

Promote projects	Execution situation (Note1)			Differences and reasons from the Code of Practice for Sustainable Development of Listed OTC Companies
	Yes	No	Summary Descriptions	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	✓		<p>In compliance with the vision and mission of the Company's ESG Policy, in 2021, the Committee was renamed the Sustainable Development Committee, in charge of the Company's sustainable development. The President of the company is the convener, and the committee is composed of directors of different departments. The committee meeting will be held annually. The President convenes with different relevant departments for promoting the Corporate Social Responsibility and inquiry of interested parties, the implementation of negotiating and communication, and the countermeasures.</p> <p>Complete and disclose the previous annual report on sustainability. The implementation of Corporate Social Responsibility is coordinated by each team and reported the annual performance of ESG is to the board of directors by the President.</p>	No material disparity.
2. Has the Company conducted risk assessments on environmental, social, and corporate governance issues relating to the Company's operations in accordance with the materiality, and formulated relevant risk management policies or strategies? (Note 2)	✓		<p>The Company's sustainability report covers the related operating systems and activities of Hota Industrial Mfg. Co., Ltd. (including the Zhongke Plant, Dali Plant and Chiayi Plant) are the subject of disclosure. It is included policy, commitments, goals, management, and performance of Corporation Sustainable Development in the economic, social, environmental, and other issues.</p>	No material disparity.

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			<p>The sorting is by the importance of the themes, the Corporation Sustainable Development Report has covered the internal boundary of the Hota Industrial Mfg. Co., Ltd., The external boundary of an organization includes major interest parties of upstream and downstream such as customers, shareholders, suppliers, contractors, community.</p> <p>And to define the scope of the important themes including transparency and impact of the overall value chain of the Company and disclose in the Corporation Sustainable Development Report with GRI sustainability reporting standards and focus on the implementation and describe in the corresponding chapter of the Report.</p>	
3. Environment Issues (1) Has the Company established an appropriate environmental management system based on its industrial characteristics?	✓ ✓		(1) The Company is set up an environmental management system (EMS) by ISO 14001 and passed third-party verification. And the Company conducts the Greenhouse gases by the requirement of ISO14064-1 annually. The company should disclose the performance of emissions in the Corporation Sustainable Development Report and on the Company's website.	(1) No material disparity. (2) No material disparity.

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(2) Is the Company committed to use energy more efficiently and enhance the utilization efficiency of various resources while using recycled materials with low impact on the environment?	✓		(2) The company actively promotes various energy reduction measures, reduces the energy consumption of enterprises and selects the equipment with high -energy efficiency and energy-saving design, and optimizes energy use efficiency with expands the use of renewable energy. The emission reduction results are disclosed in the Sustainability Report annually. (3) One of the major issues of sustainable development for the Company is climate change. The Company is always aware of the impact of climate change on its operations and conducts the greenhouse gases inventory and determine the policy for energy saving and carbon reduction, and emission reduction.	(3) No material disparity.						
(3) Has the Company assessed the current and future potential risks and opportunities of climate change to the Company and taken measures to respond to climate-related issues?	✓		<table border="1"> <thead> <tr> <th>Risk Category</th> <th>Potential Risks</th> <th>Countermeasures</th> </tr> </thead> <tbody> <tr> <td>Risk of climate change</td> <td>Management of Carbon Emission</td> <td>Through the verification of ISO 50001 Energy Management System, annual inspections of energy conservation and carbon reduction and greenhouse gas</td> </tr> </tbody> </table>	Risk Category	Potential Risks	Countermeasures	Risk of climate change	Management of Carbon Emission	Through the verification of ISO 50001 Energy Management System, annual inspections of energy conservation and carbon reduction and greenhouse gas	
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			emissions, and carbon footprint inspections of representative products. The roof of the building is equipped with a solar power system to promote green energy and environmental protection.	(4) No material disparity.
			Transportation Management In response to climate factors such as hurricanes in the United States and low water levels in the Panama Canal, safe storage facilities and safe storage capacity plans were built in the western and eastern U.S. respectively. Due to the impact of global epidemic, the shortage of containers for international shipments had a full impact on the shipment schedule, and	

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(4) Has the Company taken statistics on greenhouse gas emissions, water consumption and total weight of waste in the previous two years and formulated policies for greenhouse gas reduction and water reduction or other waste management?	✓		<p>production plans had to be prepared in advance to reduce the impact.</p> <p>(4) Review the Company's greenhouse gas emissions, water consumption, and total waste weight annually. And set the related specification for energy-saving carbon reduction, greenhouse gas reduction, reduced water, or other waste management to implement corporate social responsibility.</p> <ol style="list-style-type: none"> 1. All the plants have completed the inventory and third-party verifications of ISO 14064-1 Scope 1, 2, 3. the inventory and third-party verifications of ISO 50001. 2. The Company has been concerned about the issue of energy conservation and environmental protection of water resources for many years. The water resources that can be used will have greater benefits from the comprehensive implementation of water conservation in daily life. 3. The Company is committed to environmental protection and waste reduction. The annual performance review and internal and external audit are performed by the Commission on Sustainable Development. All plants are certified through the ISO 14001 Environmental Management System. The 	

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			<p>waste cleaning in the operation process is properly handled according to the waste cleaning method, and the sources of waste generated are effectively classified and collected, to improve the recoverability of the waste. For the process waste treatment model is the collection, classification, reduction, and recovery, the main management strategy is to replace "buried disposal" with "resource recovery", to turn the waste into resources, reduce environmental impact, and effectively manage and improve the value of resource reuse.</p> <p>The relevant data on greenhouse gas emissions, water consumption, and waste are compiled and disclosed in the Company's Sustainability Report annually.</p>	
4. Social Issues (1) Has the Company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	✓		<p>(1) The Company is committed to protecting employees' rights and interests and complying with the "Labor Standards Law", the Employment Services Law, Gender Equality in Employment Act, and other relevant government human rights policies. The Company not only implements policies but also establishes a diversified communication channel and management mechanism to ensure proper care for fellow employees and to create a friendly corporate</p>	(1) No material disparity.

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(2) Has the Company formulated and implemented reasonable employee welfare measures (including salary and compensation, vacation, and other benefits, etc.), and appropriately reflected operating performance or results in employee compensation?	✓		<p>environment that respects, cares for, and protects human rights.</p> <p>The Company's human rights policy-specific management program includes: It provides a safe and healthy working environment, organizes annual health checks for employees, and provides care and follow-up for employees, prohibits forced labor, prohibits child labor, and holding regular Management and Labor Council.</p> <p>(2) Reasonable employee welfare mechanism has been promulgated and implemented, with employee evaluations conducted, to accurately reflect operating performance in employee welfare and compensation.</p> <p>Employee remuneration: For motivating the employee work together with the Company's objectives, the Company's year-end bonus is allocated to all the staff members after considering the circumstances of their annual performance appraisal and evaluation. Employees' remuneration is calculated at not less than 2% of the Company's profit for the year, as required by the Articles of the Company.</p> <p>Employee benefits measures: The Company has established an employee benefits committee that plans and provides</p>	(2) No material disparity.

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		<p>quality benefits to the employee from company revenue. The welfare benefits of the staff are tourism subsidies, birthday gifts, marriage allowances, maternity allowances, funeral allowances, and three-section gifts.</p> <p>Leave system: In accordance with the rules on leave for employees, special leave, sick leave for ordinary injuries, sick leave, menstrual leave, family care leave, or no-pay leave, etc., shall be granted to the staff members. The employee can apply the no-pay leave to take care of the needs of individuals and family care such as parental leave, serious injury, major accident, etc.</p> <p>Diversity and equality: To realize a gender-equal workplace environment and the Company offers equal pay and there is no discrepancy between basic salaries and compensations between women and men for promotion and sustainable economic growth.</p> <p>The Company values the rights and benefits of its employees and shares a profit margin with its employees to maintain a good working environment. The Company also implements a friendly workplace and follows gender equality so as to enable its employees of all sexes to work in</p>	(3) No material disparity.

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(3) Has the Company provided employees with a safe and healthy working environment and provided employees with regular safety and health educations?	✓		<p>peace and good faith by engaging in a good working environment and engaging in physical and physical work and defining suitable work positions and environmental facilities, and reflected the performance of the operations on the employees' remuneration.</p> <p>(3) The Company is committed to providing employees with a safe and healthy working environment, implementing safety and health education on a regular basis through training for new recruits and orientation, on-the-job education training opportunities.</p> <p>Occupational safety health policy: The Company follows the requirements of the Occupational Safety and Health Act with customers and relevant organizations to set policies and respects the requirements of the relevant interested organizations for occupational safety and health to build a healthy and happy workplace.</p> <p>Workplace environmental monitoring: In order to protect workers from harmful substances in the workplace and provide a healthy and comfortable working environment for employees, the environmental monitoring exercises will be</p>	

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		<p>carried out twice a year to gradually understand the exposure of employees.</p> <p>Equipment safety Management: The Company carries out equipment classification, which is legally regulated for dangerous machinery and equipment, and conducts a detailed inspection to ensure the safe operation of the equipment. The Company's hazardous machinery components are regularly inspected in accordance with the "Regulations for Safety Inspection of Hazardous Machines and Equipment" to ensure safety concerns regarding the use of equipment.</p> <p>All plants of the company have certificated ISO 45001.</p> <p>The number of employee occupational accidents in 2024 is 14 (including 8 traffic accidents). In addition to relevant education and training for occupational accidents in the factory, hazard risks will also be identified based on the occupational accidents and relevant improvement measures will be taken; for traffic accidents The Occupational Disaster Association provides transportation-related education and training to employees.</p> <p>Health examination and management system: Considering the protection of employees' health, we provide annual health</p>	(4) No material disparity.

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		<p>examinations with a higher frequency than the regulations, conduct general (special) labor physical examinations for new employees, regular health examinations for employees in service, and special operation health examinations; for new employees, we implement graded physical examination management, and if a health manager is needed, we arrange consultation and follow-up care by the factory doctor to assist employees in self-management of their health.</p> <p>Health promotion plan: Promote health promotion activities, such as food safety and healthy life lectures, promote the correct concept of healthy life, workplace sexual harassment prevention lectures, strengthen employees' understanding of gender equality awareness and the three laws of gender equality, strengthen respect for others, promote workplace mental health and environment, AED+CPR emergency rescue education and training, strengthen employees' emergency rescue response capabilities, and COVID-19 vaccine injections, with a total of 328 people participating.</p> <p>Dali Plant and Zhongke Plant Healthy Workplace Certification-Health Promotion Extension, Chiayi Plant Healthy Workplace Certification-Health Promotion</p>	(6) No material disparity.

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(4) Has the Company established an effective career development training program for employees?	✓	<p>Application, approved, to promote health promotion related activities, create a healthy working environment and improve employees' work efficiency, and implement corporate social responsibility.</p> <p>It is expected that by 2025, with the assistance of external resources, a variety of health promotion courses will be held (such as anti-cancer dietary concepts, non-toxic and healthy living, staying away from stress and relaxing yourself...) to achieve a balance between work and physical and mental health.</p> <p>(4) The Company regards employees as important assets, cultivating talents through on-the-job training at various functions.</p> <p>The Company plans a comprehensive functional training program for all levels of supervisors and employees of the Company, including newcomer training, professional advanced training, and management training, to assist employees to continue their learning and development through multiple learning approaches, and to introduce the relevant training courses on the development of corporate ethics and beliefs, and to develop their key capabilities.</p>	

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(5) With regards to the issues about customer health and safety, customer privacy, and marketing and labeling of products and services, has the Company complied with relevant laws and regulations and international standards, and formulated relevant consumer and customer protection policies and grievance procedures?	✓		<p>(5) The Company's products and services have been regulated in accordance with international laws and regulations, with business unit designated for handling quality and customer grievances.</p> <p>The Company has announced and promoted the protection of business secrets and intellectual property rights to all employees. It clearly states and requires employees to protect business confidentiality and understand the importance of protecting customer information. Employees should sign relevant confidentiality agreements. The Company is protecting the information of customers, proprietary technology, business secrets, personal information, and confidential information are fully protected, and will never disclose the customers' information to other customers. In 2024, there was no violation of customer confidential information protection.</p>	
(6) Has the Company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues e.g. environmental protection, occupational safety and health, or labor human rights? In addition, how is the implementation?	✓		<p>(6) The key factor for the growth of the Company is good suppliers. Therefore, the Company selects the suitable suppliers (in line with the ISO Quality and Environment Management System) is based on safety, price, delivery, quality, service, environmental protection, and sustainability,</p>	

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			and reviews the products' quality, services, and environment regularly to maintain and maximize the quality of relevant products. The Company selects qualified suppliers according to the "Supplier Evaluation Regulation" and the suppliers are required to comply with the ISO quality and environmental management system, the SQE regularly audits the supplier compliance and conducts joint educational training and mentoring activities to enhance the supplier's sustainability.	
5. Has the Company referred to the internationally accepted standards or guidelines for the preparation of reports to prepare reports disclosing the Company's non-financial information, such as ESG reports? Have the aforementioned reports obtained the validation or assurance opinion of the third-party verification body?	✓		The Sustainability Development Group has commissioned an independent third party, Ernst & Young, to conduct a limited assurance on specific sustainability performance indicators in the 2024 Sustainability Report based on Assurance Standard No. 3000 "Assurance Cases for Audits or Verifications of Non-Historical Financial Information" issued by the Accounting Research and Development Foundation of the Republic of China. For the relevant information, please refer to the independent assurance report of the accountant in the appendix.	No material disparity.
6. In case the Company has set forth its own CSR principles following "Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies", please describe its operation and its disparity with the set principles: No material disparity.				
7. Other important information helpful in understanding the Operation Status of sustainable development: None.				