement, and productive activities. It also helps develop their potential, upholding values of locality, environmental protection, and nature, while supporting indigenous development and diverse social assistance. It helps adults with intellectual disabilities cultivate the value of life through farming, building confidence and happiness in their work.	Everyone deserves to have their value seen. Through support for the sheltered and working environment created by the NT Angel Association, Shuang-Bang hopes to help adults with intellectual disabilities build confidence through work and daily life, and experience the sense of achievement and dignity brought by contribution and growth.	120

Support for Local Education and Diverse Development

Recipients	Institution's Mission	Motivation for Donation	Amount Donated (NT$ thousand)
Hsin-Feng Elementary School Junior Baseball Team (Nantou City, Nantou County)	Promote sports culture, provide students with a secondary skill, develop the school's distinctive programs, cultivate students' teamwork skills, strive for the school's honor, and give children a platform to showcase their talents.	Sports not only develop physical fitness, but also shape character and team spirit. By supporting the Hsin-Feng Elementary School Junior Baseball Team, Shuang-Bang hopes that children can learn cooperation, perseverance, and self-challenge through training and competitions, and accumulate growth experiences on a stage of their own.	120
Sinapalan Elementary School (Xinyi Township, Nantou County)	The school is committed to developing a diverse educational and cultural learning environment. Through music and choir training, it cultivates students' artistic literacy and self-confidence, while also promoting the inheritance of and identification with indigenous culture.	Shuang-Bang values the development of multiculturalism and local education. By sponsoring training and competition expenses for the indigenous children's choir, Shuang-Bang hopes to help children build confidence through music, pass on cultural heritage, and bravely express their own voices.	100

Disaster Relief and Social Care

Recipients	Motivation for Donation	Amount Donated (NT$ thousand)
September 23 Hualien Matai'an Creek Barrier Lake Disaster Project	In the face of sudden natural disasters, timely assistance from all sectors of society is essential. Through this donation, Shuang-Bang hopes to provide substantive assistance to the affected areas, reduce residents' living pressures, support post-disaster reconstruction and recovery, and help local residents restore safe and stable lives as soon as possible.	150

Local Community Participation and Volunteer Services	
Recipients	**Activity Results**
Hsin-Feng Elementary School (Nantou City, Nantou County)	Shuang-Bang contributed volunteer manpower to support environmental maintenance at Hsin-Feng Elementary School, helping maintain the cleanliness of campus public spaces and improve the campus environment. Through active participation in community affairs, Shuang-Bang supports the school in creating a safe and friendly learning environment, deepens its connection with the local community, and demonstrates its care and commitment to education and community development. ◆ In 2025, Shuang-Bang completed four volunteer service sessions, totaling 384 service hours.



Note 1: Total service hours = Σ (number of participating volunteers × service hours per session).

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GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	2.7 Human Rights Protection	57
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	417-1 Requirements for product and service information and labeling	3.4 Customer Relationship Management	83
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	3.4 Customer Relationship Management	83
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.5 Cybersecurity and Customer Privacy Protection	49

Appendix II: Climate-Related Information

Item	Disclosure Item	Section	Page No.
1	Describe board and management supervision and governance of climate-related risks and opportunities.	4.6.1 Climate-Related Governance	104
2	Describe how the identified climate risks and opportunities will affect the Company's business, strategy and finances (short, intermediate and long-term).	4.6.3 Climate-Related Strategy	106
3	Describe the financial impact caused by extreme climate events and transition actions.	4.6.3 Climate-Related Strategy	106
4	Describe how the identification, assessment and management processes of climate risks are integrated into the overall risk management system.	4.6.2 Climate-related Risk Management	105
5	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions and analysis factors used and significant financial impacts should be explained.	4.6.3 Climate-Related Strategy	106
6	If there is a transition plan to manage climate-related risks, explain the content of the plan and the indicators and goals used to identify and manage physical risks and transition risks.	4.6.4 Indicators and Objectives	113
7	If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained.	Shuang-Bang has not yet established internal carbon pricing.	-
8	If there are climate-related goals set, the activities, scope of greenhouse gas emissions, planning schedule, annual progress and other information covered should be explained. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant goals, the source and quantity of carbon reduction credits to be exchanged or the quantity of renewable energy certificates (RECs) should be explained.	4.1 Greenhouse Gas Management	89
9	Greenhouse gas inventory and assurance status, reduction targets, strategies, and specific action plans.	Editorial Policy 4.1 Greenhouse Gas Management	3 89

Independent Auditor's Limited Assurance Report

To Shuang-Bang Industrial Corp.:

We have completed our limited assurance procedures on the performance indicators selected by Shuang-Bang Industrial Corp., as presented in its 2025 Sustainability Report. Based on our work, we have issued a limited assurance report thereon.

Assured Subject Matter Information and Applicable Criteria

The performance indicators selected by Shuang-Bang Industrial Corp. (hereinafter referred to as the "Subject Matter Information") and the applicable criteria are presented in Appendix 1, Summary of Subject Matter Information.

Management's Responsibility

Management is responsible for preparing the Subject Matter Information in accordance with the Taipei Exchange Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies and with the Universal Standards, Sector Standards, and Topic Standards issued by the Global Reporting Initiative (GRI). Management is also responsible for maintaining the internal controls necessary for the preparation of the Subject Matter Information to ensure that it is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to plan and perform the limited assurance engagement in accordance with TWSAE 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information. Based on the procedures performed and the evidence obtained, we are responsible for obtaining limited assurance as to whether the Subject Matter Information (as described in Appendix 1) is free from material misstatement, and for issuing our limited assurance report thereon. Compared with a reasonable assurance engagement, the nature, timing, and extent of procedures performed in a limited assurance engagement are different and narrower in scope. As a

result, the level of assurance obtained in a limited assurance engagement is substantially lower than that obtained in a reasonable assurance engagement.

We planned and performed our assurance procedures based on professional judgment to obtain limited assurance evidence regarding the Subject Matter Information. However, because any internal control is subject to inherent limitations, material misstatements may not be detected. The procedures we performed included:

- Obtaining and reading the 2025 Sustainability Report of Shuang-Bang Industrial Corp.;
- Conducting interviews with management and relevant personnel involved in the preparation of the Subject Matter Information to understand the processes and information systems used to collect and produce the assured Subject Matter Information;
- Performing procedures such as inspection, recalculation, reperformance, and analytical procedures on selected samples of the Subject Matter Information to obtain limited assurance evidence.

Inherent Limitations

Since many of the assurance items consist of non-financial information, there are more inherent limitations in providing assurance on this type of information than on financial information. Accordingly, the relevance, materiality, and accuracy of such information may involve significant judgment, assumptions, and interpretations made by management. In addition, different stakeholders may interpret this information in different ways.

Independence and Quality Management Requirements

We and our firm have complied with the independence and other ethical requirements of the Code of Professional Ethics for Certified Public Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our firm applies Quality Management Standard No. 1, Quality Management for CPA Firms. This standard requires the firm to design, implement, and operate a system

of quality management, including policies and procedures relating to compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Assurance Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the applicable criteria.

Other Matters

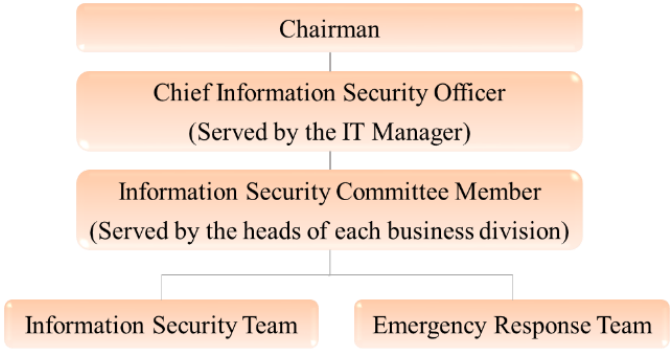
After the issuance of this assurance report, we do not accept responsibility for performing assurance procedures again on any changes made by Shuang-Bang Industrial Corp. to the Subject Matter Information or to the applicable criteria.

Weyong International CPAs & Co.

CPA Tzu-Yang Wang

April 24, 2026

Summary of Subject Matter Information

<table>
<tr><th>No.</th><th>Subject Matter Information</th><th>Corresponding Section</th><th>Applicable Criteria</th></tr>
<tr><td>1</td><td>
Cyber Security Team


Management Principles
◆ Establish an information security organization and clearly define its roles and responsibilities to drive and sustain information security management, implementation, and auditing.
◆ Establish information security management policies and procedures to protect the confidentiality, integrity, and availability of personnel data, electronic data, information systems, computer equipment, and networks.
◆ An information security management conference should be convened each fourth quarter to review the latest developments in internal and external risks, technology, and business needs, and to implement appropriate measures.
◆ Information security assessments should be conducted regularly to evaluate risks within the information environment and implement improvements.
◆ Install information security protection systems and monitoring equipment to continuously improve the security of the overall information environment and reduce the incidence of various risks.
◆ Access to the system and data requires authorization, and access rights should be granted on a least-privilege basis for business needs.
◆ The information system should have appropriate backup and redundancy mechanisms in place, and response drills should be conducted to strengthen the resilience of information services against threats.
◆ Establishment of response and reporting procedures for information security incidents to improve the internal staff's ability to respond and coordinate in case of emergencies.
◆ Organize employee information security training to continuously enhance employees' information security awareness.
◆ Handle and protect data and the security of the system carefully in accordance with the regulations related to information security and personal information protection.
Note 1: Cyber Security Management https://www.shuang-bang.com/invest-8.html</td><td>2.5 Cybersecurity and Customer Privacy Protection</td><td>Based on the Company's internal Cybersecurity Management Regulations, Cybersecurity Policies and Objectives, Computer Software/Hardware and Backup Control Procedures, and Cybersecurity Education and Training Statistics.</td></tr>
</table>

No.	Subject Matter Information	Corresponding Section	Applicable Criteria

Authority Control		
Access Authority	Information (Computer) Systems	Departing Personnel (Including Employees on Unpaid Leave)
◆ Users may log in to computers only with the individual account and password applied for, and are granted appropriate user permissions. ◆ Computer files and electronic documents that may be accessed or shared are differentiated according to permission levels.	◆ When operating information (computer) systems, users must enter an account and password before logging in and using the system. ◆ Access to data and files is assigned based on permission levels.	◆ On the date of application, IT personnel and the departing employee's supervisor first back up the data on the computer to storage media for temporary retention. After the successor assumes the position and confirms that the files are correct, the backup files are deleted. ◆ Accounts are deactivated and invalidated on the date of departure.

Preventive Measures	2025 Implementation Effectiveness
Employee education, training, and cybersecurity awareness	◆ Conducted cybersecurity awareness sessions and case sharing regularly during the semi-annual employee meetings. ◆ Conducted ad hoc awareness activities to strengthen the security awareness of personnel involved in information management and information access.

2025 Cybersecurity Education and Training		No. of Attendance	Total Training Hours
Internal training	Cybersecurity Awareness	373	186.5
	Cybersecurity – Email Social Engineering Drill	34	61
External training	Information Security Awareness, Essential Knowledge, and Responsibilities Explanation of Cybersecurity Incidents and Preventive Measures Explanation of Cybersecurity Control Guidelines for TWSE/TPEx Listed Companies	6	12

<table>
<tr><th>No.</th><th>Subject Matter Information</th><th>Corresponding Section</th><th>Applicable Criteria</th></tr>
<tr><td></td><td>
<table>
<tr><td></td><td>Information Security ISMS Implementation, Control, and Audit Practices</td><td>1</td><td>6</td></tr>
<tr><td></td><td>Information Security Governance Training</td><td>1</td><td>6</td></tr>
</table>
Note 1: Training person-time statistics include only employees in service as of December 31, 2025.
<table>
<tr><td>Simulated Social Engineering Drill</td><td>Conducted nine drills and provided re-training to tested employees who did not pass.</td></tr>
<tr><td>Information System Disaster Recovery Simulation Drill</td><td>Conducted three drills</td></tr>
<tr><td>System Penetration Testing</td><td>Conducted one drill</td></tr>
</table>
</td><td></td><td></td></tr>
<tr><td>2</td><td>
Water withdrawal unit: million liters
<table>
<tr><th>Water Source</th><th>2025</th></tr>
<tr><td>Groundwater</td><td>82.1010</td></tr>
<tr><td>Third-Party Water</td><td>43.7670</td></tr>
<tr><td>Total Water Withdrawal</td><td>125.8680</td></tr>
<tr><td>Water Intensity (metric tons/NT$ million revenue)</td><td>71.1326</td></tr>
</table>
Note 1: Third-party water is defined as tap water and excludes surface water, seawater, and produced water.
Note 2: Water intensity = Total water withdrawal / Shuang-Bang’s standalone revenue.
</td><td>4.4.1 Water Withdrawal Management</td><td>GRI 303-3
2018 Water Withdrawal</td></tr>
<tr><td>3</td><td>
Unit of Water Discharge: million liters
<table>
<tr><th colspan="2">Discharge destination</th><th>2025</th></tr>
<tr><td rowspan="2">Third-party water</td><td>Effluent</td><td>108.9480</td></tr>
<tr><td>Reuse and treatment</td><td>11.5397</td></tr>
<tr><td colspan="2">Total discharge</td><td>120.4877</td></tr>
</table>
Note 1: Third-party water consists of effluent discharge and process wastewater recycling treatment. No discharges are made to surface water, groundwater, or seawater.
Note 2: Effluent is discharged to the wastewater treatment plant of the Nangang (also Zhushan) Industrial Park Service Center under the Ministry of Economic Affairs.
Note 3: Recycled treatment refers to the outsourcing of crude dimethylformamide (R-2503) to qualified third-party contractors for recycling treatment.
</td><td>4.4.2 Wastewater and Effluent Management</td><td>GRI 303-4
2018 Water Discharge</td></tr>
</table>

No.	Subject Matter Information	Corresponding Section	Applicable Criteria
4	2025 Waste Unit of waste quantity: metric tons (see table below) Note 1: Industrial waste intensity = total industrial waste clearance volume/Shuang-Bang's revenue as an individual entity. Waste Diverted from Disposal in 2025 Unit of waste quantity: metric tons (see table below)	4.5 Waste Management	GRI 306-3 2020 Waste Generated GRI 306-4 2020 Waste Diverted from Disposal GRI 306-5 2020 Waste Directed to Disposal

Type of Waste	Waste Composition	Clearance Volume	Waste Diverted from Disposal	Waste Directed to Disposal
General Industrial Waste	Category D	1,588.2800	0.0000	1,588.2800
	Category R (excluding R-25)	243.7800	243.7800	0.0000
	Subtotal	1,832.0600	243.7800	1,588.2800
Hazardous Industrial Waste	Category B	0.0000	0.0000	0.0000
	Category C	231.5580	216.5580	15.0000
	Category R-25	11,908.8300	11,908.8300	0.0000
	Subtotal	12,140.3880	12,125.3880	15.0000
Total Volume		13,972.4480	12,369.1680	1,603.2800
Industrial Waste Intensity (metric tons/NT$ million revenue)		7.8963	-	-

Type of Waste	Disposal Method	Onsite	Off-site	Total volume
General industrial waste	Preparation for reuse	0.0000	0.0000	0.0000
	Recycling	0.0000	243.7800	243.7800
	Other recovery operations	0.0000	0.0000	0.0000
	Subtotal	0.0000	243.7800	243.7800
Hazardous industrial waste	Preparation for reuse	369.1800	11,730.2500	12,099.4300
	Recycling	0.0000	25.9580	25.9580
	Other recovery operations	0.0000	0.0000	0.0000
	Subtotal	369.1800	11,756.2080	12,125.3880
Total volume		369.1800	11,999.9880	12,369.1680

No.	Subject Matter Information	Corresponding Section	Applicable Criteria
	Waste Directed to Disposal in 2025 Unit of waste quantity: metric tons <table><tr><th>Type of Waste</th><th>Disposal Method</th><th>Onsite</th><th>Off-Site</th><th>Total Volume</th></tr><tr><td rowspan="5">General Industrial Waste</td><td>Incineration (with energy recovery)</td><td>0.0000</td><td>0.0000</td><td>0.0000</td></tr><tr><td>Incineration (without energy recovery)</td><td>0.0000</td><td>286.9600</td><td>286.9600</td></tr><tr><td>Landfill</td><td>0.0000</td><td>0.0000</td><td>0.0000</td></tr><tr><td>Other disposal operations</td><td>650.7800</td><td>650.5400</td><td>1,301.3200</td></tr><tr><td>Subtotal</td><td>650.7800</td><td>937.5000</td><td>1,588.2800</td></tr><tr><td rowspan="5">Hazardous Industrial Waste</td><td>Incineration (with energy recovery)</td><td>0.0000</td><td>0.0000</td><td>0.0000</td></tr><tr><td>Incineration (without energy recovery)</td><td>0.0000</td><td>0.0000</td><td>0.0000</td></tr><tr><td>Landfill</td><td>0.0000</td><td>0.0000</td><td>0.0000</td></tr><tr><td>Other disposal operations</td><td>0.0000</td><td>15.0000</td><td>15.0000</td></tr><tr><td>Subtotal</td><td>0.0000</td><td>15.0000</td><td>15.0000</td></tr><tr><td colspan="2">Total Volume</td><td>650.7800</td><td>952.5000</td><td>1,603.2800</td></tr></table>Note 1: Onsite other disposal operations for general industrial waste refer to wastewater treatment. Note 2: Off-site other disposal operations for general industrial waste refer to thermal treatment excluding incineration, physical treatment, and stabilization treatment. Note 3: Off-site other disposal operations for hazardous industrial waste refer to physical treatment.		
5	<table><tr><th colspan="4">Gender and Age Distribution for New Employees</th></tr><tr><th rowspan="2">Category</th><th rowspan="2">Gender</th><th colspan="2">2025</th></tr><tr><th>Number of Participants</th><th>Percentage</th></tr><tr><td rowspan="2">Under age 30</td><td>Male</td><td>22</td><td>38.60%</td></tr><tr><td>Female</td><td>3</td><td>5.26%</td></tr><tr><td rowspan="2">Age 31 to 50</td><td>Male</td><td>21</td><td>36.84%</td></tr><tr><td>Female</td><td>8</td><td>14.04%</td></tr><tr><td rowspan="2">Age 51 and Above</td><td>Male</td><td>0</td><td>0.00%</td></tr><tr><td>Female</td><td>3</td><td>5.26%</td></tr><tr><td colspan="2">Total</td><td>57</td><td>100.00%</td></tr></table>Note 1: Age 30 and under refers to individuals who are not yet 31; ages 31–50 refers to individuals who have reached 31 but are not yet 51; ages 51 and above refers to individuals who are 51 or older. Note 2: Gender is determined based on employees' identity documents.	5.3.1 Talent Recruitment	GRI 401-1 2016 New Hires and Employee Turnover

No.	Subject Matter Information	Corresponding Section	Applicable Criteria
	Gender and Age Distribution for Departing Employees Category / Gender / 2025 (Number of Headcount / Percentage) Under Age 30 — Male: 6 / 16.22%; Female: 1 / 2.70% Age 31 to 50 — Male: 19 / 51.35%; Female: 6 / 16.22% Age 51 and Above — Male: 4 / 10.81%; Female: 1 / 2.70% Total: 37 / 100.00% Note 1: Age 30 and under refers to individuals who are not yet 31; ages 31–50 refers to individuals who have reached 31 but are not yet 51; ages 51 and above refers to individuals who are 51 or older. Note 2: Gender is determined based on employees' identity documents.		
6	2025 Employee Training Senior Executives — Male: 10 / 197.00 / 19.70; Female: 4 / 87.50 / 21.88; Total: 14 / 284.50 / 20.32 Mid-Level Managers — Male: 19 / 499.00 / 26.26; Female: 6 / 188.00 / 31.33; Total: 25 / 687.00 / 27.48 First-Line Managers — Male: 48 / 1,099.00 / 22.90; Female: 11 / 205.50 / 18.68; Total: 59 / 1,304.50 / 22.11 Non-Management Positions — Male: 203 / 4,005.00 / 19.73; Female: 75 / 1,560.50 / 20.81; Total: 278 / 5,565.50 / 20.02 Not Categorized — Male: 280 / 5,800.00 / 20.71; Female: 96 / 2,041.50 / 21.27; Total: 376 / 7,841.50 / 20.86 Note 1: Senior executives refers to managerial positions at Grade 7 and above; middle management refers to managerial positions at Grades 4 to 6; junior management refers to managerial positions at Grade 3 and below. Note 2: Gender is determined based on employees' identity documents. Note 3: Training person-time statistics include only employees in service as of December 31, 2025.	5.3.2 Talent Development	GRI 404-1 Average hours of training per year per employee in 2016

<table>
<tr><th>No.</th><th>Subject Matter Information</th><th>Corresponding Section</th><th>Applicable Criteria</th></tr>
<tr><td>7</td><td>
<table>
<tr><th>Occupational Accident Statistics</th><th>Employees</th><th>Workers Who Are Not Employees</th></tr>
<tr><td>Year</td><td>2025</td><td>2025</td></tr>
<tr><td>Average Number of Employees</td><td>369</td><td>-</td></tr>
<tr><td>Total Working Hours (hrs)</td><td>728,200</td><td>-</td></tr>
<tr><td>Main Types of Occupational Injuries</td><td>Cuts; caught in or pinched by objects; contact with hazardous substances, etc.</td><td>Falls</td></tr>
<tr><td>Number of Recordable Work-Related Injuries</td><td>8</td><td>1</td></tr>
<tr><td>Rate of Recordable Work-Related Injuries</td><td>2.19</td><td>-</td></tr>
<tr><td>Number of High-Consequence Work-Related Injuries (Excluding Fatalities)</td><td>0</td><td>0</td></tr>
<tr><td>Rate of High-Consequence Work-Related Injuries (Excluding Fatalities)</td><td>0</td><td>0</td></tr>
<tr><td>Number of Fatalities as a Result of Work-Related Injuries</td><td>0</td><td>0</td></tr>
<tr><td>Rate of Fatalities as a Result of Work-Related Injuries</td><td>0</td><td>0</td></tr>
<tr><td>Number of Occupational Disease Cases</td><td>0</td><td>0</td></tr>
<tr><td>Occupational Disease Rate (%)</td><td>0</td><td>0</td></tr>
</table>
Note 1: Total working hours = Σ (number of employees employed each month × monthly working days according to the Company calendar × normal daily working hours of 8 hours).
Note 2: Rate of recordable work-related injuries = number of recordable work-related injuries/total working hours × 200,000. Recordable work-related injuries do not include accident injuries occurring during commuting.
Note 3: High-consequence work-related injuries are defined as injuries that result in death or injuries from which workers cannot, or cannot be expected to, recover fully to their pre-injury health status within six months.
Note 4: Rate of high-consequence work-related injuries (excluding fatalities) = number of high-consequence work-related injuries (excluding fatalities)/total working hours × 200,000.
Note 5: Rate of fatalities as a result of work-related injuries = number of fatalities as a result of work-related injuries/total working hours × 200,000.
Note 6: Occupational disease rate = number of occupational disease cases/total working hours × 200,000.
Note 7: The total working hours of non-employee workers were not recorded; therefore, the rate of recordable work-related injuries was not calculated.
Note 8: Main types of occupational injuries are defined as the three types of occupational injuries with the highest number of occurrences during the year.
</td><td>5.4.4 Occupational Injuries and Diseases</td><td>GRI 403-9
Work-related injuries 2018
GRI 403-10
Work-related ill health 2018</td></tr>
</table>