

Stock Code: 1711



# 2024 Annual Report

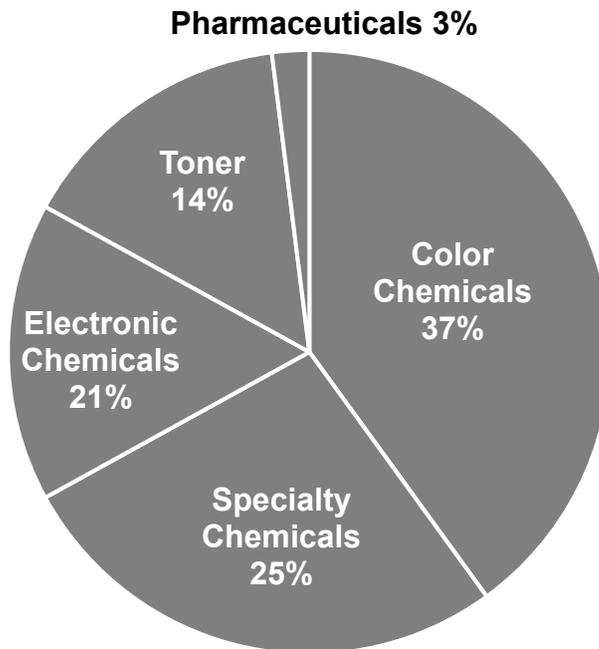
Everlight Chemical Industrial Corporation

March 31, 2025  
<https://mops.twse.com.tw/mops/#/web/home>  
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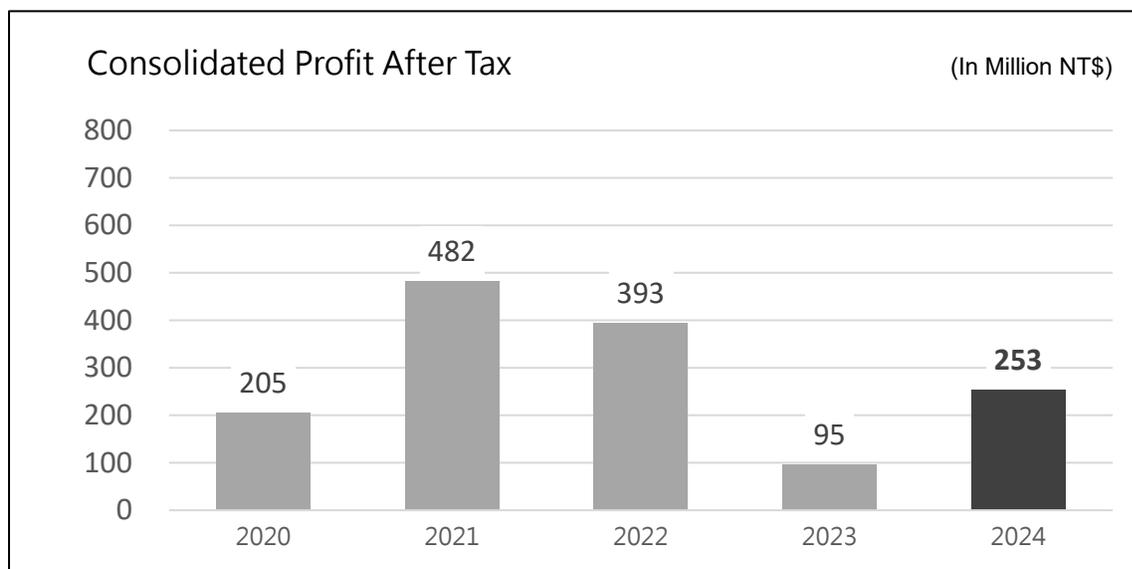
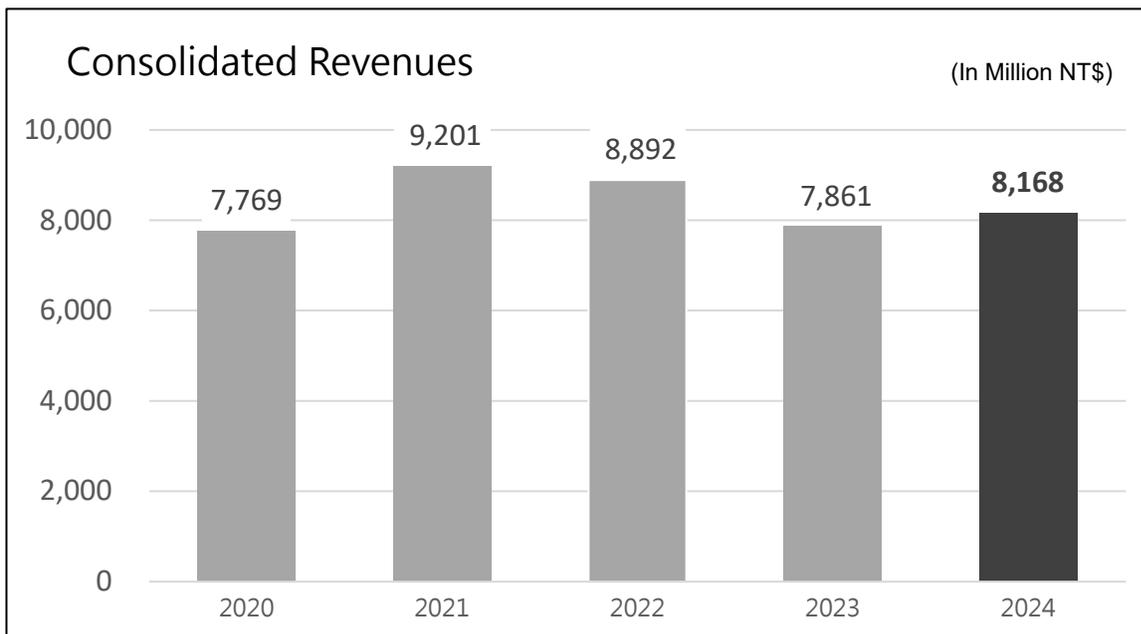
# Financial Highlights

## Revenue by B.U.



In Million NT\$

Item	2024	2023
Revenues	8,168	7,861
Profit After Tax	253	95
Total Assets	13,243	12,901
Shareholder's Equity	8,809	8,656
Earnings Per Share (in NT\$)	0.44	0.16





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# Letter To Shareholders

Dear shareholders,

Last year (2024), the world continued to grapple with multiple challenges such as the exacerbation of extreme climates, geopolitical conflicts, and the world economic downturn; however, Everlight Chemical's revenue and profit both stopped falling and rebounded. After three years of decline, we finally managed to turn around last year's revenue to NT\$8.16 billion, a 4% increase from the previous year, and earned a profit of NT\$253.26 million, which was 2.6 times higher than that of the same period. EPS for the year was NT\$0.44. Thanks to the concerted efforts of all colleagues and executives, and under the leadership of the Board of Directors, the Company has been able to stand firm in a difficult environment.

The following is a brief description of our business overview and outlook:

## **I. Color Chemicals** business:

Revenue in 2024 amounted to NT\$3.01 billion, accounting for 36.9% of the total, a decrease of 4.2% YoY. Profit before tax increased by 437% from the previous year to NT\$85.49 million. The decline in revenue was mainly due to the impact of unfavorable factors such as inflation, war, interest rate hikes, and slow depletion of terminal stock, which led to a contraction of consumers' disposable income for non-essential goods, such as clothing and footwear, resulting in a weak overall demand. The increase in profitability was due to the continued optimization of the sales mix of color chemicals and the strengthening of the proportion of sales of new products. As the recovery of demand in 2025 is not yet evident, we will continue to take advantage of our environmentally friendly products, increase the sales share of large customers in major regions, and proactively expand our business scale in all application industries for color chemicals to create higher profits.

## **II. Specialty Chemicals** business:

Revenue in 2024 came to NT\$2.10 billion, accounting for 25.7% of the total, an increase of 4.4% YoY. Profit before tax of NT\$211.09 million was 62.6% higher than the previous year. The growth not as good as expected was due to the decline in demand in the end market and intensified competition from the industry. Although the demand is recovering slightly in 2025, competition from the industry at lower prices has become more intense. We adopt a product differentiation strategy and seek to increase high value-added products in the sale mix to mitigate the impact on profitability due to price competition. At the same time, we accelerate the launch of new products to increase product diversity and continue to expand the development of the coatings market, specialty engineered plastics and films market, PU market and medical materials market to enhance the overall scale of operations and profitability.

## **III. Electric Chemicals** business:

Revenue in 2024 amounted to NT\$1.70 billion, accounting for 20.7% of the total, up 28.2% YoY. Profit before tax was NT\$170.24 million, an increase of 54.1% from the previous year. The growth was mainly attributable to the increase in the international OEM business of electronic and chemical products, as well as the growth of self-owned products. This year, we will continue to expand the sales of high-end photoresist and IC photoresist products for mini-LEDs and micro-LEDs, and we will also actively promote various types of photoresists for RDL process in FOPLP (Fan-out Panel-level Packaging), as well as low-temperature curing PSPI (Photosensitive Polyimide) for automotive ICs and high-end smart folding cell phones and OC (Overcoat) and BM (Black Matrix) photoresist for low temperature process. In addition, we will also provide colorless and transparent photoresists for protective and insulating layers in the sensor component industry with high temperature resistance, energy saving, carbon reduction, and sustainable circulation characteristics.

#### **IV. TTI Toner business:**

Revenue in 2024 was NT\$1.13 billion, accounting for 13.9% of the total, down by 2.4% from last year. Loss before tax was NT\$33.69 million (an increase of NT\$2.15 million over the prior year's loss). The decline was mainly due to sluggish demand and intensified competition in the industry. During the year, we focused on improving production facilities to enhance production efficiency and reduce production costs, continuing to develop new products and strengthening sales promotion to achieve our sales targets.

#### **V. Pharmaceuticals business:**

Revenue in 2024 amounted to NTD 230 million, accounting for 2.8% of the total, an increase of 2.5% YoY. Loss before tax was NT\$165.47 million (an increase of NT\$23 million over the prior year's loss). The main reason for the increase in loss was that the products had reached the end of their life cycle and the market price was decreasing every year. However, the production batch size was small and the cost was high, and it took time for the highly profitable new projects to grow. We will actively develop our CDMO (Contract Development and Manufacturing Organization) business, work closely with formulation developers, accelerate the launch of high-value new products, increase batch production volumes to reduce costs, strengthen orders from the European, American, Japanese, and Central and South American markets, and increase revenue and profits, in order to achieve the goal of eliminating losses and returning to profitability.

In terms of R&D innovation, after the AQ series of Hindered Amine Light Stabilizers for waterborne coatings of the Specialty Chemicals division won the "Taiwan Excellence Silver Award" the year before, the IBR/IPR series of UV masking adhesives of the Electronic Chemicals division further won the "Taiwan Excellence Gold Award" last year, which is the highest honor. This is the first time that a B2B chemical product has been awarded the Gold Award in the 33-year history of the Taiwan Excellence Awards, which fully demonstrates Everlight Chemical's top R&D strength in the field of high-tech chemicals. The AQ series of light stabilizers for waterborne coatings of the Specialty Chemicals division was also awarded the Silver Award for "Resource Recycling Outstanding Enterprise" by the Ministry of the Environment in 2024, which demonstrates Everlight Chemical's commitment to environmental protection. We will continue to invest in green technology and source management, and develop more products in line with the circular economy to promote sustainable industrial ecology. For more results related to sustainability and ESG, please refer to the Company's Sustainability Report.

Looking forward to 2025, Everlight Chemical will take "Market Expansion and Profit Enhancement" as its management guideline, strengthen its market influence through brand marketing, and continue to deepen its global distribution to realize business expansion. Meanwhile, Everlight Chemical will push forward the two-axis transformation to enhance operational efficiency through innovation and digitalization strategies to ensure competitive advantages and create long-term sustainable growth momentum.

Finally, we would like to thank our shareholders for your long-term support, and we will continue our efforts to generate profits and enhance shareholder value.

Chairman : Chen, Chien-Hsin

## I. 2024 Operating Performance

### (I) Implementation results of operating plan

The Company's consolidated operating revenue in 2024 was TWD 8,168,220,000 which was an increase of 4% comparing to previous year; in terms of operating income, the consolidated net income after tax was TWD 253,262,000, and EPS was TWD0.44, an increase of 166% and 175% respectively over the previous year.

### (II) Budget execution status

Unit: TWD thousand

Account	Plan for the whole year	Actual amount	Achievement rate
Operating revenue	9,000,000	8,168,220	91%
Operating cost	6,995,000	6,380,955	91%
Operating gross profit	2,005,000	1,787,265	89%
Operating expense	1,605,000	1,611,905	100%
Operating profit	400,000	175,360	44%
Net income before tax	400,000	286,213	72%

### (III) Analysis on revenue and expense and profitability

Unit: TWD thousand

Item		2024	2023	
Revenue and expense	Operating revenue	8,168,220	7,861,424	
	Operating cost	6,380,955	6,261,590	
	Operating gross profit	1,787,265	1,599,834	
	Operating expense	1,611,905	1,516,414	
	Operating profit	175,360	83,420	
	Net non-operating revenue	110,853	25,537	
	Net income before tax	286,213	108,957	
	Income tax expense	32,951	13,880	
	Net income after tax	253,262	95,077	
	EPS (TWD)	0.44	0.16	
Profitability Analysis	ROA	2.5%	1.3%	
	ROE	2.9%	1.1%	
	To paid-in capital	Operating profit	3.2%	1.5%
		Pre-tax income	5.2%	2.0%
	Profit margin	3.1%	1.2%	
	EPS (TWD)	0.44	0.16	

(IV) R&D status

Developing high-tech, high value-added chemical products, and continuously improving ecological benefits are our R&D goals. R&D expense in 2024 was about TWD 370,000,000, which accounted for 4.5% of operating revenue. The specific results of R&D are as follows:

1. Intellectual property right:

In 2024, there were 9 patents granted. By the end of Feb. 2025, the cumulative number of patents was 208.

2. New product R&D results of each business:

In 2024, the completed items of new products developed by each business are: 18 items of color chemicals, 6 items of specialty chemicals, 8 items of electronic chemicals, 0 items of Pharmaceuticals, 17 items of toner, which are 49 items in total.

## II. Summary of 2025 Operation Plan

(I) Operation goals for the current year

With the goal of **“Market Expansion and Profit Enhancement”** for this year, we implement the following strategies:

1. Brand Marketing
2. Global Expansion
3. Dual Transformation

(II) Expected sales volume and its reference

According to the assessment of industrial environment and future market supply and demand, the expected sales targets of various products of the Company in 2025 are as follows:

Business and product type		Expected sales volume in 2025	Sales volume in 2024
Color chemicals		17,500 tons	14,889 tons
Specialty chemicals		4,500 tons	3,696 tons
Toner		5,400 tons	4, 519 tons
Electronic chemicals	Photoresist	650 tons	579 tons
	Others	14,000 tons	12,528 tons
Pharmaceuticals	Prostaglandin	500,000 g	494,663 g
	Other material medicines	1,000 kg	1,032 kg

(III) Important production and sales policy

1. Sales Policies:

- (1) Strengthen Brand Value: Promote “Green Chemical Solutions” to key industries and target customers through precise brand marketing, establishing the company's leadership in the green chemistry field.
- (2) Expand into Emerging Markets: Develop differentiated sales strategies for emerging markets such as Southeast Asia and South Asia, create products that meet local market needs, and build localized sales and service networks.
- (3) Leverage Digital Tools: Deepen digital applications, establish comprehensive market monitoring mechanisms to quickly grasp industry trends and competitor dynamics, and flexibly adjust product pricing strategies.
- (4) Enhance Customer Relationships: Focus on customer orientation and value transformation to meet diverse customer needs. Utilize pipeline management tools to manage cases, classify customers, and maintain long-term, stable partnerships.

- (5) Accelerate Profit Growth: Improve product value and market competitiveness through diverse strategies such as product innovation, brand development, optimized sales channels, customized services, precise pricing, and strict cost control to accelerate profit growth.
2. Production Policies:
    - (1) Embed a Safety Culture: Improve employee safety awareness through education, training, and simulation drills to create a zero-accident factory environment.
    - (2) Transform to Smart Manufacturing: Introduce emerging technologies to build intelligent manufacturing systems, optimize production processes, and enhance efficiency and product quality.
    - (3) Upgrade to Green Production: Promote energy management system upgrades to reduce carbon emissions and achieve green production goals.

### III. Impacts of External Environment

- (I) External competitive environment
  1. Diversification and Localization of Supply Chains: Geopolitical tensions continue to impact supply chains, prompting chemical companies to diversify their supply networks. Overreliance on a single supply source may lead to disruptions or surging costs, resulting in lost orders or even market elimination
  2. Digital and AI-Driven Transformation: Digitalization and AI intelligence are permeating the entire value chain. Companies leading in AI and digital deployment gain cost advantages, while laggards may lose competitiveness due to inefficiencies.
  3. Sustainability and Circular Economy: The push for a circular economy is driving the chemical industry to reassess product lifecycle designs and shift towards resource recycling. Companies stuck in traditional operating models will eventually be phased out.
- (II) Regulatory environment:
  1. Stricter Environmental Regulations: With increasingly stringent environmental regulations, companies must accelerate green transformation to meet tighter carbon emission standards.
  2. Strengthened Chemical Management: As chemical management systems become more comprehensive, companies must enhance internal controls to ensure the safe use of chemicals.
  3. Sustainable Development Goals: Companies should integrate the United Nations' Sustainable Development Goals (SDGs) into their core business strategies to fulfill social responsibilities.
- (III) Overall Business Environment:
  1. Heightened Geopolitical Risks: The global trade landscape is splitting into Pan-American and Pan-China blocs, intensifying protectionism and reshaping global supply chains, making business operations more complex.
  2. Tensions in the Taiwan Strait: Taiwanese companies face severe challenges, as international clients may turn to suppliers in other regions, affecting industry operations. Businesses must adjust their global layouts to mitigate geopolitical risks.
  3. Economic Uncertainty: Factors such as inflation and interest rate fluctuations impact business operations.
  4. Rise of Emerging Markets: Regions like Southeast Asia and South Asia are becoming new growth drivers.
  5. Fierce Talent Competition: The demand for diversified talent across industries is increasing. Beyond digital talent, there are talent gaps in all sectors. Companies must offer attractive compensation and development opportunities to retain top talent.

#### **IV. Future Corporate Development Strategies**

Everlight Chemical's vision is to "become the high-tech chemistry industrial group contributing to people's lives." To enhance the life quality and health of people, we have strived to research and develop forward-looking chemicals and to produce high-tech products to enable outstanding chemicals to enrich peoples' lives, contribute to the life quality of our employees, product competitiveness, and sustainable future, and implement the brand promise of "Better Chemistry Better Life".

# Corporate Governance

## I. Directors, General Managers, Deputy General Managers, Associates and Managers of Each Department and Branch

### (I) Director information

March 31, 2025

Title	Nationality or registration place	Name	Gender	Age				Date Elected / Appointed	Term period	Date elected for the 1st time	Shareholding when elected		Share number held currently		Shareholdings of spouse and minor children		Shares held with other person's name		Major working (educational) experience (Note)	Positions concurrently served in the Company and other companies	Other managers, directors or supervisors with relationship of spouse or within the kinship of the second-degree relatives		
				51-60	61-70	71-80	81-90				Share number	Shareholding ratio	Share number	Shareholding ratio	Share number	Shareholding ratio	Share number	Shareholding ratio			Title	Name	Relationship
Chairman	Taiwan R.O.C	Ethical investment corporation						May 30, 2024	May 30, 2024-May 29, 2027	July 29, 2021	56,000,000	10.22	61,000,000	11.14	0	0.00	0	0	Master of Public Health (MPH), Harvard University	Chairman of Everlight Chemical Singapore and director of Ethical investment corporation and Good TV Broadcasting Corp, etc.	Director General Manager and Director Special Asst. to Chairman	Chen, Wei-Wang Chen, Ju-Ai Jason Ju	Brothers brother and sister Brother-in-law
		Representative Chen, Chien-Hsin	Male		V			May 30, 2024	May 30, 2024-May 29, 2027	Aug. 26, 1972	6,745,000	1.23	6,745,000	1.23	500,000	0.09	0	0					
Director	Taiwan R.O.C	Chen, Ding-Chi	Male					May 30, 2024	May 30, 2024-May 29, 2027	Aug. 26, 1972	13,395,254	2.45	12,701,254	2.32	0	0	0	0	Doctor of Education, Cohen University, USA	None	Director	Chen, Chien-Ming	Father and son
Director	Taiwan R.O.C	Chen, Wei-Wang	Male	V				May 30, 2024	May 30, 2024-May 29, 2027	May 26, 2000	6,300,000	1.15	6,300,000	1.15	154,350	0.02	0	0	PhD in Industrial and Operations Engineering, University of Michigan, USA	General Manager of Everlight Chemical and Chairman of Everlight (Hongkong) Ltd., Ethical (Guangzhou) Ltd., Everlight USA, Everlight Europe B.V. (Netherlands), and Director of Trend Tone Imaging, Inc., Everlight (Suzhou) Advanced Chemicals Ltd., Shanghai Anda International Trading Co., Ltd., Ethical investment corporation and Suzhou Sanyi companies.	Director Chairman Director Special Asst. to Chairman	Chen, Chien-Hsin Chen, Ju-Ai Jason Ju	Brothers brother and sister Brother-in-law
Director	Taiwan R.O.C	Chen, Chien-Ming	Male	V				May 30, 2024	May 30, 2024-May 29, 2027	Jun. 8, 2006	3,508,192	0.64	3,508,192	0.64	380,000	0.06	0	0	PhD in Mechanical Engineering, University of Michigan, USA	Director and General Manager of Trend Tone Imaging, Inc. and director of Everlight USA and Everlight (Suzhou) Advanced Chemicals Ltd.	Director	Chen, Ding-Chi	Father and son
Director	Taiwan R.O.C	Chen, Ju-Ai	Female					May 30, 2024	May 30, 2024-May 29, 2027	May 30, 2024	6,000,000	1.09	6,000,000	1.09	300,924	0.05	0	0	Master of Laws (LL.M.), Widener University, USA	Senior Officer of Everlight Chemical, Supervisor of Ethical (Shanghai) Ltd., Everlight (Shanghai) Ltd., Everlight (Suzhou) Advanced Chemicals Ltd. And Shanghai Anda International Trading Co., Ltd. and director of Ethical investment corporation	Chairman Director and General Manager Special Asst. to Chairman	Chen, Chien-Hsin Chen, Wei-Wang Jason Ju	brother and sister brother and sister sister spouse
Director	Taiwan R.O.C	Lee, Yung-Long	Male					May 30, 2024	May 30, 2024-May 29, 2027	May 26, 1994	2,281,007	0.41	2,281,007	0.41	201,672	0.03	0	0	Department of Public Administration, National Chung Hsing University	None	None	None	None
Director	Taiwan R.O.C	Ken, Wen-Yuen	Male					May 30, 2024	May 30, 2024-May 29, 2027	May 26, 2000	2,951,405	0.53	2,951,405	0.53	0	0	0	0	Master in Science in Computer Science, University of San Francisco	Chairman of Chung Hwa Chemical Industrial Works, Ltd.,	None	None	None
Director	Taiwan R.O.C	Lin, Chao-Wen	Male					May 30, 2024	May 30, 2024-May 29, 2027	May 30, 2024	71,691	0.01	71,691	0.01	270	0.00	0	0	Macromolecule Fiber, NTUST Master	Special Asst. to Chairman of Everlight Chemical	None	None	None

Title	Nationality or registration place	Name	Gender	age				Date Elected / Appointed	Term period	Date elected for the 1st time	Shareholding when elected		Share number held currently		Shareholdings of spouse and minor children		Shares held with other person's name		Major working (educational) experience (Note)	Positions concurrently served in the Company and other companies	Other managers, directors or supervisors with relationship of spouse or within the kinship of the second-degree relatives		
				51-60	61-70	71-80	81-90				Share number	Shareholding ratio	Share number	Shareholding ratio	Share number	Shareholding ratio	Share number	Shareholding ratio			Title	Name	Relationship
Independent Director	Taiwan R.O.C	Yang, Way-Wen	Male	V				May 30,2024	May 30,2024-May 29,2027	July 29, 2021	0	0	0	0	0	0	0	0	Doctor of Juridical Science, Duke University	Associate Prof., Department of Law, Kainan University Municipal Advisor, Taipei City Government	None	None	None
Independent Director	Taiwan R.O.C	Chang, Yuan-Jan	Male		V			May 30,2024	May 30,2024-May 29,2027	July 29, 2021	0	0	0	0	0	0	0	0	M.S. in Engineering-Economic Systems, Stanford University M.S. in Civil Engineering, Stanford University M.S. in Engineering Management, Southern Methodist University M.S. in Mechanical Engineering, National Chiao Tung University	Senior Vice President of Industrial Technology Investment Corp., Director of Iron Force Industrial Co., Ltd. and Director/Legal Representative of companies including Taiwan Electron Optics Instrument, Taisheng International Technology, Xiangcheng Technology, Analytic Ind. Material Technology, Bellex International Corp., and Yesheng Technology Corp.	None	None	None
Independent Director	Taiwan R.O.C	Lin, Shu-Yu	Female			✓		May 30,2024	May 30,2024-May 29,2027	May 30,2024	0	0	0	0	0	0	0	0	MBA, Carlson School of Management, University of Minnesota, USA	Joy Certified Public Accountants Firm	無	無	無

Table 1: Major Shareholders of Corporate Shareholders

March31, 2025

Name of Corporate Shareholder	Major shareholders of corporate shareholders and shareholding ratio	
Yung-De Investment Co., Ltd.	Chen, Ding-Chuan	66%
	Wu, Lee-Ji	8%
	Chen, Ju-Ai	5%
	Chen, Chien-Hsin	4%
	Chen, Wei-Wang	4%
	Jason Ju	1%
	Zheng, Ling	1%
	Kuo, Yen-Ju	1%
	Chen, Yu-An	1%
Chen, Jia-En	1%	

Table 2: Significant shareholders of Table 1 who are legal entities: Not applicable.

(II) Professional qualifications of directors and information disclosure on the independence of independent directors:

Criteria Name	Professional qualifications and experience (Note 1)	Status of independence (Note 2)	Number of public-listed companies concurrently served as an independent director
Chen, Chien-Hsin	Ability in business operations, chemical, pharmaceutical, risk management, crisis management, and leadership decision-making Currently serving as Chairman of Everlight Chemical Industrial Corporation Past experience: Deputy General Manager of Country Hospital, Chief of Internal Medicine of Puli Christian Hospital, Special Assistant to Chairman of Everlight Chemical Industrial Corporation and Vice Chairman of Everlight Chemical Industrial Corporation		0
Chen, Ding-Chi	Ability in business operations, chemical, risk management, crisis management, and leadership decision-making Past experience: General Manager and Vice Chairman of Everlight Chemical Industrial Corporation, Director of Good TV Broadcasting Corp.		0
Chen, Wei-Wang	Ability in business operations, technology, chemical industry, risk management, crisis management, leadership and decision making Currently serving as General Manager of Everlight Chemical Industrial Corporation Past experience: Associate Manager and Deputy General Manager of R&D Division of Everlight Chemical Industrial Corporation		0
Chen, Chien-Ming	Ability in business operations, mechanical, technology, chemical industry, risk management, crisis management, leadership and decision making Currently serving as General Manager of Trend Tone Imaging, Inc. Past experience: Senior Project Engineer of General Motors, Deputy Director of Resource Management Division, General Manager of Everlight U.S.A., Deputy General Manager of Trend Tone Imaging, Inc.		0
Chen, Ju-Ai	Ability in judicial affairs, business operations and strategy management Currently serving as Senior Officer of Everlight Chemical Past experience: Specialist, Hongsheng Law Firm \ Assistant General Manager, Everlight (Suzhou)		0
Lee, Yung-Long	Ability in business operations, technology, risk management, crisis management, leadership and decision making Past experience: Chairman of Yuda Technology		0
Ken, Wen-Yuen	Ability in business operation, information, technology, chemical industry, risk management, crisis management, leadership and decision making Currently serving as Chairman of Chung Hwa Chemical Industrial Works Ltd. Past experience: General Manager and Deputy General Manager of Chung Hwa Chemical Industrial Works Ltd.,		0

Criteria Name	Professional qualifications and experience (Note 1)	Status of independence (Note 2)	Number of public-listed companies concurrently served as an independent director
Lin, Chao-Wen	Ability in business operations, technology, chemical industry, risk management, crisis management, leadership and decision making Currently serving as Special Asst. to Chairman of Everlight Chemical Past experience: Assistant General Manager , Electronic Chemicals Division, Everlight Chemical Industrial Corp. Deputy General Manager, Electronic Chemicals Division, Everlight Chemical Industrial Corp.		0
Lin, Shu-Yu	Ability in accounting, auditing, financial analysis, internal controls and internal audits, and risk management. Currently serving as Senior Certified Public Accountant, Joy CPAs Firm Past experience: CPA, KPMG Founding Secretary-General, Computer Audit Association Founding Secretary-General, Taiwan Corporate Governance Association Finance and Accounting Supervisor, Aurora Corp. Chief Auditor, Aurora Group Special Assistant of BOD, Aurora Group	An independent director, meeting the criteria of independence for independent directors	0
Yang, Way-Wen	Ability in judicial affairs, business operations, investment by M&A, risk management and strategy management Currently serving as Associate Professor, Department of Law at Kai Nan College Past experience: Chairman of Star Buck Power Corporation, Independent Director and part-time, Managing Director of Agricultural Bank of Taiwan Corporation	An independent director, meeting the criteria of independence for independent directors	0
Chang, Yuan-Jan	Ability in business operations, technology, chemical industry, investment by M&A, risk management, crisis management, leadership and decision making Currently serving as Senior Deputy General Manager of ITIC Past experience: Independent Director of Iron Force Industrial Co, Senior Strategic Investment Advisor of Lite-On IT Corporation, Senior Deputy General Manager of DelSolar Co., Ltd., Development Manager of AES	An independent director, meeting the criteria of independence for independent directors	0

Note 1: Professional qualifications and experience: No director has been a person of any conditions defined in Article 30 of the Company Act.

Note 2: For independent directors, their state of independence must be specified, including but not limited to whether they, their spouses, second-degree relatives serve as a director, supervisor or employer in the Company or affiliates; the proportion of shares held by the independent director himself/herself, their spouses or second-degree relatives (or in the name of others); whether the independent director serves as a director, supervisor or an employee of a company with which the Company has a specific relationship (refer to Subparagraphs 5 to 8, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); and amount of remuneration received for commercial, legal, financial and accounting services provided by the Company or its affiliates in the past two years.

(III) Diversity and independence of Board of Directors:

(1) Diversity of Board of Directors:

- a. The Company has established the Corporate Governance Principles and Director Election Procedures, which clearly set forth the policy of the diversity of Board of Directors. The Board of Directors ensures that the composition of experts meets business development needs.
- b. The Company's 19th Board of Directors has 11 members (including 3 independent directors); those accompanied with operation judgement, business management, crisis handling ability, industry knowledge, international market view and leading and decision-making ability are Chen, Chien-Hsin, Chen, Ding-Chi, Chen, Wei-Wang, Chen, Chien-Ming, Lin, Chao-Wen, Ken, Wen-Yuen, Lee, Yung-Long, and Chang, Yuan-Jan; those accompanied with accounting, auditing, internal controls and internal audits and financial abilities are Lin, Shu-Yu; those accompanied with judicial affairs ability are Yang, Way-Wen and Chen, Ju-Ai; those having contributions to the charity business are Chen, Chien-Hsin, Chen, Ding-Chi, Chen, Wei-Wang, Chen, Ju-Ai and Yang, Way-Wen.
- c. The Company's directors with employee status account for 36% of the board; 18% of the 2 directors are over 71 years old, 45% of the 5 directors are between 61 and 70 years old, and 36% of the 4 directors are under 60 years old. In addition, the company also places importance on gender diversity within the board of directors, setting a target of having women comprise more than one-third of board members. The number of female directors has increased from one in the previous term to two in the current term, accounting for 18%, and will be gradually increased to reach the target.

(2) Independence of Board of Directors

- a. The 3 independent directors of the Company's Board of Directors account for 27%, with 1 independent director serving for 1-3 years and 2 independent directors serving for 4-6 years. Independent directors may not serve for more than 3 consecutive terms.
- b. No board member met concerns stated in Subgraphs 3-4, Article 26-3 of the Securities and Exchange Act. Although there are directors who are second-degree relatives of each other: Chen, Chien-Hsin, Chen Wei-Wang and Chen, Ju-Ai accounting for 27%; Chen, Ding-Chi and Chen, Chien-Ming, accounting for 18%. These percentages do not exceed half of the Board of Directors, and has therefore met the criteria of independence.

## (V) General Managers, Deputy General Managers, Associates and Managers of Each Department and Branch

March 31, 2025

Title (Note 1)	Nationality	Name	Gender	Date Elected / Appointed	Shareholding		Shareholdings of spouse and minor children		Shares held with other person's name		Major working (educational) experience (Note 2)	Positions concurrently served in other companies	Managers with relationship of spouse or within the kinship of the second-degree relatives (Note3)		
					Share number	Shareholding ratio	Share number	Shareholding ratio	Share number	Shareholding ratio			Title	Name	Relationship
General manager	R.O.C	Chen, Wei-Wang	Male	Jan. 1, 2001	6,300,000	1.15	154,350	0.02	0	0	PhD in Industrial and Operations Engineering, University of Michigan, USA	Chairman of Everlight (Hongkong) Ltd., Ethical (Guangzhou) Ltd., Everlight U.S.A., Everlight Europe B.V. (Netherlands), and director of Trend Tone Imaging, Inc., Everlight (Suzhou) Advanced Chemicals Ltd., Shanghai Anda International Trading Co., Ltd., Suzhou Sanyj, Ethical investment corporation.	Special Asst. to Chairman	Jason Ju	Brother-in-law
Special Asst. to Chairman	R.O.C	Du, Yi-Zhong	Male	Jan. 1, 2020	13,989	0.00	9,951	0.00	0	0	Master in Chemical Engineering, NTUST	Chairman of Everlight (Suzhou) Advanced Chemicals Ltd. and Trend Tone Imaging Inc., and director of Greatlight Investment Corp.,	None	None	None
Special Asst. to Chairman	R.O.C	Lin, Chao-Wen	Male	June. 1, 2024	71,691	0.01	270	0.00	0	0	Macromolecule Fiber, NTUST Master	None	None	None	None
Deputy General Manager	R.O.C	Chen, Qing-Tai	Male	Jan. 1, 2020	14,037	0.00	0	0	0	0	Master in Chemical Engineering, National Cheng Kung University	None	None	None	None
Deputy General Manager	R.O.C	Chen, Ke-Lun	Male	Nov.1, 2020	0	0	0	0	0	0	PhD in Chemistry, National Tsing Hua University	Director of Polytronics Technology Corp., Trend Tone Imaging Inc., and Greatlight Investment Corp.	None	None	None
Plant II Factory Director	R.O.C	Yeh, Shun-Xing	Male	Jan. 1, 2020	1,157	0.00	43,792	0.00	0	0	MBA, National Central University	None	None	None	None
Deputy General Manager	R.O.C	Lee, Fu-Xing	Male	March 31, 2020	40,647	0.00	11,850	0.00	0	0	MBA, Saint Louis University, USA	Director of Everlight U.S.A., Everlight Europe B.V. (Netherlands), and Everlight (Vietnam) Co., Ltd.	None	None	None
Deputy General Manager	R.O.C	Liang, Jen-Yang	Male	Jan. 1, 2023	0	0.00	0	0	0	0	Master in Chemical Engineering, Chung Yuan Christian University	Director of Everlight U.S.A., Everlight Europe B.V. (Netherlands), Everlight (Hongkong) Ltd., Ethical (Shanghai) Ltd., Everlight (Shanghai) Ltd., and Ethical (Guangzhou) Ltd.,	None	None	None
Deputy General Manager	R.O.C	Sun, Che-Jen	Male	June. 1, 2024	217	0.00	0	0	0	0	Master in Chemistry, National Cheng Kung University	Director of Everlight (Suzhou) Advanced Chemicals Ltd. And Shanghai Anda International Trading Co., Ltd.	None	None	None
Special Asst. to Chairman	R.O.C	Jason Ju	Male	Jan. 1, 2025	300,924	0.05	6,000,000	1.09	0	0	PhD in Environmental Engineering, University of Delaware, USA	Director of Everlight (Suzhou) Advanced Chemicals Ltd., Trend Tone Imaging, Anda Semiconductor Technology (Suzhou), Shanghai Anda International Trading, and supervisor of Suzhou Sanyj and Ethical investment corporation.	General manager	Chen, Wei-Wang	Brother-in-law
Associate Manager	R.O.C	Chen, Xin-Zhi	Male	Jan. 1, 2012	0	0	0	0	0	0	MBA, Chang Gung University	Chairman of Ethical (Shanghai) Ltd. and Everlight (Shanghai) Ltd., and Supervisor of Everlight (Suzhou) Advanced Chemicals Ltd.	None	None	None
Associate Manager	R.O.C	Hsiao, Chong-Kun	Male	Jan. 1, 2015	11,063	0.00	2,800	0.00	0	0	MBA, Chinese Culture University	Director and General Manager of Everlight (Vietnam) Co., Ltd.	None	None	None
Associate Manager	R.O.C	Kang, Yuan-Sheng	Male	Jan. 1, 2017	593	0.00	55,000	0.01	0	0	Department of Chemical Engineering, Chung Yuan Christian University	None	None	None	None
Associate Manager	R.O.C	Chen, Yi-Tang	Male	Nov. 16, 2017	1,577	0.00	0	0.00	0	0	Department of Fiber, NTUST	General Manager of Ethical (Guangzhou) Ltd.	None	None	None
Associate Manager	R.O.C	Huang, Tsung-Wen	Male	Jan. 1, 2018	10,000	0.00	0	0	0	0	Master in Chemistry, National Sun Yat-sen University	General manager of Everlight (Suzhou) Advanced Chemicals Ltd.	None	None	None
Associate Manager	R.O.C	Chen, Wen-Zheng	Male	Jan. 1, 2020	1,153	0.00	0	0	0	0	PhD in Fibe, University of Manchester, UK	Director of Chung Hwa Chemical Industrial Works, Ltd.	None	None	None
Associate Manager	R.O.C	Xie, Qing-Xiong	Male	Jan. 1, 2022	257	0.00	0	0	0	0	Master in Chemistry, National Chung Hsing University	Deputy General Manager of Everlight (Suzhou) Advanced Chemicals Ltd. and Everlight (Hongkong) Ltd.	None	None	None

Title (Note 1)	Nationality	Name	Gender	Date Elected / Appointed	Shareholding		Shareholdings of spouse and minor children		Shares held with other person's name		Major working (educational) experience (Note 2)	Positions concurrently served in other companies	Managers with relationship of spouse or within the kinship of the second-degree relatives (Note3)		
					Share number	Shareholding ratio	Share number	Shareholding ratio	Share number	Shareholding ratio			Title	Name	Relationship
Chief Officer of Plant I	R.O.C	Chen, Kun-Mu	Male	Jan. 1, 2021	10,000	0.00	0	0	0	0	Master in Chemical Engineering, Chung Yuan Christian University	None	None	None	
Head of Specialty Chemicals Technics Division	R.O.C	Huang, Yao-Xing	Male	Apr.1, 2016	14,087	0.00	0	0	0	0	PhD in Chemistry, National Tsing Hua University	None	None	None	
Head of Electronic chemicals Q&C Division	R.O.C	Liu, Wen-Zhi	Male	Jan. 1, 2022	456	0.00	0	0	0	0	Master in Chemistry, Fu Jen Catholic University	None	None	None	
Head of Electronic chemicals R&D Division	R.O.C	Huang Hsin-Yi	Male	113.04.01	1,000	0.00	0	0	0	0	PhD in Chemistry and Materials Science, National Chung-Ang University	None	None	None	
Head of R&D Division	R.O.C	Li Yen-Cheng	Male	114.01.01	0	0.00	0	0	0	0	PhD in Chemistry and Materials Science, National Chung-Ang University	None	None	None	
Head of Product Responsibility Division	R.O.C	Huang, Hui-Ching	Female	Jan. 1, 2020	3,782	0.00	0	0	0	0	PhD in Chemistry, Central University	Chairman of Greatlight Investment Corp.	None	None	None
Audit Office General Auditor	R.O.C	Chang, Jin-Rong	Male	Jan. 1, 2022	9	0.00	0	0	0	0	Master of Business Administration, Fu Jen Catholic University	None	None	None	
Head of Financial Division and Supervisor of Financial and Accounting Department	R.O.C	Weng, Kuo-Pin	Male	Jan. 1, 2010	7,726	0.00	0	0	0	0	Department of Business Administration, Feng Chia University	Directors of Everlight U.S.A., Everlight (Singapore) Ltd., Ethical (Shanghai) Ltd., Everlight (Shanghai) Ltd. and Ethical (Guangzhou) Ltd., and supervisors of Trend Tone Imaging, Inc., and Greatlight Investment Corp.	None	None	None
Corporate governance officer	R.O.C	Lee, Ming-Wen	Male	Jan. 1, 2021	0	0.00	0	0	0	0	Master of Business Administration, Temple University, USA	Chairman of Everlight (Vietnam) Co., Ltd. and directors of Everlight (Hongkong) Ltd., Everlight (Singapore) Ltd. Everlight Europe B.V. (Netherlands), Elite Turkey, Pharmaceuticals Co., Ltd. and supervisor of Ethical (Guangzhou) Ltd.	None	None	None

Note 1: Shall include information of general managers, deputy general managers, associate managers, and supervisors of each department and branch. Those whose positions equivalent with general managers, deputy general managers or associate managers shall also be disclosed no matter what the titles are.

Note 2: If experiences related to the current position were undertaken in the accounting firm which takes charge of auditing or in affiliates during the period mentioned above, the titles and responsibilities shall be clarified.

Note 3: If the general manager, or manager of equivalent position (the highest manager) and the Company Chairman are the same person, or his or her spouse, or the kinship of the first degree, related information regarding the arrangement in term of reasons, rationale, necessity and response measures (e.g. increase the number of independent directors, and more than half of the directors do not concurrently serve as employees or managers and et cetera) shall be provided.

## II · Remuneration to Directors, General Managers and Deputy General Managers in the Most Recent Year

### (I) Remuneration paid to directors (including independent directors):

Unit: TWD thousand

Title	Name	Remuneration to directors								Total remuneration (A+B+C+D) and percentage of net income (Note 10)		Remuneration received for concurrently serving as employees				Total remuneration (A+B+C+D+E+F+G) and percentage of net income (Note 10)		Receiving remuneration from invested companies other than subsidiaries or parent company (Note 11)				
		Remuneration (A) (Note 2)		Severance pay and pensions (B)		Remuneration to directors (C) (Note 3)		Business execution expense (D) (Note 4)		Wages, Bonuses and Special Disbursements, etc. (E) (Note 5)		Severance pay and pensions (F)		Remuneration to employees (G) (Note 6)		The Company	All companies in the financial statements (Note 7)					
		The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	Cash amount	Stock amount				Cash amount	Stock amount		
Chairman	Representative of Yung-De Investment Co., Ltd. Chen, Chien-Hsin	3,606	3,606	0	0	1,170	1,170	990	990	5,766 (2.37%)	5,766 (2.37%)	0	0	0	0	0	0	0	0	5,766 (2.37%)	5,766 (2.37%)	None
Director	Chen, Ding-Chuan	0	0	0	0	0	0	726	726	726 (0.30%)	726 (0.30%)	0	0	0	0	0	0	0	0	726 (0.30%)	726 (0.30%)	None
Director	Chen, Ding-Chi	0	0	0	0	585	585	219	219	804 (0.33%)	804 (0.33%)	0	0	0	0	0	0	0	0	804 (0.33%)	804 (0.33%)	None
Director	Chen, Wei-Wang	0	0	0	0	1,170	1,170	180	180	1,350 (0.55%)	1,350 (0.55%)	2,760	2,760	108	108	47	0	47	0	4,265 (1.75%)	4,265 (1.75%)	None
Director	Chen, Chien-Ming	0	0	0	0	585	585	180	180	765 (0.31%)	765 (0.31%)	0	2,142	0	99	0	0	23	0	765 (0.31%)	3,029 (1.24%)	None
Director	Lee, Yung-Long	0	0	0	0	585	585	180	180	765 (0.31%)	765 (0.31%)	0	0	0	0	0	0	0	0	765 (0.31%)	765 (0.31%)	None
Director	Ken, Wen-Yuen	0	0	0	0	585	585	180	180	765 (0.31%)	765 (0.31%)	0	0	0	0	0	0	0	0	765 (0.31%)	765 (0.31%)	None
Director	Chao, Rong-Shiang	0	0	0	0	0	0	75	75	75 (0.03%)	75 (0.03%)	0	0	0	0	0	0	0	0	75 (0.03%)	75 (0.03%)	None
Director	Chen, Ju-Ai	0	0	0	0	585	585	105	105	690 (0.28%)	690 (0.28%)	106	1,065	43	43	14	0	14	0	853 (0.35%)	1,812 (0.74%)	None
Director	Lin, Chao-Wen	0	0	0	0	585	585	105	105	690 (0.28%)	690 (0.28%)	2,068	2,068	64	64	30	0	30	0	2,852 (1.17%)	2,852 (1.17%)	None
Independent director	Wu, Chung-Fern	350	350	0	0	0	0	0	0	350 (0.14%)	350 (0.14%)	0	0	0	0	0	0	0	0	350 (0.14%)	350 (0.14%)	None
Independent director	Yang, Way-Wen	840	840	0	0	0	0	0	0	840 (0.34%)	840 (0.34%)	0	0	0	0	0	0	0	0	840 (0.34%)	840 (0.34%)	None
Independent director	Chang, Yuan-Jan	840	840	0	0	0	0	0	0	840 (0.34%)	840 (0.34%)	0	0	0	0	0	0	0	0	840 (0.34%)	840 (0.34%)	None
Independent director	Lin, Shu-Yu	490	490	0	0	0	0	0	0	490 (0.20%)	490 (0.20%)	0	0	0	0	0	0	0	0	490 (0.20%)	490 (0.20%)	None

- Please state the policy, system, standards and structure of independent directors' remuneration, and describe the relevance to the amount of remuneration according to the responsibilities, risks, and time invested: The remuneration of the independent directors of the company is given to the board of directors after each new board of directors. After deliberation, it will be reported to the board of directors for approval.
- In addition to those disclosed in the above statements, the remuneration paid to the Company's directors (if serving as non-employee consultants) for providing service to all companies in the financial statements in the most recent year: None.
- The Board of Directors was re-elected on May 30, 2024. Chen, Ju-Ai, Lin, Chao-Wen, and Lin, Shu-Yu were newly appointed; Chen, Ding-Chuan, Chao, Rong-Shiang, and Wu, Chung-Fern were outgoing members; the remaining directors were reappointed.

Illustration 1: Business execution expenses include automobile and fuel expense; if there is a driver accompanied, the remuneration is TWD 897,000.

Illustration 2: Severance pay and pensions belong to the expense recognition amount of severance pay and pensions.

Note 1: The names of directors shall be listed separately (for corporate shareholder, the name of the corporate shareholder and its representative shall be listed respectively) and summarized for disclosure of each paid amount.

Note 2: Refer to the remuneration paid to directors in the most recent year (including wage, position bonus, severance pay, and each kind of bonus and reward, etc.)

Note 3: Fill in the director remuneration amount that is resolved to be distributed by the board in the most recent year.

Note 4: Refer to the business execution expense of directors in the most recent year (including transportation, special disbursements, each kind of bonuses, and real objects such as dormitory and company cars, etc.) When houses, automobiles and other transportation tools or personal exclusive expenditure are provided, the characteristics and costs of the assets provided, rent of actual value or evaluated at fair value, fuel expense and other payments shall be disclosed. In addition, if there is a driver accompanied, please clarify the driver's relevant remuneration in footnotes, which is not calculated into total remuneration.

Note 5: Refer to those directors received from serving concurrently as employees (including general managers, deputy general managers, other managers and employees) in the most recent year, including wages, position bonuses, severance pay, each kind of bonuses and rewards, transportation expenses, special disbursements, each kind of bonuses, and real objects such as dormitories and company cars, etc.) When houses, automobiles and other transportation tools or personal exclusive expenditure are provided, the characteristics and costs of the assets provided, rent of actual value or evaluated at fair value, fuel expense and other payments shall be disclosed. In addition, if there is a driver accompanied, please clarify the driver's relevant remuneration in footnotes, which is not calculated into total remuneration. In addition, the wage expense recognized according to IFRS 2 "Share-based Payment", including obtaining employee stock option certificates, employee restricted new shares and participating in share purchases in capital increase by cash, etc., shall be calculated into total remuneration.

Note 6: For the employee remuneration received by directors from serving concurrently as employees (including general managers, deputy general managers, other managers and employees) in the most recent year, the employee remuneration amount resolved to be distributed by the board in the most recent year shall be disclosed.

Note 7: The total remuneration paid to the Company's directors by all companies (including the Company) in the consolidated financial statements shall be disclosed.

Note 8: For the total remuneration paid to each director by the Company, the director's name shall be disclosed in the corresponding ranking.

Note 9: The total remuneration paid to each of the Company's director by all companies (including the Company) in the consolidated financial statements shall be disclosed, and the names of directors shall be disclosed in the corresponding ranking.

Note 10: Net income refers to the net income after tax in the most recent year; for those having adopted IFRS, net income refers to the net income after tax in the individual financial statements in the most recent year.

Note 11: a. This section shall state all forms of remuneration the director has received from the Company's invested businesses other than subsidiaries.

b. For directors who receive remuneration from invested businesses other than subsidiaries, the amount of remuneration from these invested businesses should be added to column I in the table of remuneration ranges, and please change the column name into "All invested businesses" in such cases.

c. The remuneration refers to any returns, compensation (including remuneration to employees, directors and supervisors) and professional fees, etc. which the Company's presidents and vice presidents have received for serving as directors, supervisors, or managers in invested businesses other than subsidiaries.

\* The remuneration disclosed in this table is different from the income concept of the Income Tax Act, and thus this table is only for information disclosure but not for taxation.

(II) Remuneration to General Managers and Deputy General Managers:

Unit: TWD thousand

Title	Name	Salary (A)		Severance pay and pensions (B)		Bonus and special allowances, etc. (C)		Amount of employee compensation (D)				Total remuneration (A+B+C+D) and percentage of net income (%)		Receiving remuneration from invested companies other than subsidiaries or parent company
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Cash amount	Stock amount	Cash amount	Stock amount			
General manager	Chen, Wei-Wang	14,319	14,319	667 (Illustration 1)	667 (Illustration 1)	4,949 (Illustration 2)	4,949 (Illustration 2)	291	0	291	0	20,227 (8.30%)	20,227 (8.30%)	None
Special Asst. to Chairman	Du, Yi-Zhong													
Special Asst. to Chairman	Lin, Chao-Wen													
Deputy General Manager	Chen, Qing-Tai													
Deputy General Manager	Chen, Ke-Lun													
Deputy General Manager	Yeh, Shun-Xing													
Deputy General Manager	Lee, Fu-Xing													
Deputy General Manager	Liang, Jen-Yang													
Deputy General Manager	Sun, Che-Jen													

Illustration 1: Severance pay and pensions belong to the expense recognition amount of severance pay and pensions  
 Illustration 2: Bonuses and special disbursements include automobiles and fuel expenses.

(III) Table of Remuneration Range

Range of the compensation paid to each general manager and deputy general manager of the Company	Name of general managers and deputy general managers	
	The Company	All companies in the financial statements
< TWD 1,000,000		
TWD 1,000,000 (inclusive) ~ TWD 2,000,000 (exclusive)		
TWD 2,000,000 (inclusive) ~ TWD 3,500,000 (exclusive)	Chen, Wei-Wang, Du, Yi-Zhong, Lin, Chao-Wen, Chen, Qing-Tai, Yeh, Shun-Xing, Liang, Jen-Yang, Chen, Ke-Lun, Lee, Fu-Xing, Sun, Che-Jen	Chen, Wei-Wang, Du, Yi-Zhong, Lin, Chao-Wen, Chen, Qing-Tai, Yeh, Shun-Xing, Liang, Jen-Yang, Chen, Ke-Lun, Lee, Fu-Xing, Sun, Che-Jen
TWD 3,500,000 (inclusive) ~ TWD 5,000,000 (exclusive)		
TWD 5,000,000 (inclusive) ~ TWD 10,000,000 (exclusive)		
TWD 10,000,000 (inclusive) ~ TWD 15,000,000 (exclusive)		
TWD 15,000,000 (inclusive) ~ TWD 30,000,000 (exclusive)		
TWD 30,000,000 (inclusive) ~ TWD 50,000,000 (exclusive)		
TWD 50,000,000 (inclusive) ~ TWD 100,000,000 (exclusive)		
> TWD 100,000,000		

(V) Name of managers receiving employee compensation and the distribution status:

Unit: TWD thousand

Title	Name	Stock amount	Cash amount	Total	Total amount as a percentage of net income (%)
For the name list, refer to the information of general managers, deputy general managers, associate managers and supervisors of each department.		0	666	666	0.27

Note: According to the Commission's regulation of Tai-Qai-Zheng-Zi No. 0920001301 published on March 27, 2003, the applicable range for managers is as follows:

- (1) General manager and those with equivalent ranking;
- (2) Deputy general manager and those with equivalent ranking;
- (3) Associate manager and those with equivalent ranking;
- (4) Supervisor of Financial Department;
- (5) Supervisor of Accounting Department;
- (6) Others with rights of management and signing for the Company.

(VII) The comparison analysis of the ratio of remuneration paid from the Company and from all consolidated entities in the most recent two (2) years to the Company's directors, general managers and deputy general managers to net income in the individual financial statement, and the illustration of remuneration policy, standards and packages, procedures of setting remuneration, and the linkage to operating performance and future risk exposure.

- (1) The proportion of the total remuneration of directors to net profit after tax increased by 6.54% compared with last year, which was due to the decrease in net profit after tax compared with the previous year; while the total remuneration of the general manager and deputy general manager accounted for net profit after tax increased by 16.34% compared with last year. This is because a new deputy general manager was added this year and the net profit after tax decreased compared with the previous year, resulting in a significant increase in the ratio of net profit after tax. There was no significant change in the overall total remuneration and there was no unreasonable situation.
- (2) According to the Company's Articles of Incorporation, the Company's director remuneration is authorized to be determined by the Board of Directors based on the director's participation procedure in the Company's operation and the value of contribution, no matter whether the Company has realized profit or loss. The standard of the industry is also taken into consideration when deciding director remuneration. A rational remuneration was approved by the Remuneration Committee and the Board of Directors. The directors are paid with fixed remuneration instead of variable remuneration.
- (3) Article 27 of the company's articles of association stipulates that if the company has a profit in the year, 5% should be allocated as employee compensation. According to the Company's standards of remuneration, the wages and bonuses paid to general managers and deputy general managers is individually examined and discussed by the Remuneration Committee periodically and then sent to the Board of Directors for resolution, considering the manager's position, contribution, performance and responsibility undertaken. Among them, performance is considered for evaluation indicators including professional ability, interpersonal ability, conceptual ability, leadership ability, etc., and is included in the basis of year-end bonus and employee remuneration.

### III. Status of Corporate Governance

#### (I) Operation status of the Board of Directors

In 2024, the Board of Directors has convened 7 meetings (A), and the participation status of directors is listed below:

Title	Name	Attendance in person(B)	By proxy	Rate of attendance in person (%) (B/A)	Notes
Chairman	Chen, Chien-Hsin	7	0	100%	Reappointed
Director	Chen, Ding-Chuan	2	0	100%	Outgoing
Director	Chen, Wei-Wang	7	0	100%	Reappointed
Director	Chen, Chien-Ming	7	0	100%	Reappointed
Director	Chen, Ding-Chi	7	0	100%	Reappointed
Director	Lee, Yung-Long	7	0	100%	Reappointed
Director	Ken, Wen-Yuen	6	1	86%	Reappointed
Director	Chao, Rong-Shiang	2	0	100%	Outgoing
Director	Chen, Ju-Ai	5	0	100%	New
Director	Lin, Chao-Wen	5	0	100%	New
Independent director	Wu, Chung-Fern	2	0	100%	Outgoing
Independent director	Chang, Yuan-Jan	7	0	100%	Reappointed
Independent director	Yang, Way-Wen	7	0	100%	Reappointed
Independent director	Lin, Shu-Yu	5	0	100%	New

Note: Date of election of the 19th term of Directors: 2024/5/30

Other matters that shall be recorded:

1. The following situations did not occur during Board meetings:

- (1) Matters listed in Article 14-3 of the Securities and Exchange Act.
- (2) In addition to matters mentioned above, others that are opposed or reserved by the Independent Directors and have records or written statements.

2. Implementation status of Director's avoidance of conflict of interest:

- (1) At the 18th Board of Directors' 15th meeting, a resolution was passed regarding the remuneration of managerial officers under the Securities and Exchange Act. Director Chen Wei-Wang, being concurrently a managerial officer, recused himself. Directors Chen Ding-Chuan and Chen, Chien-Hsin, both being within the second degree of kinship to Director Chen Wei-Wang, also recused themselves and did not participate in the discussion and voting.
- (2) At the 18th Board of Directors' 16th meeting, a resolution was passed regarding the appointment of directors of the subsidiary Trend Tone Imaging. Directors Chen Wei-Wang and Chen, Chien-Ming, being parties involved in the case, recused themselves. Directors Chen Ding-Chuan and Chen, Chien-Hsin, both being within the second degree of kinship to Director Chen Wei-Wang, and Director Chen Ding-Ji, being within the second degree of kinship to Director Chen, Chien-Ming, also recused themselves and did not participate in the discussion and voting.
- (3) At the 19th Board of Directors' 1st meeting, a resolution was passed on the appointment of members to the 6th Compensation Committee. Independent Directors Zhang Yuan-Zhen, Lin Shu-Yu, and Yang Wei-Wen, being parties involved in the case, recused themselves and did not participate in the discussion and voting.
- (4) At the 19th Board of Directors' 2nd meeting, a resolution was passed regarding the remuneration for the current Independent Directors. Independent Directors Zhang Yuan-Zhen, Lin Shu-Yu, and Yang Wei-Wen, being parties involved in the case, recused themselves and did not participate in the discussion and voting.
- (5) At the 19th Board of Directors' 5th meeting, a resolution was passed on the appointment of directors and supervisors of a subsidiary. Directors Chen Wei-Wang, Chen Ru-Ai, and Chen, Chien-Ming, being parties involved in the case, recused themselves. Director Chen, Chien-Hsin, being within the second degree of kinship to Directors Chen Wei-Wang and Chen Ru-Ai, and Director Chen Ding-Ji, being within the second degree of kinship to Director Chen, Chien-Ming, also recused themselves and did not participate in the discussion and voting.
- (6) At the 19th Board of Directors' 5th meeting, a resolution was passed regarding the appointment of the General Manager of the subsidiary Everlight (Suzhou) Advanced Chemicals Ltd. Director Chen Ru-Ai, being the spouse of the current General Manager of Suzhou Yongguang and having a potential conflict of interest, recused herself and did not participate in the discussion and voting.
- (7) At the 19th Board of Directors' 5th meeting, a resolution was passed on year-end bonuses for managerial officers under the Securities and Exchange Act. Directors Chen Wei-Wang and Lin Chao-Wen, being parties involved in the case, recused themselves. Directors Chen, Chien-Hsin and Chen Ru-Ai, both being within the second degree of kinship to Director Chen Wei-Wang, also recused themselves and did not participate in the discussion and voting.

- (8) At the 19th Board of Directors' 5th meeting, a resolution was passed regarding the adjustment of remuneration for managerial officers under the Securities and Exchange Act. Directors Chen Wei-Wang and Lin Chao-Wen, being parties involved in the case, recused themselves. Directors Chen, Chien-Hsin and Chen Ru-Ai, both being within the second degree of kinship to Director Chen Wei-Wang, also recused themselves and did not participate in the discussion and voting.
3. The results of the internal and external evaluations of the Board of Directors' performance can be found on the company's website.
4. Measures undertaken during the current year and the most recent years in order to strengthen the functions of the Board of Directors and assessment of their implementation:
- (1) Implementation of the project "enhancing the functions of the Board of Directors": a. Streamline statutory reporting and focus on discussions on operations. b. Operational policies and certain major investment proposals are first discussed by the Strategy Committee to enhance the depth of director participation. c. On March 12, 2024, the Nomination Committee resolved to approve the Board performance evaluation results conducted by the external organization "Taiwan Institute of Ethical Business and Forensics." For the recommendations and the status of their implementation, please refer to the company's website. d. Following this year's board re-election, the restructured Risk Management Committee and Sustainability Development Committee are now composed entirely of board members to strengthen the Board's oversight and management of ESG and risk-related issues.
- (2) Enhancing information transparency: 2 investor conferences were held on April 23, 2024 and August 23. In accordance with the Corporate Governance 3.0-Sustainable Development Blueprint, the self-financed financial information of the previous year shall be announced within 75 days after the end of the year. The company has declared within the deadline of March 15, 2024.

Note: (1) If a director or supervisor resigns before the end of the year, the resignation date shall be indicated in the Remarks field. The actual attendance rate (%) was calculated on the basis of the number of board meetings held during each director's term and the number of meetings actually attended by that director.

(2) If there is a reelection of directors and supervisors before the end of the year, the new and old directors and supervisors must be stated in the Remarks field, and indicated if such director and supervisor is old, new, or reelected, as well as the reelection date. The percentage of actual (proxy) attendance (%) will be calculated based on the number of Board of Directors' meetings held during active duty and the number of actual (proxy) attendance.

#### The execution status of evaluation on the Board of Directors

Assessment period	Term of assessment	Scope of assessment	Assessment methodology	Content of assessment
Once every year	2024/1/1 ~ 2024/12/31	The Board of Directors, individual Directors, and Functional Committees	The assessment shall be executed by the Secretary of Nomination Committee via internal questionnaire. I. Board performance self-assessment: Each member of the Nomination Committee individually completes the questionnaire covering the five key assessment areas. II. Director self-assessment: All directors individually complete the questionnaire covering the six key assessment areas. III. Functional committee performance self-assessment: Each independent director individually completes the questionnaire covering the five key assessment areas.	I. Five major areas of the performance evaluation items of the Board of Directors: (1) Participation level in the Company's operation. (2) Improvement on the quality of decision making of the Board of Directors. (3) Composition and structure of the Board of Directors (4) Election and continued education of the directors. (5) Internal control. II. Six major areas of self-assessment of directors on self-evaluation: (1) Understanding of the goal and mission of the Company. (2) Understanding of director's responsibilities. (3) Participation level in the Company's operation. (4) Management and communication of internal relationship. (5) Professionalism and continued education of Directors. (6) Internal control. III. Five major areas of self-assessment on the performance evaluation of Functional Committees (Audit,

				Nomination, and Remuneration): (1) Participation level in the Company's operation. (2) Understanding of the responsibilities of Functional Committees. (3) Improvement on the quality of decision making of Functional Committees. (4) Composition and structure of Functional Committees. (5) Internal control.
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(II) Operation of Audit Committee

The Audit Committee of the Company was established on June 11, 2015, and is composed of three Independent Directors. The current (4th) term of the Committee members is from May 30, 2024 to May 29, 2027.

The Audit Committee of the Company comprises three Independent Directors. The Audit Committee shall assist the Board in fulfilling its overseeing responsibilities in relation to accounting, auditing, financial reporting process and quality and integrity in financial control.

The Audit Committee held 7 meetings in 2024, and the matters reviewed mainly included:

1. Audit of financial statements and accounting policies and procedures
2. Internal control system and related policies and procedures
3. Significant investment transactions
4. Report on the implementation of integrity management
5. Earnings distribution
6. Legal compliance
7. Whether or not the managerial officer and the Director have transactions with related parties and the possible conflicts of interest?
8. Complaint report
9. Fraud prevention plan and fraud investigation report
10. Information security
11. Corporate risk management
12. Qualifications, independence and performance evaluation of Certified Public Accountants
13. Appointment or dismissal of Certified Public Accountants, or remuneration to there to.
14. Implementation of the responsibilities of the Audit Committee
15. Audit Committee performance evaluation self-assessment questionnaire

**Review of financial reports**

The Board of Directors prepared the Company's 2024 annual business report, financial statements and proposal for distribution of earnings, in which the Financial Statements have been audited by the commissioned CPAs, Huang, Ming-Hong and Tang, Chia-Chien of KPMG Taiwan, with an Independent Audit Report being issued. The above-mentioned annual business report, financial statements and proposal for distribution of earnings have been reviewed and determined to be correct and accurate by the Audit Committee.

**Evaluate the effectiveness of the internal control system**

The Audit Committee assesses the effectiveness of the policies and procedures of the Company's internal control system (including finance, operations, risk management, information security, outsourcing, compliance and other control measures) and reviews the Company's Audit Department and Certified Public Accountant, as well as the management's periodic reports, including risk management and legal compliance. Referring to the internal control system issued by the Sponsoring Organizations of the Treadway Commission (COSO)— the Internal Control — Integrated Framework, the Audit Committee considers that the Company's risk management and internal control system are effective and that the Company has adopted the necessary control mechanisms to monitor and correct violations.

### Commissioned Certified Public Accountant

The Audit Committee has been given the duty to supervise the CPA firm to ensure the fairness of the financial statements.

In general, other than tax-related services or specially approved items, CPA firm is not allowed to provide other services of the Company. All services provided by CPA firm are required to be approved by the Audit Committee.

To ensure the independence of the CPA firm, the Audit Committee has drawn up an independent assessment form referring to Article 47 of the Certified Public Accountant Act and the “integrity, Impartiality and objectivity and independence” of the Bulletins No. 10 of the Norm of Professional Ethics for Certified Public Accountant. It evaluates whether or not the CPA firm and the Company are related parties, have business with each other or have a relationship involving financial interests and others based on independence, professionalism and suitability of CPAs. The 5th Meeting of the 4th Term of the Audit Committee on Dec.10, 2024 and the 5th Meeting of the 19th Term Board of Directors on Dec. 12, 2024 reviewed and resolved that the two CPAs, Huang, Ming-Hung and Tang, Chia-Chien of KPMG Taiwan both met the standards for the evaluation of independence and are sufficient to act as CPAs for our financial statements.

In the most recent year, the Audit Committee has held the meeting 7 times (A), with the Independent Directors present and in attendance as follows:

Title	Name	Attendance in person (B)	By proxy	Rate of attendance in person (%) (B/A)(Note)	Notes
Convener	Wu, Chung-Fern	2	0	100%	Outgoing
Convener	Lin, Shu-Yu	5	0	100%	New
Commissioner	Chang, Yuan-Jan	7	0	100%	Reappointed
Commissioner	Yang, Way-Wen	7	0	100%	Reappointed

1. Other matters that shall be recorded:

(I) Matters listed in Article 14-5 of the Securities and Exchange Act.

Date of Audit Committee meeting	Contents of the Motion	Resolution results of Audit Committee	The Company's handling of the opinions expressed by Audit Committee
March 12, 2024 The 3rd Term The 15th Meeting	Motion for 2023 remuneration distribution of employees and directors	After the chair has inquired all attending commissioners, the motion was passed without objection.	The motion was passed by all attending directors at the Board meeting held on March 14, 2024.
	Motion for 2023 business report and financial statements		
	Motion for 2023 earnings distribution		
	Motion for review on the results of the self-evaluation results of internal control		
	Amendment to the Rules of Procedure for Board of Directors' Meetings		
	Amendment to the Organizational Charter of the Audit Committee		
	Amendment to the Measures for the Promotion of Directors' Training		
May 6, 2024 The 3rd Term The 16th Meeting	Motion for the consolidated financial report for 2024 Q1	After the chair has inquired all attending commissioners, the motion was passed without objection.	The motion was passed by all attending directors at the Board meeting held on May 9, 2024.
June 11, 2024 The 4th Term The 2nd Meeting	Amendment to the Organizational Charter of the Sustainability Development Committee	After the chair has inquired all attending commissioners, the motion was passed without objection.	The motion was passed by all attending directors at the Board meeting held on June 13, 2024.
	Proposed Acquisition of Equity in Subsidiary Elite (Turkey)		
Aug. 6, 2024 The 4th Term The 3rd meeting	Motion for the consolidated financial report for 2024 Q2	After the chair has inquired all attending commissioners, the motion was passed without objection.	The motion was passed by all attending directors at the Board meeting held on Aug. 8, 2024.
	Amendment to the Risk Management Procedure		
	Amendment to the Risk Management		

	Procedures		
	Proposal for Capital Injection by Subsidiary Everlight (Singapore) Co., Ltd. into Shanghai Anda International Trading Co., Ltd.		
	Proposal for Capital Injection into Everlight (Singapore) Co., Ltd.		
Nov.12,2024 The 4th Term The 4th Meeting	Motion for the consolidated financial report for 2024 Q3	After the chair has inquired all attending commissioners, the motion was passed without objection.	The motion was passed by all attending directors at the Board meeting held on Nov.14,2024.
	Amendment to the Company's internal control system		
	Establishment of the Sustainable Information Management Procedures		
	Amendment to the Organizational Charter of the Audit Committee		
	Proposal for Additional Budget for Restoration and Expansion of Building L at Plant 3		
	Proposal for Lending of Funds to Subsidiary Everlight (Suzhou) Advanced Chemicals Ltd. by the Company		
Dec.10,2024 The 4th Term The 5th Meeting	Motion for 2025 internal audit plan	After the chair has inquired all attending commissioners, the motion was passed without objection.	The motion was passed by all attending directors at the Board meeting held on Dec.12,2024.
	Motion for appointment of 2025 CPAs of financial statements and their compensation		
	Project for the Construction and Expansion of the Production Line in Building V of the Company's Electrochemical Plant		
	Motion for formulation of Procedures for Non-Assurance Services provided by the CPA firm		
	Motion to Amend the Operational Procedures for Fund Lending and Endorsement Guarantees		

(II) Other resolutions not approved by the Audit Committee but agreed by more than two-thirds of all Directors: None.

2. Implementation status of Independent Director's avoidance of conflict of interest: None.

3. Communication between Independent Directors and internal audit supervisors and accountants is as follows

(I) Independent Directors review monthly internal audit work reports and quarterly audit tracking reports.

(II) The head of internal audit of the Company reports the audit plan for the following year annually to the Audit Committee, which is composed entirely of independent directors. The head also reports on the implementation of the internal control system at least once every quarter in separate meetings with the Audit Committee. In the event of any special circumstances, immediate reporting is conducted. In 2024, a total of seven communications were made through the Audit Committee and discussion meetings. The Company also provided responses and follow-up actions based on the suggestions of the independent directors.

Date	Member	Matters of communication	Results
March 12,2024 Audit Committee meeting	all attending	Report on the Internal Audit Activities and Results for the Period from December 2023 to February 2024.	The attending Independent Directors raised no objections to the contents of the report.
		Discussion Proposal for the Preparation of the 2023 Internal Control Statement.	No objections, the proposal is approved as presented, and the resolution is submitted to the Board of Directors.
May 06,2024 Audit Committee meeting	all attending	Report on the Internal Audit Activities and Results for the Period from March 2024 · and Response to the Independent Director's Inquiry Regarding Audit Findings on the Customer Credit Approval Process.	The attending Independent Directors raised no objections to the contents of the report.
June 11,2024 Audit Committee meeting	all attending	Report on the Internal Audit Activities and Results for the Period May 2024 · and Response to the Independent Director's Inquiries the Audit Results and Remediation Status of the Mainland China Subsidiary.	The Independent Director requests the Audit Department to follow up on the identified audit deficiencies until improvements are completed.

Aug. 05,2024 discussion meetings.	Independent Directors/ Chang, Yuan-Jan General Auditor/ Chang, Jin-Rong	Report on Audit Findings of the Customer Credit Approval Process	Discussion and communication of the inquiries raised by Independent Director Chang, Yuan-Jan
Aug. 6,2024 Audit Committee meeting	all attending	Report on the Internal Audit Activities and Results for the Period from June 2024 to July 2024 · and respond to the Independent Director's inquiry regarding audit findings on the raw material procurement process	Discussion and communication of the inquiries raised by Independent Director Lin, Shu-Yu
Nov. 12,2024 Audit Committee meeting	all attending	Report on the Internal Audit Activities and Results for the Period from August 2024 to September 2024 · and respond to the Independent Director's inquiry regarding audit findings related to Plant 4 and the subsidiaries.	Discussion and communication of the inquiries raised by Independent Director Lin, Shu-Yu and Chang, Yuan-Jan
Dec. 10,2024 Audit Committee meeting	all attending	Report on the Internal Audit Activities and Results for the Period from October 2024 to November 2024 · and respond to the Independent Director's inquiry regarding audit findings of the subsidiaries.	The attending Independent Directors raised no objections to the contents of the report.
		Discussion Proposal for the Company's 2025 Audit Pla	No objections, the proposal is approved as presented, and the resolution is submitted to the Board of Directors.

(III) The accountants attended the 2024 Audit Committee for 5 times to report the review or review results and findings on Financial Statements to the Independent Directors.

Date of Audit Committee meeting	Matters of communication	Results
March 12,2024	Report of the Review on 2023 Financial Statements (separate).	Acknowledged.
May 6,2024	Report of the Review on the First Quarter 2024 Financial Statements.	Acknowledged.
Aug.6,2024	Report of the Review on the Second Quarter 2024 Financial Statements.	Acknowledged.
Nov.12,2024	Report of the Review on the Third Quarter 2024 Financial Statements.	Acknowledged.
Dec.10,2024	2024 Audit Quality Indicator Report.	Acknowledged.

(IV) In normal times, the audit supervisor and the accountant may directly communicate with the Independent Director as necessary, and the communication goes well.

(V) The Company also makes a disclosure of the communication between Independent Directors and internal audit supervisors and accountants on the Company's website.

(III) The state of the Company's implementation of corporate governance, any departure of such implementation from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and the reason for any such departure

Evaluation Item	Implementation Status			Departure of such implementation from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and the reason for any such departure
	Yes	No	Summary	
I. Does the company follow the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" to establish and disclose its corporate governance practices?	V		The practices were set up on Aug. 26, 2010, amended on Nov. 14, 2024 and disclosed on the company website and the MOPS.	No discrepancy.
II. Shareholding structure and shareholders' interests				
(I) Does the company set up internal operation procedures for recommendations, concerns, disputes, and litigation raised by shareholders, and implement such matters in accordance with the procedures?	V		(I) The Company has designated dedicated personnel such as the supervisor of Shareholder Service Room and the Company's spokesperson, etc., to handle the suggestions of shareholders or problems such as disputes.	No discrepancy.
(II) Does the company have a roster of its major, actual controlling shareholders as well as the ultimate controllers?	V		(II) The Company's Shareholder Service Room regularly provides reports and statements and relevant information every quarter or during the preparation period of shareholders' meeting.	No discrepancy.
(III) Has the company built and executed risk management and firewall system between the Company and its affiliates?	V		(III) The Company has formulated "Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises" and "Rules Governing Transfer Pricing in Affiliated Enterprises" to control the transaction management, endorsements and guarantees, fund lending, etc., with its affiliates. In addition, the Company has defined the operation of "Supervision and Management on Subsidiaries" in the "Internal Control System" and "Rules Governing Subsidiaries", in order to implement its risk control mechanism on subsidiaries.	No discrepancy.
(IV) Has the company established internal rules prohibiting insider trading on undisclosed information?	V		(IV) The Company has formulated "Operating Procedures for Preventing Insider Trading," "Ethical Corporate Management Principles," and "Procedures for Ethical Management and Guidelines for Conduct," and volunteers to instantly publish its revenue and profitability information after clearance every month, which lowers the information gap of shareholders as much as possible and prevents insiders from seizing the opportunities of using unpublished information. The Company will also irregularly conduct reviews to meet the needs of the existing laws and regulations and practical management. The above-mentioned rules can be looked up from the Company's website.	No discrepancy.
III. Composition and responsibilities of the Board of Directors				
(I) Does the Board of Directors have a diversity policy, specific management objectives and implementation?	V		(I) The Company's policy on diversity of board members, specific management objectives and implementation are described on page 11.	No discrepancy.
(II) Other than the Remuneration Committee and the Audit Committee which are established in accordance with laws, does the company plan to set up other functional committees?	V		(II) The company set up other functional committees including Nomination Committee, Strategy Committee, Risk Management Committee and Sustainable Development Committee.	No discrepancy.
(III) Has the company established methodology for evaluating the performance of its Board of Directors, and conducts performance evaluation annually and regularly, and reported the evaluation result to the Board of Director and used the result as a reference on the consideration of individual directors' remuneration and reelection nomination?	V		(III) "Regulations for the Board Performance Evaluation" formulation has been adopted by the Company through Board of Directors resolution on March 26, 2015. Each year, the regular assessments shall be conducted by the Nomination Committee in accordance with the Regulations for the Board Performance Evaluation, and for at least three years conducted by an external institution. It has added the performance evaluation of the Functional Committee since 2018. In March every year, the evaluation result will be reported by the Convener of Nomination Committee to the Board of Directors and serves as a reference for future reelection nomination.	The remuneration of the company's directors depends on the company's annual operating profit.
(IV) Has the company regularly evaluate its auditor's independence?	V		(IV) Before the Company's Board of Directors resolve to elect CPAs in the end of each year, the independence and suitability of the certified public accountants by reference to the Audit Quality Indicators (AQIs) will be examined first, in which the Company will check whether they are the Company's directors, shareholders or receive wages from the Company. At the same time, the CPAs will be checked if they are not stakeholders and have no other financial gains and business relationships with the Company except for receiving the fees for certifying and financial and tax cases. Once all of the above standards have been met and the CPAs have provided the "Confirmation of independence," the audit on the CPAs' hiring and fees are then conducted. The most recent evaluation was conducted at the meeting of the Board of Directors on December 12, 2024 and the results showed that the CPAs met the criteria for independence and suitability. The election of the CPAs was approved.	No discrepancy.

Evaluation Item	Implementation Status			Departure of such implementation from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and the reason for any such departure																											
	Yes	No	Summary																												
			<table border="1"> <thead> <tr> <th>evaluation items</th> <th>evaluation result</th> <th>consistent with independence</th> </tr> </thead> <tbody> <tr> <td>Whether the accountant has a direct or significant indirect financial interest relationship with the company</td> <td>no</td> <td>yes</td> </tr> <tr> <td>Whether the accountant has any financing or guarantee activities with the company or its directors</td> <td>no</td> <td>yes</td> </tr> <tr> <td>Whether the accountant has a close business relationship and potential employment relationship with the company</td> <td>no</td> <td>yes</td> </tr> <tr> <td>Whether the accountants and members of the audit team currently or in the past two years have served as directors, managers or positions that have significant influence on the audit work in the company</td> <td>no</td> <td>yes</td> </tr> <tr> <td>Whether the accountant has provided non-audit services to the company that may directly affect the audit work</td> <td>no</td> <td>yes</td> </tr> <tr> <td>Whether the accountant has brokered shares or other securities issued by the company</td> <td>no</td> <td>yes</td> </tr> <tr> <td>Whether the accountant serves as the company's defender or mediates conflicts with other third parties on behalf of the company</td> <td>no</td> <td>yes</td> </tr> <tr> <td>Whether the accountant has a family relationship with the company's directors, managers, or persons with significant influence on the audit case</td> <td>no</td> <td>yes</td> </tr> </tbody> </table>	evaluation items	evaluation result	consistent with independence	Whether the accountant has a direct or significant indirect financial interest relationship with the company	no	yes	Whether the accountant has any financing or guarantee activities with the company or its directors	no	yes	Whether the accountant has a close business relationship and potential employment relationship with the company	no	yes	Whether the accountants and members of the audit team currently or in the past two years have served as directors, managers or positions that have significant influence on the audit work in the company	no	yes	Whether the accountant has provided non-audit services to the company that may directly affect the audit work	no	yes	Whether the accountant has brokered shares or other securities issued by the company	no	yes	Whether the accountant serves as the company's defender or mediates conflicts with other third parties on behalf of the company	no	yes	Whether the accountant has a family relationship with the company's directors, managers, or persons with significant influence on the audit case	no	yes	
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IV. As a public listed company, has the Company allocated competent managers or sufficient number of managers to be in charge of corporate governance, and designated supervisors thereof to be in charge of corporate governance affairs (including but not limited to providing information required for business execution by directors and supervisors, assisting the Board and supervisors in legal compliance, handling matters related to the Board and shareholder meetings in accordance with laws, and producing handbooks of board meetings and shareholders meetings, and et cetera)?	V		On Dec. 17, 2020, the Board of Directors approved the appointment of Associate Manager Li Ming-Wen as the corporate governance manager. Mr. Li is responsible for protecting the rights and interests of shareholders and strengthening the functions of the Board. Associate Manager Mr. Li has more than 3 years of experience in financial and corporate governance-related affairs in public companies. The main duties of the Corporate Governance Manager is to, in compliance with the law, handle matters associated with meetings of the Board of Directors and shareholders; prepare minutes of meetings of the Board of Directors and shareholders; assist in appointment of directors and their continuous education; and provide the information required for directors in order for them to carry out business and assist directors in regulatory compliance. The total training hours for corporate governance supervisors in 2024 is 19 hours, which meets the training hours regulations.	No discrepancy.																											
V. Has the company provided proper communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.), and created dedicated sections on its website to address corporate social responsibility issues that are of significant concern to stakeholders?	V		The company most recently identified eight types of major stakeholders through the five principles of the AA1000 SES stakeholder negotiation standard in December 2022, including customers/brand owners, shareholders/investors, employees, suppliers/contractors, neighboring communities, government agencies, banks, external public associations, etc., and establish and maintain good communication channels with various stakeholders, proactively contact or visit each other to share various company information with stakeholders, and respond to investors ...etc. to ask questions. The Company publishes quarterly journals of Everlight Chemical and Sustainability Report on a regular basis, sharing the updates of the Company and responding to important issues concerning stakeholders, and also discloses specific windows and contact information on the website.	No discrepancy.																											
VI. Has the company appointed a professional shareholders service agent to process the affairs related to shareholders' meetings?	V		Yes; since April 20, 2015, the Company's shareholders' meeting affairs have been outsourced to Share Transfer Agency Department of Mega Securities Co., Ltd.	No discrepancy.																											
VII. Information disclosure (I) Has the company established a company website to disclose information regarding its financial, operational and corporate governance status?	V		(I) Company website: <a href="http://www.ecic.com.tw/">http://www.ecic.com.tw/</a>	No discrepancy.																											

Evaluation Item	Implementation Status			Departure of such implementation from the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies, and the reason for any such departure
	Yes	No	Summary	
<p>(II) Does the company use other information disclosure channels (e.g. maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, and webcasting investors conference to be put on the company website, etc.)?</p> <p>(III) Does the Company publicly announce and file the annual financial reports within two months after the accounting year-end, and publicly announce and file the first, second and third quarterly financial reports and the monthly operating status report before stipulated deadlines?</p>	V	V	<p>(II) The Company has set up dedicated personnel in each department for collection the Company's information and sending to the Company's spokesperson for disclosure; the "Operation Guidelines for Company Spokesperson and Deputy Spokesperson" have been implemented and operated for many years; before investor conferences, important information is released and published in accordance with regulations, and slides prepared in Chinese and English and videos will be uploaded and disclosed on company website.</p> <p>(III) The annual, first, second and third quarterly financial reports, and the monthly operating status report are all publicly announced and filed within stipulated deadlines.</p>	<p>No discrepancy.</p> <p>Financial reports are still unable to be made public at earlier dates.</p>
H. Has the company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee care, investor relations, supplier relations, rights of stakeholders, training of directors and supervisors, implementation of risk management policies and risk evaluation measures, implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	V		<p>(I) Employee rights and care: Please refer to the section for labor-employer relationship in the annual report.</p> <p>(II) Investor relationship: 1. The Company published conditions of operation and profitability every month, and has a spokesperson set up for answering the questions asked by shareholders. 2. On the company website (<a href="http://www.ecic.com">http://www.ecic.com</a>), there is information of investor relationship, ESG sustainability operation and stakeholders, providing information that investors care about.</p> <p>(III) Supplier relationship: In accordance with the company's sustainability ESG policies, quality policy, environmental policy, and health and safety policy, the Everlight Chemical Group has established its Procurement and Supplier Management Policy and Supplier Code of Conduct, which are published on the company website. Adhering to the principles of sustainable procurement, the company aims to build long-term, mutually trusting, and beneficial relationships with suppliers. It supports the spirit of sustainable and green procurement, prioritizing suppliers with sustainable practices and strong environmental protection efforts. The company integrates supplier shipping models and near-shore procurement to reduce supply chain carbon emissions. Through supplier negotiations, audits, E-ESG certification, selecting excellent suppliers, incorporating CSR clauses in contracts, and providing supplier training, the company promotes circular economy, ESG practices, and sustainable business operations, fulfilling its corporate social responsibility. Additionally, contractors are required to comply with safety and health management regulations to ensure workplace safety and protect employees' rights.</p> <p>(IV) Rights of related parties: 1. Setting up the Technical Marketing and Service Department, assisting customers in the application of technology and problem solving, and conducting customer satisfaction survey every year. 2. Sticking to the principles of fair competition and reaching business goals with methods not violating business ethics. 3. Others: such as starting up group meetings of risk management to respond to the sudden changes of the economic environment, and continuously communicating with stakeholders such as customers, suppliers, and correspondent banks, etc., in order to maintain the rights of both parties.</p> <p>(V) On-the-job further study of directors: All directors meet the time requirement of on-the-job further study.</p> <p>(VI) Implementation status of risk control policies and risk measuring standards: See the company website.</p> <p>(VII) The Company's purchase of liability insurance for directors: The Company has bought liability insurance for all directors and has reported on the board meeting on June 13, 2024.</p>	No discrepancy.
<p>IX. Please state the corrective actions already taken and also propose the matters to be improved as the first priority and countermeasures against them, based on the corporate governance evaluation results released by the Corporate Governance Center of TWSE in the most recent year.</p> <p>(I) 2023 corporate governance evaluation result: The Company is 6% to 20% in the listed company category; 21%-40% of the non-financial electronics category with net worth of over NT\$10 billion in the non-financial electronics category. Improvements made in the year - The company formulates financial business-related operating procedures with related parties. Minutes of the 2024 General Meeting of Shareholders record the important content of shareholders' questions and the company's responses. The 2024 regular shareholder meeting will be broadcast live online.</p> <p>(II) Priorities for improvement in 2024: The company's prepared Sustainability Report is submitted for approval by the Board of Directors. The company shall hold at least two investor briefings annually, either by invitation or on its own initiative, and disclose complete meeting video links and information. At the Board of Directors level, a functional committee, the Risk Management Committee, is established to oversee risk management.</p>				

(IV) Remuneration Committee

1. Information on members of the Remuneration Committee and their duties

The Committee is made up of 3 members. For their professional qualifications and experience, as well as status of independence, please refer to page 10. The Committee, faithfully performs the following duties with the care of a good administrator and submits its suggestions to the Board of Directors for discussion.

- (1) Establish and regularly review the performance evaluation of the directors, supervisors and company offices as well as the remuneration policy, system, standards and structure.
- (2) Regularly evaluate and establish the remuneration to directors, supervisors, company officers.

2. Information about the operations of Remuneration Committee

- (1) The Company's Remuneration Committee consists of 3 members.
- (2) The term of the commissioners: Committee members is from May 30,2024 until May 29,2027. The Committee has convened 5 meetings (A) during the most recent year. The qualification and participation of the commissioners are listed below:

Title	Name	Attendance in person (B)	By proxy	Rate of attendance in person (%) (B/A)	Number of public-listed companies concurrently served as an Remuneration Committee	Notes
Convener	Chang, Yuan-Jan	5	0	100%	0	Reappointed
Commissioner	Yang, Way-Wen	5	0	100%	0	Reappointed
Commissioner	Wu, Chung-Fern	2	0	100%	2	Outgoing
Commissioner	Lin, Shu-Yu	3	0	100%	0	new

Other items that shall be recorded: none

Operation of the year

Date /Term	Reasons for Discussion	Resolution Results	The Company's handling of Member's Opinions
March 12,2024 The 5th Term The 12th Meeting	Motion for Managerial Promotions and Compensation Adjustments.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
	Motion for 2023 distribution of remuneration to directors	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
	Motion for 2023 employee remuneration of managers as defined in the Securities and Exchange Act	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
May 6,2024 The 5th Term The 13th Meeting	Motion for Managerial Promotions and Compensation Adjustments.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
	Motion for employee remuneration of managers as defined in the Securities and Exchange Act	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
May 30,2024 The 6th Term The 1st Meeting	Motion for the Nomination of the Convener for the 6th Term of the Committee.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
June 11,2024 The 6th Term The 2nd Meeting	Motion for the Salary and Compensation of the Current Board of Directors.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
Dec.10,2024 The 6th Term The3rd Meeting	Motion for the Compensation Adjustment of the Subsidiary's General Manager.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
	Motion for Managerial Promotions and Compensation Adjustments.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
	Motion for 2024 Year-end Bonus Distribution of managers as defined in the Securities and Exchange Act	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
	Motion for The company's annual high-level bonus distribution plan	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
	Motion for employee remuneration of managers as defined in the Securities and Exchange Act	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.

(V) Nomination Committee

1. Qualifications of the Nomination Committee members and their duties.

The Committee is made up of 2 members serving a period of 3 years, with Mr. Yang, Way-Wen serving as the convener. At least 2 meetings are held each year and meetings may be convened as needed. All proposed recommendations shall be submitted to the Board of Directors for discussion. Main duties of the Committee

- (1) Develops the criteria required by board members and senior managers to source, vet and nominate candidates.
- (2) Construct and develop the organizational structure of the Board of Directors and committees, conduct performance evaluations of Board of Directors, committees, Directors and senior managers, and evaluate the independence of Independent Directors.
- (3) Set up with regular reviews on the continuing education plan for Directors and the succession plan for Directors and senior managers.
- (4) Lay down the Company's Code of Practice on Corporate Governance.

2. Professional qualifications and experience of the Nomination Committee and its state of operations:

- (1) The Company's Nomination Committee is made up of 4 members. For their professional qualifications and experiences, please refer to page 9-10.
- (2) The term of the commissioners: Committee members is from June 13, 2024 until May 29, 2027. The Nomination Committee has convened 6 meetings (A) during the most recent year. The qualification and participation of the commissioners are listed below:

Title	Name	Attendance in person (B)	By proxy	Rate of attendance in person (%) (B/A)	Notes
Convener	Yang, Way-Wen	6	0	100%	Reappointed
Commissioner	Chen, Chien-Hsin	6	0	100%	Reappointed
Commissioner	Chang, Yuan-Jan	6	0	100%	Reappointed
Commissioner	Lin, Shu-Yu	4	0	100%	new
Commissioner	Chen, Ding-Chuan	2	0	100%	Outgoing
Commissioner	Wu, Chung-Fern	2	0	100%	Outgoing

Other matters that shall be recorded:

Date/Term	Reasons for Discussion	Resolution Results	The Company's handling of Member's Opinions
March 12, 2024 The 3rd Term The 11th meeting	Implementation results of the 2023rd performance evaluation	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
	Motion for the Qualification Review of Candidates for the 19th Board of Directors.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
	Motion for the Promotion of the Company's Managers.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
May 6, 2024 The 3rd Term The 12th Meeting	Motion for the Promotion of the Company's Managers.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
	Motion for appointment of chairman of subsidiaries of Trend Tone Imaging, Inc.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.

June 13, 2024 The 4th Term The 1st Meeting	Motion for the Nomination of the Convener for the 4th Term of the Committee.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
Aug. 6, 2024 The 4th Term The 2nd Meeting	Motion for the Nomination of Members to the Company's Risk Management Committee.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
Nov. 12, 2024 The 4th Term The 3rd Meeting	Motion for the Revision of the Company' s 'Corporate Governance Best Practice Principles.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
	Motion for appointment of general managers of subsidiaries of Elite, Turkey	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
Dec. 10, 2024 The 4th Term The 4th Meeting	Motion for the Appointment of the Chairman of the Subsidiary.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
	Motion for the Reassignment of the General Manager of Subsidiary Everlight (Suzhou) Advanced Chemicals Ltd.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.
	Motion for the Promotion of the Company's Managers.	All members agreed and passed the motion.	All attending Directors agreed and passed the motion.

(VI) Implementation of sustainable development promotion and any differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof

Promotion Items	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	yes	no	Summary	
I. Has the Company constructed a governance structure to promote sustainable development and established a dedicated (part-time) unit for the promotion of sustainable development, which is managed by senior management through the authorization of and supervised by the board of directors?	V		<p>1. The Board of Directors is the highest governing body of the Company. In 2022, the former "Corporate Social Responsibility Committee" was renamed as the "Sustainable Development Committee" (ESG Committee) to be the dedicated unit to promote sustainable development, and the Chairman was authorized to coordinate the Company's direction and goals for sustainable development.</p> <p>2. On June 13, 2024, the Board of Directors approved the second ESG Committee with a total of six members, chaired by the Chairman of the Board of Directors, and established the Governance Group, Environmental Group, Social Group, and Information Disclosure Group. Beginning in the second half of 2024, Board members participated in at least one of these meetings to ensure that senior executives were directly involved in reinforcing the Company's commitment to sustainability.</p> <p>3. The ESG Committee convenes twice a year, and the team leaders and the Executive Secretary/Head of the Sustainability Office report on the E, S, and G work plans, management performance, and goal achievement, and the Executive Secretary of the ESG reports on the annual work plans and implementation results to the Board of Directors at least once a year.</p> <p>4. The ESG Committee identifies sustainability issues concerning the Company's operations and stakeholders every two years and proposes corresponding strategies or concrete improvement approaches to be submitted to the Board of Directors. The Board of Directors supervises the subsequent implementation of sustainable management matters and follows up on their effectiveness, while urging the ESG team to make adjustments when necessary.</p>	No discrepancy.
II. Has the Company adhered to Materiality Principles to conduct risk assessment on environmental, social and corporate governance issues related to its operations and established relevant risk management policies or strategies? (Note2)	V		<p>1. The information disclosed covers the Company's sustainable development performance in key locations for the entirety of 2024. The risk evaluation boundary is based on the Company's existing locations in Taiwan, China, the Americas and Europe. Based on the degree of influence in the production nature of subsidiaries on materiality topics, Everlight (Suzhou) Advanced Chemicals and Trend Tone Imaging have been included in the scope.</p> <p>2. In accordance with the Materiality Principle, the Company conducts risk evaluations on important issues, and formulates risk management strategies and action plans according to risk after evaluation has taken place. Please see the following Table (Table 1).</p>	No discrepancy.
III. Environmental Issues (I) Does the Company have an appropriate environmental management system established in accordance with its industrial characteristics?	V		<p>1. All Company locations including the parent company (Plants I-IV) and subsidiaries (Trend Tone Imaging, Everlight (Suzhou) Advanced Chemical) have established an ISO 14001 environmental management system appropriate to their industries. Third-party certification has been maintained through continuous improvements to the applicability, completeness and validity of the environmental management system. The validity and scope of third-party assurance statements are collated in the table below. The Company has also obtained other third party and brand-name vendor certification including bluesign® and the Zero Discharge of Hazardous Chemicals (ZDHC) program. Related information is disclosed in the Sustainability Report and the corporate website.</p>	No discrepancy.

Promotion Items	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof																								
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			<p>2. ISO 14001 Environmental Management System</p> <table border="1"> <thead> <tr> <th>Certification Unit</th> <th>Effective period</th> <th>Scope</th> </tr> </thead> <tbody> <tr> <td rowspan="2">DNV</td> <td>2022/11/21   2025/11/21</td> <td>Everlight Chemical Plants I-IV, Everlight (Suzhou) Advanced Chemical</td> </tr> <tr> <td>2022-7/17   2025/7/17</td> <td>Trend Tone Imaging, Inc.</td> </tr> </tbody> </table>	Certification Unit	Effective period	Scope	DNV	2022/11/21   2025/11/21	Everlight Chemical Plants I-IV, Everlight (Suzhou) Advanced Chemical	2022-7/17   2025/7/17	Trend Tone Imaging, Inc.																	
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	2022-7/17   2025/7/17	Trend Tone Imaging, Inc.																										
(II) Is the company committed to enhancing the utilization efficiency of resources and using renewable materials with low impact on the environment?	V		<p>1. The energy management policy of the Company is Improve energy efficiency to realize net zero emissions and sustainable development. The company implemented the ISO 50001 energy management system in 2022. Plants I to IV applied for and obtained third-party verification starting in 2023, and Trend Tone Imaging, Inc. began applying for and obtained third-party verification in 2024. We aim to improve energy efficiency through the implementation of the energy management system, with energy management indicators including electricity saving &gt;1% and energy intensity ISO 50001 Energy Management System</p> <table border="1"> <thead> <tr> <th>Certification Unit</th> <th>Effective period</th> <th>Scope</th> </tr> </thead> <tbody> <tr> <td>DNV</td> <td>2023/11/01   2026/10/31</td> <td>Everlight Chemical Plants I-IX</td> </tr> <tr> <td>DNV</td> <td>2024/11/05   2027/11/04</td> <td>Trend Tone Imaging, Inc.</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Performance Metric</th> <th>2023 Outcomes</th> <th>2024 Outcomes</th> <th>2024 Targets</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>Electricity savings (%)</td> <td>1.5</td> <td>3.2</td> <td>≥1</td> <td>Achieved</td> </tr> <tr> <td>Energy Intensity (GJ/NT\$Million of production)</td> <td>68.2</td> <td>70.6</td> <td>≤71</td> <td>Achieved</td> </tr> </tbody> </table> <p>2. In order to reduce the environmental burden and impact, the Company develops products and technologies that comply with green chemistry in the manufacturing process. The product development process also follows the principles of green chemistry by adopting solvent-free formulas and large-capacity packaging to minimize plastic waste, which demonstrates the company's firm commitment to sustainable development. The IBR/IPR series of UV masking adhesive developed by Everlight Chemical, with its innovative technology and excellent performance, stood out from the 33rd Taiwan Excellence Selection and was honored with the highest level of Gold Award.</p>	Certification Unit	Effective period	Scope	DNV	2023/11/01   2026/10/31	Everlight Chemical Plants I-IX	DNV	2024/11/05   2027/11/04	Trend Tone Imaging, Inc.	Performance Metric	2023 Outcomes	2024 Outcomes	2024 Targets	Status	Electricity savings (%)	1.5	3.2	≥1	Achieved	Energy Intensity (GJ/NT\$Million of production)	68.2	70.6	≤71	Achieved	No discrepancy.
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(III) Does the Company assess the present and future potential risk and opportunities of climate change and adopt countermeasures related to climate issues?	V		<p>1. The Company formed a Climate Change Taskforce in 2021, which is part of the ESG Committee's Environmental Team responsible for the identification of risks and opportunities and recommendations for management. Climate risk identification was carried out by the Climate Change Taskforce based on the TCFD framework, chemical industry case studies from the WBCSD, and the nature of the chemical industry. Short, medium and long-term climate risk and opportunity topics were summarized using the risk matrix. please refer to P39</p>	No discrepancy.																								

Promotion Items	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof																								
	yes	no	Summary																									
(IV) Has the Company made an inventory of its total GHG emission volume, water consumption and waste volume for the past two years and established relevant management policies for GHG reduction, water conservation and waste management?	V		<p>1. The data on all Scope 1 and Scope 2 GHG emissions produced by Company locations as well as GHG emission intensity for the past two years, please refer to P42.</p> <p>2. Everlight Chemical recognizes that water resources are limited, and therefore is committed to standardizing water use and controlling the water recycling rate as the main water management strategy, and the total water intake in recent years is as follows:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total water withdrawal Million liters</th> <th>Water recovery rate %</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>593.8</td> <td>95</td> </tr> <tr> <td>2024</td> <td>628.5</td> <td>92</td> </tr> </tbody> </table> <p>The approximately 6% increase in total water intake in 2024 compared to 2023 was primarily due to the approximately 12% increase in production in 2024 compared to 2023.</p> <p>3. Total volume of waste</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Hazardous waste (tons)</th> <th>Non-hazardous waste (tons)</th> <th>Total (tons)</th> <th>Waste recovery rate (%)</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>1,761.5</td> <td>6,856.5</td> <td>8,618.1</td> <td>71</td> </tr> <tr> <td>2024</td> <td>1,482.2</td> <td>6,940.4</td> <td>8,422.6</td> <td>78</td> </tr> </tbody> </table> <p>Under various waste reduction and circular economy improvement measures, the waste recycling rate will reach 78% in 2024.</p> <p>4. The total amount of water withdrawn and the total amount of waste for the past two years have been assured by CPAs. Please refer to the CPA Assurance Report for the Sustainability Report.</p>	Year	Total water withdrawal Million liters	Water recovery rate %	2023	593.8	95	2024	628.5	92	Year	Hazardous waste (tons)	Non-hazardous waste (tons)	Total (tons)	Waste recovery rate (%)	2023	1,761.5	6,856.5	8,618.1	71	2024	1,482.2	6,940.4	8,422.6	78	No discrepancy.
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IV. Social Issues (I) Does the Company have the relevant management policies and procedures stipulated in accordance with the applicable laws and regulations and international conventions on human rights?	V		<p>In response to international trends and corporate governance development, and in accordance with the 4 workplace core principles and rights of the International Labour Organization (ILO), we adhere to our corporate cultural core and business concepts, the foundation of developing into a happy company, follow local regulations where we operate, and promulgated the "Everlight Chemical Human Rights Policy" on 2019/8/16. Our global operating bases around the world are required to follow local laws and we conduct regular supplier surveys. On our 3,000 procurement contracts each year, we require suppliers to make sure that there is no "child labor" and only after the supplier signs the reply is a qualified supplier. We provide education and training via the Company's monthly meeting, human resources website and quarterly newsletters. In 2024, a total of 1,155 employees received a "Human Rights Policy Advocacy" course, with a course completion rate of 96.5%, for a total of 57.75 training hours.</p>	No discrepancy.																								
(II) Has the Company established and implemented reasonable employee welfare measures (including wages, leaves and other benefits) to reflect its operational performance/successes in employees' remuneration?	V		<p>1. The Company's leave system for employees is handled in accordance with the regulations stipulated in the Labor Standards Act. A Welfare Committee is also in place. For welfare measures, please refer to Labor Relations. In a bid to promote workplace diversity and equal promotion opportunities for both genders, we have gradually increased the ratio of female managers. In 2024, female managers will account for 16% of the total number of managers.</p> <p>2. The Company regularly takes into account the salary levels in the industry and adopts measures that are superior to the "Labor Standards Act" in consideration of external competitiveness and sound internal management. In addition, based on the performance of individual employees</p>	No discrepancy.																								

Promotion Items	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	yes	no	Summary	
			and the achievement rate (or degree of profitability) of the organization's goals, additional bonuses and other variable compensation are awarded to reflect business performance in employee compensation. According to Article 27 of the Company's Articles of Incorporation, 5% of the annual profit will be set aside as employees' compensation to reward employees for excellent performance and to share the fruits of business with employees.	
(III) Does the company provide employees with a safe and healthy working environment, and regular safety and health training?	V		<p>1. The Company recognizes that occupational safety and health is the foundation of business operations and the common responsibility of all employees. In order to cultivate a people-oriented safety culture and move towards workplace sustainability, the Company has formulated the occupational safety and health policy: Respect for Life, Pursuit of Zero Disasters. The Company's measures to provide a safe and healthy working environment for its employees, as well as its policies on employee education and their implementation, are described in the section on labor relations.</p> <p>2. The Company's operation headquarters, Everlight Chemical's plants I to IV and subsidiaries, Trend Tone and Everlight (Suzhou) Advanced Chemical, all passed the third-party ISO 45001:2018 certification in August 2024, and the certificates are still valid.</p> <p>3. In order to enhance our employees' awareness of workplace safety and their occupational safety-related abilities, we regularly arrange various occupational safety and health-related training, and the total number of employees who received occupational safety and health education and training in 2024 was 1,390, with a total of 15,255.25 hours. In addition, to ensure that contractors also maintain a high level of occupational safety and health awareness, we have arranged a total of 243 training sessions for contractors, and have conducted a total of 9,998 hazard notifications.</p> <p>4. In 2024, the Company had one occupational disaster excluding commuting incidents, with two days lost and a total Factor of Injury (FSI) of zero. One person was injured, accounting for 0.05% of the total number of employees at the end of the year. The type of damage was struck by a hand tool that slipped off the workpiece and struck the worker in the face. Corrective and preventive measures have been completed.</p> <p>5. The Company had no fire incidents in 2024.</p>	No discrepancy.
(IV) Has the Company established effective career development training plans?	V		<p>Training courses were arranged and implemented for employees through the education and training system in accordance with the annual training plan including: Orientation training (including general and specialist subjects) and in-service training (including inspiration education, grade-based training, and specialist training). In addition to pre-employment training courses, we have also adopted the "mentor-apprentice" system in which new employees are taught professional knowledge and skills by assigned senior employees. Moreover, new blood is able to learn the required functions through personal instructions and audio-visual aids. Employees may be designated by the Company to study domestically or abroad if necessary for their work or function. A total of 40 employees have pursued master's degree or PhD degrees or attended on-the-job training courses so far. In 2024, 3 colleagues took part in online courses studying master's degrees or PhD degrees. Most chose business management and professional courses for their continuing education.</p>	No discrepancy.

Promotion Items	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof												
	yes	no	Summary													
			2024 employee training implementation <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Item</th> <th>Manager</th> <th>Non-manager</th> </tr> </thead> <tbody> <tr> <td>Number of people</td> <td>621</td> <td>1,394</td> </tr> <tr> <td>Total hours</td> <td>48,639</td> <td>92,338</td> </tr> <tr> <td>Average hours/persons</td> <td>78</td> <td>66</td> </tr> </tbody> </table>	Item	Manager	Non-manager	Number of people	621	1,394	Total hours	48,639	92,338	Average hours/persons	78	66	
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Average hours/persons	78	66														
(V) In terms of customer health and safety, customer privacy, marketing and labeling issues for the company's products and services, has the company adhered to pertinent regulations and international standards and established relevant policies and grievance procedures for the protection of consumers or customer rights?	V		<p>We have set up review operations of "Hazardous Chemical Control Procedures" and "Chemical Registration Review Procedures" from the use of raw materials, R&amp;D and production stages to the final sales of products in order to continue to update, follow up and ensure compliance. For example, management laws and regulations for chemicals in different countries, such as REACH SVHC, RoHS standards, safety requirements of multinational brands and customers, including ZDHC MRSL, Bluesign BSS/BSBL, in order to fulfill our commitment to product safety and chemical safety management.</p> <p>The Safety Data Sheet (SDS) and product labeling are important documents that convey and protect user safety and health. The Company has complied with the requirements of the laws and regulations of Taiwan's Hazardous Chemical Labeling and General Principles, and the GHS and REACH CLP of various countries to label the chemical products with hazard information, and comply with the requirements of each country. The Company has established a product assurance certificate issuance process and actively obtained third-party environmental protection certifications for products so that customers can use the products with peace of mind. Customers can obtain product safety certificates from the Company through the internal process, and also report non-compliance with chemical safety issues to the Company through the business sales system. The Company has established the "Customer Communication Procedure" to handle the communication with customers before, during and after the sale, including technical services and confirmation of the HSF requirements of the products, product safety and registration, and customer complaints and grievances. Upon receipt of a message, the sales unit will first understand the problem and fill out the "Customer Complaint Handling Form" according to the actual situation, and then forward it to the factory for review. After the factory completes its review, the factory will fill out the "Quality Correction Tracking Form" and report it to the sales unit, which will then explain the results to the customer. The Product Responsibility Division and the Quality Assurance units of each business division assist sales staff in handling customer grievances and customer complaints in their efforts to safeguard customers' rights and interests. In 2024, a total of 1,325 product safety guarantees were issued, and there were zero product safety complaints (complaints about harmful chemical substance in products).</p> <p>The Company attaches great importance to "customer privacy protection" and follows the "Personal Data Protection Act" to set forth the "Regulations on the Management of Personal Data Protection", the "Regulations on Collection, Processing and Utilization of Personal Data" and the "Procedures for the Management of Information Security and Personal Data Incidents", as well as strict security management and protection measures for personal data privacy. The Company also establishes a system of data governance, formulates data standards and hierarchical classification, and implements the control and review mechanisms for access to and sharing of data, as well as the availability, integrity, and confidentiality of data. The scope of application covers personal data</p>	No discrepancy.												

Promotion Items	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	yes	no	Summary	
			provided by the Company, its internal operations, business locations, subsidiaries, branch offices, customers, and suppliers. In order to more effectively manage privacy-related risks, the Company has established the Information Safety and Personal Information Management Committee, which is responsible for the implementation and supervision of compliance with the "Regulations on the Management of Personal Data Protection". Through annual meetings and ad-hoc meetings convened according to the needs of the issue, the Committee establishes a platform for cross-unit communication on personal data compliance and provides the necessary support for personal data protection work. In 2024, the Company organized employee awareness programs on personal data protection, with a total of 90 hours of classes and 1,080 participants, accounting for 92.78% of all employees; there were no violations of the Personal Data Protection Act in 2024.	
(VI) Has the company established supplier management policies that require suppliers to comply with pertinent regulations relating to issues of environmental protection, occupational safety and health, labor rights and so forth and report their status of implementation?	V		<p>1. Everlight Chemical Group's procurement policy is "Integrity, Compliance, Cost Optimization, Risk Management, and ESG". Everlight Chemical Group's supplier management policy is "to develop partnerships with suppliers based on the principle of integrity, to supervise suppliers to fulfill their corporate social responsibilities, to comply with labor and human rights norms, to control risks and to make continuous improvements, and to achieve sustainable supply through the implementation of safety and health, stable quality, on-time delivery, competitive pricing, and quality service."</p> <p>2. The "Code of Conduct for Suppliers of Everlight Chemical Group" has been formulated for suppliers to comply with and its contents refer to international standards such as Responsible Business Alliance (RBA), ISO45001, ISO14001, etc., and contains five topics: (A) Ethics, (B) Labor and Human Rights, (C) Health and Safety, (D) Environmental Standards, and (E) Management System. Suppliers have been progressively requested to sign the "Letter of Undertaking for Compliance with the Code of Conduct for Suppliers of Everlight Chemical Group".</p> <p>3. We continue to evaluate key suppliers and new suppliers using the "Raw Material Supplier Assessment Form" (with reference to domestic and international ESG standards, Responsible Business Alliance (RBA) supplier selection criteria, environmental protection (in accordance with ISO 14001 system requirements), occupational safety and health (in accordance with ISO 45001 system requirements), fulfillment of corporate social responsibility, and corporate risk identification and operational sustainability).</p> <p>4. Everlight Chemical's "E-ESG (Everlight ESG) Certification Program" were newly established in 2024, and suppliers who have passed the E-ESG will be given priority in purchasing and are encouraged to join the program.</p> <p>5. Suppliers are continually asked to sign the Letter of Undertaking for Hazardous Substance Free (HSF).</p> <p>6. The Company organizes various opportunities and channels such as supplier education and training (through Zoom video conferencing), visits to suppliers, supplier visits, and purchasing web pages.</p> <p>Through the above means, we ask our suppliers to fulfill their environmental and social responsibilities, comply with occupational safety and health and labor rights regulations, and establish a sustainable supply chain.</p>	No discrepancy.

Promotion Items	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	yes	no	Summary	
			<p>For the management and risk management of important suppliers, we examine their environmental, social, and corporate social responsibility performance through ESG questionnaires and supplier evaluation forms.</p> <p>In 2024, 16 key manufacturers were reviewed on their environmental, social, and CSR performance with the following results:</p> <p>(1) ISO 14001 certified: 13 companies  (2) ISO 45001 certified: 11 companies  (3) CSR reports issued or declarations of CSR compliance on corporate website: 14 companies  (4) Investigation into violation of occupational safety and health laws and regulations: 0 company/violation  (5) Investigation into violation of labor laws and regulations: 0 companies/violations</p>	
V. Has the company referred to internationally adopted reporting guidelines or initiatives in the preparation of its Sustainability Report and other reports that disclose non-financial information of the company? Has the aforementioned report been assured or guaranteed by a valid 3rd-party validation organization?	V		<p>1. The Sustainability Report prepared by the Company was structured in accordance with GRI Standards 2021 issued by the Global Reporting Initiative (GRI). Disclosures also took the SASB requirements for the chemical engineering industry into account.</p> <p>2. The Company commissioned BSI Taiwan to conduct third-party assurance of the 2024 Sustainability Report in accordance with the AA1000AS v3 standard. The accounting firm KPMG was also commissioned to carry out limited assurance on the contents of the seven assurance indicators required by the competent authority in accordance with Bulletin No.1 "Assurance engagements other than audits or reviews of historical financial information" issued by the Accounting Research and Development Association of the R.O.C. to provide assurance that the contents and quality of this report satisfies the requirements of the competent authority.</p>	No discrepancy.
VI. If the company has established sustainable development best practice principles based on the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please describe any discrepancy between the policies and their implementation: The company has promulgated the "Sustainable Development Code of Practice" in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", and there has been no difference in implementation so far.				
VII. Other important information that helps understand the promotion of sustainable development implementation:				
<p>1. Improve ESG risk management and enhance disclosure of sustainability information: The Company actively learns from the rating reports issued by international rating agencies (e.g., Sustainalytics, FTSE Russell), and is guided by external experts on how to enhance disclosure of information (e.g., quality management system verification, environmental management system verification, inclusion/diversity policy, hazardous waste management, sustainable products and services, etc.) to continually improve ESG risk ratings and effectively communicate with external stakeholders on sustainability performance.</p> <p>2. Promote social inclusion and support for the disadvantaged: In the Thanksgiving Service held in 2024, the Light of Life Art Group of the Taiwan Blind Welfare Association was invited to perform, providing a stage for the visually impaired to showcase their talents, and jointly promoting social inclusion and care for the disadvantaged.</p> <p>3. Sponsor the Economic Ethics Forum to promote academic exchanges: As of 2024, the Company has sponsored the "Economic Ethics Forum" organized by the Department of International Business at Tamkang University for 16 consecutive years, and has supported the "Jubilee Economic Ethics Symposium" organized by the Jubilee Economic Ethics Foundation for 24 consecutive years to promote industry-academia dialogue and the development of ethical thinking.</p> <p>4. Promote character education to cultivate future leaders: The Company promotes character education for all employees internally, and through industry-academia cooperation, it has supported the Department of International Business of National Taipei University of Business in organizing the "Character Leadership Education and Development Program" for 14 consecutive years to cultivate students' leadership and ethical qualities.</p> <p>5. Promote reading education and narrowing the resource gap between urban and rural areas: For 11 consecutive years since 2024, the Company has responded to the Global Views Educational Foundation's "Sowing the Seeds of Reading - Giving Children a Big Future" public service program by providing monthly subscriptions to Future Children and Future Youth magazines to nearly 30 elementary schools in Taoyuan City and Hsinchu County that are relatively short of resources. As of 2024, the cumulative number of complimentary magazines has exceeded 37,346, continuing to broaden the horizons of children.</p>				

Note 1: If "Yes" has been checked as the status of operation, please describe the adopted material policy/strategy/measure and its state of implementation. If "No" has been checked, please provide a reason for its absence and describe the Company's plan to adopt relevant policy/strategy/measure in the future.

Note 2: Material principles refer to issues pertaining to environment, society and corporate governance that stand to create significant impact on the company's investors and other stakeholders.

(Table 1)

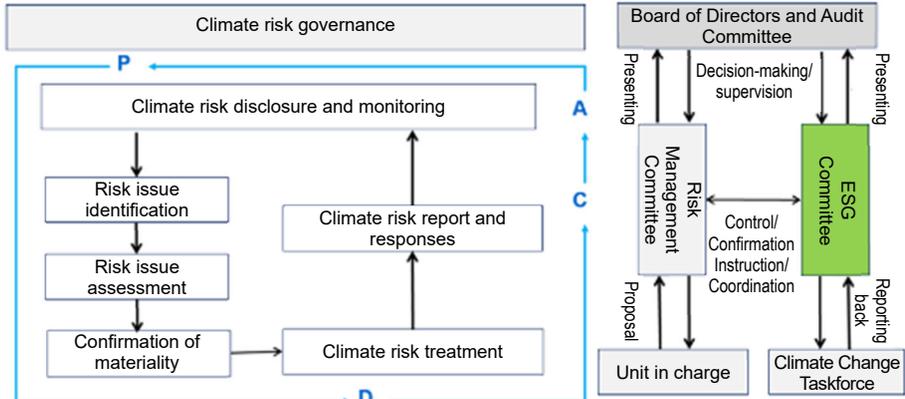
Material Issues	Risk Assessment Items	Risk Management Strategies
Environment (E)	Environmental Protection and Management	<ol style="list-style-type: none"> <li>1. The Company's environmental policy is "Preparing Environmental Risks, Moving towards Environmental Sustainability", and takes the following actions:               <ol style="list-style-type: none"> <li>1) Implement the ISO 14001 environmental management system, set up the implementation plan and target value every year, and regularly track and review the implementation progress of each program to ensure the achievement of the target.</li> <li>2) Continue to develop low-hazard manufacturing processes in accordance with the "12 Principles of Green Chemistry", eliminate high-hazard raw materials, and implement related safety and health management activities to prevent and mitigate occupational safety and health risks that may arise from our business operations.</li> <li>3) Promote industrial waste reduction (including water resources, air pollutants, and waste), implement pollution prevention work, improve recycling rate, and reduce overall emissions.</li> <li>4) In line with the government's policy to achieve an annual energy saving of &gt;1%, actively promote various energy saving and carbon reduction measures.</li> <li>5) Research and develop environmental protection technologies to enhance the efficiency of pollution treatment.</li> <li>6) Continue to develop environmentally friendly products. Starting from July 2024, we have been conducting simulation analyses of the product portfolio of each division to provide R&amp;D units with directions and references for reducing the environmental impact of product applications.</li> <li>7) Implement education and training to enhance the environmental awareness and capability of all staff.</li> </ol> </li> <li>2. The Company takes the issue of greenhouse gas emissions seriously, enforces and monitors greenhouse gas emissions in each of its factories, actively engages in carbon management, and follows the ISO 14064-1 standard to continuously improve the performance of greenhouse gas emissions in each of its factories and subsidiaries.</li> <li>3. We have introduced a framework for financial disclosure related to climate change, established a process for identifying climate risk in our company, and conducted education and training to strengthen our personnel's understanding and ability to deal with the impacts of climate change. The "TCFD Workshop" was held in January 2024 to progressively assess internal climate risks, trends and market opportunities, and to explore the impact of turnover, margins and product mix on climate change, including electricity consumption and carbon emissions.</li> <li>4. Plan and implement the annual internal audit plan to audit the Company's compliance with all relevant environmental laws and regulations to ensure that work processes are in compliance.</li> <li>5. Continuously monitor and disclose environmental compliance and instructions in accordance with GRI standards.</li> </ol>
Social (S)	Occupational Safety and Health Management	<ol style="list-style-type: none"> <li>1. The Company values occupational safety and health, formulates the "Respect Life, Pursue Zero Disasters" safety and health policy and implements the requirements of the occupational safety and health management system, and establishes various management indexes and target values to continuously eliminate hazards and reduce the risk of occupational safety and health, in order to safeguard the physical and mental health of the employees and all workers, and to implement occupational safety.</li> <li>2. Our headquarters and production sites, including our subsidiaries, have all passed the ISO 45001 Occupational Safety and Health Management System Certification, and we ensure the continuous effectiveness of the system through regular internal audits and third-party audits every year.</li> <li>3. Regular firefighting training/drills and occupational safety education and training are held annually, adopting the three major strategies of promotion, education and training, and actual drills. The "Emergency Response Plan" is formulated for potential disaster situations such as fires, leaks, typhoons, earthquakes, and transportation accidents. The plan covers key operations such as notification, evacuation, and recovery. Through regular drills and emergency evacuation operations, it strengthens employees' ability to respond to real-life situations.</li> <li>4. The Company has established a "Hazard Identification, Risk and Opportunity Assessment Control Procedures" and ensures that all workers in each unit are involved in the process and have completed training and are competent in risk assessment.</li> <li>5. The Company adopts Job Safety Analysis (JSA) method to systematically identify and manage potential hazards in various operational activities to ensure a safe working environment.</li> </ol>
	Product Management	<ol style="list-style-type: none"> <li>1. The Company continues to optimize the "Hazardous Substances Management" process and implement the "Product Guarantee and Product Registration Review" to ensure that its products comply with the registration laws and regulations of each country and meet the requirements of GHS labeling; and actively fulfills the "Zero Hazardous Substances Emission" commitment to ensure the safety of product transportation and use.</li> </ol>

		<p>2. Our quality policy is “Caring for Customers, Creating Value Together” and we continue to implement the requirements of the Quality Management System (ISO 9001 and IATF 16949) in order to improve product quality and customer satisfaction.</p>
Corporate Governance (G)	Social Economy and Legal Compliance	<p>1. The core culture of the Company is “Honest Business, Caring Management”. Through the establishment of a corporate governance organization, the implementation of internal control mechanisms, and annual training on “ethical management” and “whistle-blowing system”, we strengthen the awareness of our personnel to ensure that our employees and operations comply with relevant laws and regulations. The Company also rents the “Regulation Cloud” software to effectively keep up with the latest requirements of changes in laws and regulations.</p> <p>2. The Company has established the Business Continuity Management System (BCMS) in accordance with ISO 22301 and receives regular audits from a third party every year to verify the effectiveness of the management system. Through the implementation of operational impact analysis and risk assessment, it implements risk prevention measures for medium and high risks, develops operational continuity plans, and conducts drills.</p> <p>3. The Company emphasizes information security and has formulated the “Information Security Management Policy” to ensure the continuous and effective operation of the system through annual internal audits and third-party audits. The Company passed the ISO 27001 information security management system certification in 2021 and again passed the DNV external audit in 2024 to obtain the ISO 27001:2022 information security management system certification. This is to establish a sound management process to prevent the risk of data leakage, tampering, or interruption during the operation of the Company’s business or information services.</p> <p>4. The Company passed the “Taiwan Intellectual Property Standards (TIPS)” Level A validation in 2018 and undergoes re-certification every two years to ensure the effectiveness of the TIPS system. In addition to implementing various intellectual property management requirements, complying with government regulations, and respecting the intellectual property of others, we also ensure that our patents, trademarks, copyrights, trade secrets, and other proprietary key technologies are properly protected.</p>
	Enhancement of Directors’ Functions	<p>1. The Company established the Chief Corporate Governance Officer in 2021 to enhance the effectiveness of the Company’s Board of Directors by providing information and necessary assistance to directors in the exercise of their duties.</p> <p>2. Planning relevant continuing education topics for directors and providing annual updates on regulatory and institutional developments and policies for directors.</p> <p>3. In accordance with the “Regulations for Evaluation of the Performance of the Board of Directors”, the self-evaluation of the performance of the Board of Directors as a whole, individual members, and functional committees shall be conducted in the first quarter of each year, and the performance of the Board of Directors shall be evaluated by an external organization once every three years. The results of the self-evaluation and external evaluation are evaluated and discussed by the Nomination Committee, and the conclusions are submitted to the Board of Directors for improvement in respect of the suggested issues, and the results of the implementation are published on the Company’s website.</p>
	Stakeholder Communication	<p>1. In accordance with the materiality principle, the Company emphasizes stakeholder consultation and communication, and collects and analyzes important issues of concern to stakeholders from time to time through various forms of communication. The Company publishes a sustainability report every year and discloses significant topics, and also updates information through its website and other social media.</p> <p>2. According to the different types of stakeholders, the Company establishes various communication channels and frequencies, such as websites, phone calls, emails, meetings and visits, and participation in events, in order to carry out active communication.</p>

(Table 2) Everlight Chemical's Climate Related Information r

1. Implementation of climate-related information

Item	Implementation status																	
<p>1. Please describe the Board of Directors and management's oversight and governance of climate-related risks and opportunities.</p>	<p>1.1 Everlight Chemical's Board of Directors is the highest-level organization that oversees the Company's climate-related risks and opportunities.</p> <p>1.2 Risk Management Committee and Sustainable Development Committee under the Board of Directors are responsible for the management of climate change related risks and opportunities.</p> <p>1.3 The Company formed Climate Change Taskforce in 2021 as part of the ESG Committee's Environmental Team, responsible for the identification of risks and opportunities and recommendations for management.</p> <p>1.4 The respective management levels are responsible for managing the physical risks.</p> <table border="1" data-bbox="537 588 1453 1043"> <thead> <tr> <th data-bbox="537 588 935 620">Management organization</th> <th colspan="2" data-bbox="935 588 1453 620">Function</th> </tr> </thead> <tbody> <tr> <td data-bbox="537 620 935 730"> <b>Board of Directors</b>                      Governance level of climate-related risks and opportunities                 </td> <td colspan="2" data-bbox="935 620 1453 730">                     1. Assessment of risk management policies and structures                      2. Supervision of effective functioning of the risk management mechanism                 </td> </tr> <tr> <td data-bbox="537 730 935 842"> <b>Risk Management Committee</b>                      Management level of climate-related risks and opportunities                 </td> <td colspan="2" data-bbox="935 730 1453 842">                     1. Review of management reports on significant risk issues                      2. Timely reporting to the Board of Directors about the functioning of risk management                 </td> </tr> <tr> <td data-bbox="537 842 935 955"> <b>ESG Committee - Climate Change Taskforce within Environmental Team</b>                      Identification and assessment of risks and opportunities and recommendations                 </td> <td colspan="2" data-bbox="935 842 1453 955">                     Responsible for identification, assessment and handling of climate change related risks and opportunities and reporting back with recommendations via administrative channels                 </td> </tr> <tr> <td data-bbox="537 955 935 1043"> <b>Unit in charge</b>                      Operation level of climate-related risks and opportunities                 </td> <td colspan="2" data-bbox="935 955 1453 1043">                     Identification and assessment of day-to-day climate changes; management, reporting and adoption of necessary responding policies                 </td> </tr> </tbody> </table>			Management organization	Function		<b>Board of Directors</b> Governance level of climate-related risks and opportunities	1. Assessment of risk management policies and structures 2. Supervision of effective functioning of the risk management mechanism		<b>Risk Management Committee</b> Management level of climate-related risks and opportunities	1. Review of management reports on significant risk issues 2. Timely reporting to the Board of Directors about the functioning of risk management		<b>ESG Committee - Climate Change Taskforce within Environmental Team</b> Identification and assessment of risks and opportunities and recommendations	Responsible for identification, assessment and handling of climate change related risks and opportunities and reporting back with recommendations via administrative channels		<b>Unit in charge</b> Operation level of climate-related risks and opportunities	Identification and assessment of day-to-day climate changes; management, reporting and adoption of necessary responding policies	
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<p>2. Please describe how the identified climate risks and opportunities affect the Company's business, strategy and financials (in the short, medium and long term).</p>	<p>Identification results of short-term, medium-term and long-term climate risks and opportunities</p> <table border="1" data-bbox="537 1138 1453 1979"> <thead> <tr> <th data-bbox="537 1138 688 1170">Period</th> <th data-bbox="688 1138 1091 1170">Risk identification results</th> <th data-bbox="1091 1138 1453 1170">Opportunity identification results</th> </tr> </thead> <tbody> <tr> <td data-bbox="537 1170 688 1448">                     Short-term                      0-5 years                 </td> <td data-bbox="688 1170 1091 1448">                     Physical risks:                      primarily due to increasing severity of extreme weather events (intense rainfall, drought and drastic temperature changes).                      Transition risks:                      due to carbon policy changes; control of existing products and services; market risks. Primarily due to high materials costs and dispatch costs.                 </td> <td data-bbox="1091 1170 1453 1448">                     Development of long-term development of business continuity management, with agility and flexibility.                      Establishment of R&amp;D for green and advanced chemicals and manufacturing capabilities for the circular economy                 </td> </tr> <tr> <td data-bbox="537 1448 688 1979">                     Medium-term                      5-10 years                 </td> <td data-bbox="688 1448 1091 1979">                     Physical risks:                      greater severity of extreme climate events and shortage of water resources                      Transition risks:                      Carbon management costs refer to the increase in capital expenditures or operating costs as a result of high volumes of carbon emission reductions. Carbon taxes/carbon tariffs, high pricing for greenhouse gas emissions, and use of renewable energy all contribute to increased costs. There are reputation risks related to changes in customer behavior and consumer preferences and the need to launch low-carbon products to meet market demand. There are also technological risks associated with failure to substitute existing products and services with alternatives of lower emissions.                 </td> <td data-bbox="1091 1448 1453 1979">                     Development of business continuity management, with agility and flexibility.                      Everlight Chemical emphasizes continued improvement, formulation of comprehensive climate adaptation strategy and integration into the overall operational strategy.                      Ability to develop low-carbon products and sustainable products that assist customers in carbon reduction.                      Ability to ensure product quality and strengths in technical services.                 </td> </tr> </tbody> </table>			Period	Risk identification results	Opportunity identification results	Short-term 0-5 years	Physical risks: primarily due to increasing severity of extreme weather events (intense rainfall, drought and drastic temperature changes). Transition risks: due to carbon policy changes; control of existing products and services; market risks. Primarily due to high materials costs and dispatch costs.	Development of long-term development of business continuity management, with agility and flexibility. Establishment of R&D for green and advanced chemicals and manufacturing capabilities for the circular economy	Medium-term 5-10 years	Physical risks: greater severity of extreme climate events and shortage of water resources Transition risks: Carbon management costs refer to the increase in capital expenditures or operating costs as a result of high volumes of carbon emission reductions. Carbon taxes/carbon tariffs, high pricing for greenhouse gas emissions, and use of renewable energy all contribute to increased costs. There are reputation risks related to changes in customer behavior and consumer preferences and the need to launch low-carbon products to meet market demand. There are also technological risks associated with failure to substitute existing products and services with alternatives of lower emissions.	Development of business continuity management, with agility and flexibility. Everlight Chemical emphasizes continued improvement, formulation of comprehensive climate adaptation strategy and integration into the overall operational strategy. Ability to develop low-carbon products and sustainable products that assist customers in carbon reduction. Ability to ensure product quality and strengths in technical services.						
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3. Please describe the impact of extreme climate events and transition actions on the financials.	<p>Extreme weather events (heavy rainfall, droughts, extreme temperature changes, etc.) will lead to flooding at factory sites, water shortages, and disruptions to manufacturing processes and hence will have adverse effects on financials. Enhancement in the resilience and adaptivity of the factory infrastructure to withstand these events will increase operating costs.</p> <p>The development of low-carbon and sustainable products to address various transition risks; the introduction of energy management systems, the implementation of carbon inventory and carbon risk management systems; and the use of renewable energy are all transition actions that may increase operating costs.</p>						
4. Please describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management system.	<p>Everlight Chemical's climate risk management systems have integrated management mechanisms for different functional units and levels. We consider management policies, assessment practices, confirmation of preparedness measures, etc., in order to reduce operational impacts.</p> <p>In 2021, cross-departmental Climate Change Taskforce was established under the Environmental Team of the Sustainable Development Committee, responsible for identifying and assessing climate change-related risks (transition risks and physical risks) and opportunities.</p> <p>Each responsible unit handles the physical risks related to operations and confirms effective control measures. The risk status and risk treatment results are reported to Risk Management Committee or respective management systems for review. This serves as a reference for adjusting risk control mechanisms and operational strategies.</p> <p>Assessment process: Risk identification→Risk ranking→Risk impact assessment→Risk adaptation and preparedness measures are planned to be integrated into the existing risk management systems.</p>  <pre> graph TD     subgraph Governance [Climate risk governance]         A[Risk issue identification] --&gt; B[Risk issue assessment]         B --&gt; C[Confirmation of materiality]         C --&gt; D[Climate risk treatment]         D --&gt; E[Climate risk report and responses]         E --&gt; F[Climate risk disclosure and monitoring]         F --&gt; A     end          subgraph Reporting [Reporting]         G[Unit in charge] -- Proposal --&gt; H[Risk Management Committee]         I[Climate Change Taskforce] -- Reporting --&gt; J[ESG Committee]     end          H -- Control/Confirmation Instruction/Coordination --&gt; J     J -- Decision-making/supervision --&gt; K[Board of Directors and Audit Committee]     K -- Presenting --&gt; H     K -- Presenting --&gt; J   </pre>						
5. If a scenario analysis is conducted to assess resilience in face of climate change risks, the scenario used, it is necessary to explain the scenarios, parameters, assumptions, analysis factors, and major financial impacts.	<p>Assessment of the Group's strategy to reduce carbon by 25% by 2030:</p> <p>Scenario: Business as Usual (BAU), national medium and long-term target pathways, 1.5°C pathway.</p> <p>Parameters: green electricity prices, carbon pricing, emission factor of electricity, and production value.</p> <p>Scenario analysis assumptions: Production value will grow along with economic development; green electricity prices will not fluctuate greatly; gray electricity prices will increase 5% annually; and the voluntary factory improvements will be completed.</p> <p>Analysis factors: including carbon reduction costs, carbon reduction benefits and financial risks.</p>						

Item	Implementation status																																																
	Major financial impacts: According to the analysis on the main financial effects, the adoption of the above strategy to reduce carbon by 25% by 2030 will increase operating costs by about 1%. Meanwhile, financial risks will be heightened due to carbon pricing fluctuations.																																																
6. If a transition plan is in place to manage climate related risks, please provide the content, the metrics and targets to identify and manage physical risks and transition risks.	<p>Transition plan:  Energy-intensive equipment phase-out plan: Energy-intensive equipment phase-out is scheduled for 2021 to 2030, aiming to reduce electricity consumption by 10.25 million kWh/year and save NT\$310 million in aggregate.  Metrics and targets in relation to management of physical risks and transition risks:</p> <table border="1" data-bbox="534 491 1466 1645"> <thead> <tr> <th data-bbox="542 502 683 567">Risk Type</th> <th data-bbox="683 502 789 567">Risk Source</th> <th data-bbox="789 502 911 567">Risk Topic</th> <th data-bbox="911 502 1097 567">Corresponding Opportunities and Response Strategies</th> <th data-bbox="1097 502 1260 567">Performance Metric</th> <th data-bbox="1260 502 1349 567">2023 Outcomes</th> <th data-bbox="1349 502 1466 567">2024 Targets</th> </tr> </thead> <tbody> <tr> <td data-bbox="542 567 683 1418" rowspan="7">Transformation Risk</td> <td data-bbox="683 567 789 1019" rowspan="3">Changes in carbon policy and regulatory changes</td> <td data-bbox="789 567 911 685">Carbon tax/carbon fee policy</td> <td data-bbox="911 567 1097 1418" rowspan="7"> 1. Introduction of energy management system.  2. Introduction of total carbon inventory for carbon risk management,  3. 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7. If internal carbon pricing is used as a planning tool, it is necessary to explain the basis of pricing.	The company is currently actively exploring and assessing the viability of adopting an internal carbon pricing mechanism.																																																
8. If climate-related targets have been set, it is necessary to provide information on the activities covered, scopes of greenhouse gas emissions, planned timeline and annual	Carbon reduction targets: a further reduction of 25% by 2030 from the base year of 2021 and the corresponding GHG emission intensity. Activities covered: phase-out of energy-intensive equipment; installation of solar systems; improvement of manufacturing processes for carbon reduction; procurement of green electricity and certificates, etc. Scope for GHG improvement: Scope 1 and Scope 2																																																

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<p>progress achieved. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve relevant targets, the source and amount of carbon reductions offset or the number of RECs should be stated.</p>	<p>Timeline: 2021 to 2030 Progress: carbon reduction target and strategy for 2030</p> <div style="border: 1px solid black; padding: 10px; margin: 10px 0;"> <p style="text-align: center;">Carbon reduction by 25% in 2030 and implementation strategy for 68,000 tCO<sub>2</sub>e (2021 as the base year)</p> <table border="1" style="display: none;"> <caption>Carbon Reduction Strategy Data</caption> <thead> <tr> <th>Category</th> <th>Value (Kt CO<sub>2</sub>e)</th> </tr> </thead> <tbody> <tr> <td>Carbon emission in 2021</td> <td>91.0</td> </tr> <tr> <td>Production value increased to NT\$12 billion in 2030</td> <td>+26.4</td> </tr> <tr> <td>Lower carbon factor from TaiPower</td> <td>-13.0</td> </tr> <tr> <td>Voluntary improvements at factories</td> <td>-6.3</td> </tr> <tr> <td>Product mix adjustment</td> <td>-2.8</td> </tr> <tr> <td>Purchase of green electricity</td> <td>-27.1</td> </tr> <tr> <td><b>Target (25% reduction)</b></td> <td><b>68.3</b></td> </tr> </tbody> </table> </div> <p>Based on the green electricity procurement plan, it is necessary to obtain certificates corresponding to carbon reduction by 27,100 tCO<sub>2</sub>e if the production value reaches NT\$12 billion.</p> <p style="text-align: right; font-size: small;">Unit: tCO<sub>2</sub>e/NT\$m</p> <table border="1" style="width: 100%; border-collapse: collapse; font-size: x-small;"> <thead> <tr> <th rowspan="2">Year</th> <th colspan="3">2021</th> <th colspan="3">2022</th> <th colspan="3">2023</th> <th colspan="3">2024</th> <th rowspan="2">2030</th> </tr> <tr> <th>Item</th> <th>Scope1</th> <th>Scope2</th> <th>Total</th> <th>Scope1</th> <th>Scope2</th> <th>Total</th> <th>Scope1</th> <th>Scope2</th> <th>Total</th> <th>Scope1</th> <th>Scope2</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Company</td> <td>3.07</td> <td>6.32</td> <td>9.39</td> <td>2.75</td> <td>5.52</td> <td>8.27</td> <td>2.99</td> <td>5.41</td> <td>8.40</td> <td>3.01</td> <td>5.32</td> <td>8.33</td> <td>7.04</td> </tr> <tr> <td>Group</td> <td>2.60</td> <td>7.18</td> <td>9.77</td> <td>2.28</td> <td>6.83</td> <td>9.11</td> <td>2.47</td> <td>6.50</td> <td>8.97</td> <td>2.56</td> <td>6.36</td> <td>8.92</td> <td>7.33</td> </tr> </tbody> </table>	Category	Value (Kt CO <sub>2</sub> e)	Carbon emission in 2021	91.0	Production value increased to NT\$12 billion in 2030	+26.4	Lower carbon factor from TaiPower	-13.0	Voluntary improvements at factories	-6.3	Product mix adjustment	-2.8	Purchase of green electricity	-27.1	<b>Target (25% reduction)</b>	<b>68.3</b>	Year	2021			2022			2023			2024			2030	Item	Scope1	Scope2	Total	Company	3.07	6.32	9.39	2.75	5.52	8.27	2.99	5.41	8.40	3.01	5.32	8.33	7.04	Group	2.60	7.18	9.77	2.28	6.83	9.11	2.47	6.50	8.97	2.56	6.36	8.92	7.33									
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9. Greenhouse gas inventory and verification status, as well as reduction targets, strategies, and concrete action plans	(Please also fill in 1-1 and 1-2)																																																																							

1-1 Greenhouse gas inventory and verification during the past two years

1-1-1 Information on Greenhouse Gas Inventory

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

Unit: tCO<sub>2</sub>e

Year	Item	Everlight Factory 1	Everlight Factory 2	Everlight Factory 3	Everlight Factory 4	Trend Tone Imaging, Inc.	Everlight (Suzhou) Advanced Chemicals Ltd.	Company	Group
2023	Scope 1	3,143	8,065	6,366	128	187	108	17,702	17,997
	Scope 2	10,946	11,018	9,521	555	8,195	7,100	32,041	47,336
	Total	14,089	19,083	15,888	683	8,382	7,208	49,743	65,333
	Production value (NT\$m)								5,925
2024	Scope 1	3,280	9,749	6,669	134	204	144	19,833	20,180
	Scope 2	10,971	12,456	11,030	553	8,224	6,886	35,010	50,120
	Total	14,252	22,205	17,699	687	8,428	7,029	54,843	70,300
	Production value (NT\$m)								6,584

## GHG emission intensity

Unit: tCO<sub>2</sub>e/NT\$m

Year	Item	Company	Group
2023	Scope 1	2.99	2.47
	Scope 2	5.41	6.50
	Total	8.40	8.97
2024	Scope 1	3.01	2.56
	Scope 2	5.32	6.36
	Total	8.33	8.92

Note 1: Direct emissions (Scope 1, i.e. direct emissions from sources owned or controlled by the company); energy indirect emissions (Scope 2, i.e. indirect greenhouse gas emissions from the generation of purchased electricity, heat or steam), and other indirect emissions (Scope 3, i.e. emissions resulting from the company's activities but not from sources owned or controlled by the company, excluding energy indirect emissions).

Note 2: The scope of data for direct emissions and energy indirect emissions should follow the timeline specified in Paragraph 2, Article 10 of these regulations. Information on other indirect emissions may be disclosed voluntarily.

Note 3: Greenhouse gas accounting standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 published by the International Organization for Standardization, ISO)

Note 4: Greenhouse gas emission intensity may be measured by product/service unit or by revenue. However, it is necessary to provide the calculation of revenues (in NT\$ million).

### 1-1-2 Information on Greenhouse Gas Verification

Please describe the verification status for the most recent two years to the print date of this annual report by including verification scopes, verification organizations, verification standards and verification opinions.

Verification year	Verification scope	Verification organization	Verification standard	Verification opinion
2022	The group operates across multiple sites, including Everlight Factory I, Factory II (including Electronic Chemicals and Pharmaceuticals), Factory III, Factory IV, Trend Tone Imaging, Inc. and Everlight (Suzhou) Advanced Chemicals Ltd. and offices including the headquarters in Taipei, Taichung and Tainan, 8 office locations in mainland China ( Everlight (Suzhou) Advanced Chemicals Ltd. ZhuHai office, Ethical (Shanghai) Ltd., Everlight (Shanghai) Ltd., Everlight (Shanghai) Ltd. Tianjin office, Everlight (Shanghai) Ltd. Suzhou office, Everlight (Shanghai) Ltd. Qingdao office, Ethical (Guangzhou) Ltd., Shanghai Anda International Trading Co., Ltd. ) and Everlight (Hongkong) Ltd., Everlight (Vietnam) Co., Ltd., Everlight U.S.A., Everlight Europe B.V., Elite, Turkey °	DNV GL Business Assurance Co., Ltd.	Based on ISO 14066:2011, ISO 14065:2020 and ISO 14064-3:2019 standards	Scope 1 and Scope 2 are at a reasonable assurance level.
2023	The comprehensive verification information will be disclosed in the sustainability report.			

Note 1: It is necessary to follow the timetable prescribed in Paragraph 2 of Article 10 of these standards. If the company is unable to obtain a comprehensive assurance opinion on greenhouse gas inventory before the print date of the annual report, please note "The comprehensive verification information will be disclosed in the sustainability report". If the company does not produce a sustainability report, please note "The comprehensive verification information will be disclosed via Market Observation Post System. The comprehensive verification information should also be disclosed in the annual report for the following year.

Note 2: The verification organization should meet the relevant requirements set forth by Taiwan Stock Exchange Corporation and Taipei Exchange regarding the verification organizations for sustainability reports.

### 1-2 GHG reduction targets, strategies, and concrete action plans

Greenhouse gas emission reduction base year and its data: 2021, for that year, the Group's production plants' Scope 1 and Scope 2 carbon emissions were 91 Kt of carbon dioxide equivalent.

Reduction target: Reduce 2030 carbon emissions by 25% based on 2021 levels, aiming for a substantial reduction of approximately 23 Kt of carbon dioxide equivalent.

Concrete action plans: Including the phase-out of energy-intensive equipment; installation of solar systems; improvement of manufacturing processes for carbon reduction; procurement of green electricity and certificates, etc.

Achievement of reduction targets:

Plan for the replacement of energy-intensive equipment:

From 2021 of implementation to 2024 of target achievement status, the estimated total energy saving of 3.61 million kWh/projected energy saving of 10.25 million kWh = 35.2%, which is equivalent to the cumulative reduction of carbon emissions of 1,783 tCO<sub>2</sub>e/year, and the cumulative investment is about NT\$8.6 million.

Plan for the installation of solar energy:

The second plant has obtained the solar power self-generation and self-consumption schedule on March 1, 2023, the construction cost is NT\$21.4 million, and the total self-generation and self-consumption is 374 kWh in 2024, which reduces the carbon emission by 190 tCO<sub>2</sub>e. The purchase planning for the other plants is still being evaluated.

Plan for the process carbon reduction improvement:

It is planned to achieve a carbon reduction of 1,000 tCO<sub>2</sub>e in 2030, which is equivalent to a carbon reduction of 100 tCO<sub>2</sub>e per year. In 2024, a total of 29 process improvement projects have been implemented, of which 16 have achieved a carbon reduction effect, and it is estimated that the carbon reduction will be 395 tCO<sub>2</sub>e/year.

Plan for the procurement of green power and certificates: In progress according to the plan.

(VI) Implementation Status of ethical corporate management and Departure of such implementation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reason for any such departure

Evaluation Item	Implementation Status			Departure of such implementation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reason for any such departure
	Yes	No	Summary	
I. Formulation of ethical corporate management policies and projects				
(I) Has the Company enacted ethical management policies as per the motion passed by the Board, and stated in its Memorandum or external correspondences about the said policies, practices and the commitment of the Board and higher management in actively implementing the policies?	V		(I) The Company has issued the "Ethical Corporate Management Principles" and "Procedures for Ethical Management and Guidelines for Conduct," and detailed the policy of the Company's ethical corporate management in the annual report and CSR report. With the business philosophy of integrity, transparency and responsibility, the Company developed a policy based on honesty and establish a good corporate governance and risk control mechanism to create an operating environment of sustainable development; the Board of Directors and the management level actively implement the commitment of ethical corporate management policies, and require all employees of the Group to abide by. In accordance with the Ethical Corporate Management Best Practice Principles, all 11 directors of the Company have signed the "Declaration of Compliance with the Ethical Corporate Management Policy" and "Director Confidentiality Agreement". All 24 company officers have signed the "Declaration of Compliance with the Ethical Corporate Management Policy" and "Company Officer Confidentiality Agreement".	No discrepancy.
(II) Has the Company established evaluation mechanism for unethical conduct, analyzed and assessed operating activities that may contain a higher risk of unethical conduct on a regular basis, and provided solutions for prevention of unethical conduct, which at least comprise preventive measures for conducts as listed in Article 7 Section 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?	V		(II) The Company has established a risk evaluation mechanism for unethical conduct, analyzed and assessed operating activities that may contain a higher risk of unethical conduct on a regular basis, and provided solutions for prevention of unethical conduct.	No discrepancy.

Evaluation Item	Implementation Status			Departure of such implementation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reason for any such departure
	Yes	No	Summary	
(III) Has the Company specified relevant operating procedures, behavioral guidelines, disciplinary actions for violations and appeal system in the solutions for the prevention of unethical conduct established, implemented accordingly, and review the aforementioned solution on a regular basis?	V		(III) The Company has specified relevant operating procedures, behavioral guidelines and Reporting System for Violation of Ethical Corporate Management Regulations in the solutions for the prevention of unethical conduct established, and implemented accordingly as stipulated. Those who are found to have violated the regulations are punished according to the Company's rules. The aforementioned solution is reviewed on a regular basis.	No discrepancy.
II. Implementation of ethical corporate management				
(I) Does the company evaluate the integrity of all counterparts it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?	V		(I) The Company has assessed the integrity record of the counter party. The terms of ethical behavior are specified in the signed contract. If any act of dishonesty is involved, the Company may terminate or dissolve the terms of the contract at any time.	No discrepancy.
(II) Does the company set up a unit dedicated to or tasked with promoting the company's ethical standards that reports directly to the Board of Directors with periodical updates (at least once a year) on ethical corporate management policies, solutions for the prevention of unethical conduct and the status of supervision and execution thereof?	V		(II) The Human Resources Department is responsible for the promotion of the integrity management system and the prohibition of dishonest practices, and reports to the Board of Directors on a regular basis (at least once a year) and makes recommendations for improvement to ensure the implementation of integrity management.	No discrepancy.
(III) Does the company establish policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement such policies properly?	V		(III) The Company has formulated a policy to prevent conflicts of interest to identify, supervise and manage the risks of conflicts of interest that may lead to dishonest behavior. It has also provided appropriate channels for directors and managers and other stakeholders attending the Board of Directors to actively explain whether they have potential conflicts of interest with the Company.	No discrepancy.
(IV) Has the company implemented the ethical management by establishing an effective accounting system and internal control system, and had the internal audit unit devised relevant audit plans according to the evaluation result on risk of unethical conduct, as well as executing the said plan to inspect the compliance of solutions for the prevention of unethical conduct, or appointed an external auditor to conduct audits?	V		(IV) In response to the risk of higher dishonest behavior, the Company has established an effective accounting and internal control system. The internal audit department shall prepare an annual audit plan based on the risk assessment results, and report to the Board of Directors and the management level about the audit results and subsequent improvement plans, in order to implement audit effectiveness.	No discrepancy.
(V) Does the company provide internal and external ethical conduct training programs on a regular basis?	V		(V) The company regularly organizes internal integrity management education training and publicity every year, and arranges relevant personnel to receive external training as needed. On August 8, 2024, the Principles of Ethical Corporate Governance Best Practice and the complaint system were disseminated to all directors. In 2024, 21 monthly publicity sessions will be held in the form of lectures and short videos, and 1,742 employees will be trained. The cumulative training hours are 140.3 hours, and the course completion rate is 96.7%.	No discrepancy.

Evaluation Item	Implementation Status			Departure of such implementation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reason for any such departure
	Yes	No	Summary	
III. The operating status of the company's reporting system (I) Does the company establish specific complaint and reward procedures, set up conveniently accessible complaint channels, and designate responsible individuals to handle the complaint received?  (II) Does the company establish standard operating procedures for investigating complaints received, take follow-up measures after investigation, and implement confidentiality protocol?  (III) Does the company adopt proper measures to protect a complainant from improper treatment for the filing of the complaint?	V		(I) The Company has issued a "Reporting System for Violation of Ethical Corporate Management Regulations," which specifies the details of the reporting hotline : +886-2-2326-3502 and mailbox : informant@ecic.com.tw, and clearly designates dedicated personnel as the responsible person of Ethical Management Team. Also set up the Audit Committee mailbox : AuditCommittee@ecic.com.tw.  (II) The system of the preceding paragraph clearly defines the procedures for handling reports and the confidentiality measures for relevant personnel.  (III) The Company shall keep the identity of the complainant and the contents of the report confidential, and promise to protect the complainant from being improperly treated due to their report.	After discussion, the Company temporarily excludes reward measures.  No discrepancy.  No discrepancy.
IV. Strengthening information disclosure (I) Does the company disclose its guidelines on business ethics as well as information about implementation of such guidelines on its website and the Market Observation Post System (MOPS)?	V		The Company has disclosed the Ethical Corporate Management Best Practice Principles on the company website and MOPS, and has disclosed the promotion results on the company website.	No discrepancy.
V. If the company has established corporate governance policies based on the "Corporate Conduct and Ethics Best Practice Principles for TWSE/GTSM-Listed Companies," please describe any discrepancy between the policies and their implementation: No discrepancy.				
VI. Other important information for facilitating better understanding of the company's implementation of Code of Ethics and Business Conduct: None.				

(VII) Other important information that is enough to enhance the understanding of the operation of corporate governance shall be disclosed together :

The Company is a co-founder and permanent member of Taiwan Corporate Governance Association. The Chairman serves as the Supervisor of the Association. All directors of the Company are members of the Director and Supervisor Club founded by Taiwan Corporate Governance Association and definite members of the Association. They actively participate in various courses and forum activities of the Association to enhance their corporate governance concepts and grow from exchanging the experiences of corporate governance practices.

(VIII) Execution status of internal control system

I. Our company's 2024 Internal Control Statement has been announced and filed on the Market Observation Post System (MOPS).

Index Path (Market Observation Post System > Single Company > Corporate Governance > Corporate Rules/Internal Control > Declaration of Internal Control System).

Website: <https://mops.twse.com.tw/mops/#!/web/t06sg20>.

II. While entrusting an accountant to review the internal control system on project basis, the review report shall be disclosed: None.

(IX) Important resolutions of the shareholders' meeting and the board of directors for the most recent year and up to the date 1 of printing of the annual report.

1. Resolutions by the general meeting of shareholders on May 30, 2024:

Approved the (1) 2023 financial statements.(2) motion for amendment to the Rules of Procedure for Shareholders' Meeting, (3)motion for amendment to the Articles of Incorporation.(4) Election of the 19th Board of Directors. (5) Proposal on the restrictions of non-compete clauses for the newly elected 19th Board of Directors. °

2. Resolutions of the Board of Directors:

(1) Resolutions by the Board of Directors on March 14, 2024:

Approved the (1) Motion for reporting matters at the 2023 general meeting of shareholders, (2) motion for 2023 remuneration distribution of employees and directors, (3) motion for 2023 distribution of remuneration to directors (4) motion for 2023 employee remuneration of company officers pursuant to the Securities and Exchange Act, (5) motion for 2023 financial statements (6) motion for 2023 earnings distribution, (7) June 28, 2024 was set as the ex-dividend date for cash dividends to shareholders, to be distributed on July 18, 2024, (8) motion for review of self-evaluation result for the 2023 internal control, (9) motion for Director re-election proposal, (10) motion for lifting the prohibition of competition for directors of the Company, (11) Amendment to the Rules of Procedure for Board of Directors, (12) amendment to the Organizational Instructions of the Audit Committee, (13) amendment to the Measures for the Promotion of Directors' Training, (14) securities and Exchange Act manager promotion case, (15) motion for reappointment of director of a subsidiary, (16) motion for appointment of directors of the investment business PTTC, (17) motion for appointment of directors of the investment business CHCIW.

2) Resolutions by the Board of Directors on May 9, 2024:

Approved the (1) Motion for the consolidated financial report for 2024 Q1, (2) Appointment of directors to the subsidiary Trend Tone Imaging, Inc. · (3) Motion for the Promotion of Managers under the Securities and Exchange Act · (4) motion for salary and remuneration adjustment for general manager of the Securities and Exchange Act.

3) Resolutions by the Board of Directors on May 30, 2024:

Approved the (1) the proposal for the election of the Chairman of the 19th Board of Directors, (2) the proposal for the appointment of the 6th Remuneration Committee members.

4) Resolutions by the Board of Directors on June 13, 2024:

Approved the (1) Proposal for the Salary and Compensation of the Current Board of Directors.(2) Proposal regarding the remuneration of the independent directors for this term.(3) Deliberation on the Company's Sustainability Report for the year 2023.(4)Amendment to the Organizational Charter of the Sustainability Development Committee.(5) Proposal for the nomination of the 4th Nomination Committee members. (6) Proposal for the nomination of the 2nd Strategy Committee members. (7) Motion for the Nomination of Members to the Sustainability Development Committee.(8) Proposal to enter into a technology licensing framework agreement with Anli Technology (Suzhou) Co., Ltd.(9) Proposed Acquisition of Equity in Subsidiary Elite (Turkey).

5) Resolutions by the Board of Directors on Aug. 8, 2024:

Approved the (1) Motion for the consolidated financial report for 2024 Q2.(2)Amendment to the Risk Management Procedure.(3)Amendment to the Risk Management Procedures.(4) Motion for the Nomination of Members to the Company's Risk Management Committee.(5)Proposal for Capital Injection by Subsidiary Everlight (Singapore) Co., Ltd. into Shanghai Anda International Trading Co., Ltd. (6) Proposal for Capital Injection into Everlight (Singapore) Co., Ltd.

6) Resolutions by the Board of Directors on Nov 14, 2024:

Approved the (1) Motion for the consolidated financial report for 2024 Q3, (2) Motion for amendment to internal control system, (3) Establishment of the Sustainable Information Management Procedures · (4) Amendment to the Organizational Charter of the Audit Committee · (5) Motion for the Revision of the Company's 'Corporate Governance Best Practice Principles. (6) Proposal for Additional Budget for Restoration and Expansion of Building L at Plant 3 · (7) Proposal for Lending of Funds to Subsidiary Everlight (Suzhou) Advanced Chemicals Ltd. by the Company · (8) Proposal for the appointment of directors to the subsidiary Elite, Turkey, (9) Proposal for the appointment of the General Manager to the subsidiary Elite, Turkey.

7) Resolutions by the Board of Directors on Dec 12, 2024:

Approved the (1) Motion for 2025 the operational plan and operating budget, (2) motion for 2025 internal audit plan, (3) motion for the group's total quota of bank loans for 2025 · (4) motion for appointment and remuneration of the CPAs auditing 2024 financial statements, (5) motion for formulation of Procedures for Non-Assurance Services provided by the CPA firm. (6) Motion to Amend the Operational Procedures for Fund Lending and Endorsement Guarantees · (7) motion for convening of general meeting of shareholders on May 29, 2025, (8) period and place to receive proposals of the shareholders for the 2025 general meeting of shareholders, (9) Project for the Construction and Expansion of the Production Line in Building V of the Company's Electrochemical Plant · (10) Proposal for the appointment of directors and supervisors to the subsidiary, (11) Proposal for the appointment of the General Manager to the subsidiary Everlight (Suzhou) Advanced Chemicals Ltd. (12) Motion for the Promotion of Managers under the Securities and Exchange Act · (13) motion for year-end bonus for company officers pursuant to the Securities and Exchange Act. (14) motion for salary and remuneration adjustment for general manager of the Securities and Exchange Act.

8) Resolutions by the Board of Directors on March 13, 2025:

Approved the (1) Motion for reporting matters at the 2024 general meeting of shareholders, (2) motion for 2024 remuneration distribution of employees and directors, (3) motion for 2024 distribution of remuneration to directors (4) motion for 2024 employee remuneration of company officers pursuant to the Securities and Exchange Act, (5) motion for 2023 financial statements (6) motion for 2024 earnings distribution, (7) June 27, 2025 was set as the ex-dividend date for cash dividends to shareholders, to be distributed on July 18, 2025, (8) Motion for review of self-evaluation result for the 2024 internal control, (9) Proposal for the definition of the scope of the Company's grassroots employees, (10) motion for amendment to the Articles of Incorporation, (11) motion for amendment to the agenda of the 2025 general meeting of shareholders, (12) Proposal for the capital increase of the subsidiary Everlight Vietnam Ltd.

- (X) Recorded or written statements made by any director who specified dissent to important resolutions passed by the Board of Directors during the most recent year and up to the date of publication of the annual report:  
None.

#### IV. Information of CPA's Professional Fees

Unit: TWD thousand

Name of the accounting firm	Name of the CPA	Audit period of CPA	Audit fee	Non-audit fee	Total	Notes
KPMG	Huang, Ming-Hong Tang, Chia-Chien	Jan. 1, 2024~Dec. 31, 2024	3,100		4,080	
	Chen, Tsai-Feng Lin, Chia-Yen Tang, Chia-Chien			680		
KPMG Business Management Co., Ltd.	Chen, Jun-Guang	Jan. 1, 2024~Dec. 31,2024		300		

Note: Non-audit services: NT\$350,000 for tax visa; NT\$300,000 for transfer pricing service; NT\$300,000 for IT system maintenance and technical support; and NT\$30,000 for human resources.

(I) Whether there is any change of accounting firm and the audit fee paid in the replacement year is less than that paid in the preceding year: None.

(II) Whether the ratio of audit fee for the preceding year decreases by 10% or more: Audit fees decreased by 14.5%, due to the company's implementation of the SAP system in 2023, which resulted in a one-time increase in implementation audit fees.

#### V. Information of changing accountants: None.

#### VI. Disclosure of any instance of the Company's chairman, general manager, and finance or accounting manager having held a position in the CPA firm or its affiliates in the most recent year: None.

#### VII. Equity transfer and equity pledge changes of directors, managers and shareholders with shareholding exceeding 10% in the most recent year and up to the date when this annual report is printed

(I) Equity changes of directors, managers and major shareholders:

Index Path (Share Transfer: Market Observation Post System > Single Company > Shareholding Change/Securities Issuance > Share Transfer Data Inquiry > Insider Shareholding Change Subsequent Reporting Statement; Share Pledge Change Information: Market Observation Post System > Single Company > Shareholding Change/Securities Issuance > Insider Pledge/Release > Insider Pledge/Release Announcement).

Website (Share Transfer: [https://mops.twse.com.tw/mops/#!/web/query6\\_1](https://mops.twse.com.tw/mops/#!/web/query6_1); Share Pledge Change Information: [https://mopsov.twse.com.tw/mops/web/STAMAK03\\_1](https://mopsov.twse.com.tw/mops/web/STAMAK03_1)).

(II) Where the other party to the equity transfer is a related person.

Name	Reasons for transfer	Transfer date	Counter parties	Relationship between the transaction counterparty and the Company, directors, managers, and shareholders holding more than 10% of shares.	Share number (shares)	Transfer price
Chen, Ding-Chi	Gift	July 16,2024	Chen, Yi-jun	Father and Daughter	86,000	18.9
			Chen,Chien-Jou	Grandfather and granddaughter.	43,000	
Li, Chun-Chu	Gift	July 16,2024	Chen, Fang-Hua	mother and son	86,000	18.9
			Chen,Chien-Ning	Grandmother and granddaughter.	43,000	
Chang Chien, Su-Hua	Gift	Feb.26,2024	Li,Chia-Ying	mother and daughter	58,000	19.8

(III) Where the other party to the equity pledge is a related person: Not applicable.

## VIII. Information of the shareholders with top 10 shareholding ratio and are related to each other or spouses or within the kinship of second-degree relatives

shareholders' meeting book closure date: March 31, 2025

Rank	Name (Note 1)	Shareholding held by the person		Shareholdings of spouse and minor children		Total shares held with other person's name		Disclosure of information on related parties, spousal relationship or relations within second degree of kinship, among the top ten shareholders, including their names and relationships (Note 3)		Notes
		Share number	Shareholding ratio	Share number	Shareholding ratio	Share number	Shareholding ratio	Name	Relationship	
1	Yung-De Investment Co., Ltd.	61,000,000	11.14%	0	0	0	0	None	None	Representative, Chien-Hsin
2	Chen, Ding-Chuan	48,000,000	8.76%	7,000,000	1.27%	0	0	Chen, Ding-Chi Wu, Lee-Ji Chen, Chien-Hsin Chen, Wei-Wang Chen, Ju-Ai	Brothers Spouse Father and son Father and son Father and daughter	
3	Chen, Ding-Chi	12,706,254	2.32%	1,166,659	0.21%	0	0	Chen, Ding-Chuan Chen, Chien-Ming	Brothers Father and son	
4	Wu, Lee-Ji	7,000,000	1.27%	48,000,000	8.76%	0	0	Chen, Ding-Chuan Chen, Chien-Hsin Chen, Wei-Wang Chen, Ju-Ai	Spouse Mother and son Mother and son Mother and daughter	
5	Chen, Chien-Hsin	6,745,000	1.23%	500,000	0.09%	0	0	Chen, Ding-Chuan Wu, Lee-Ji Chen, Wei-Wang Chen, Ju-Ai	Father and son Mother and son Brothers Brother and sister	
6	Chen, Wei-Wang	6,300,000	1.15%	154,350	0.02%	0	0	Chen, Ding-Chuan Wu, Lee-Ji Chen, Chien-Hsin Chen, Ju-Ai	Father and son Mother and son Brothers Brother and sister	
7	Chen, Ju-Ai	6,000,000	1.09%	300,924	0.05%	0	0	Chen, Ding-Chuan Wu, Lee-Ji Chen, Chien-Hsin Chen, Wei-Wang	Father and daughter Mother and daughter Brother and sister Brother and sister	
8	Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	5,648,329	1.03%	0	0	0	0	None	None	
9	Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Funds	5,245,200	0.96%	0	0	0	0	None	None	
10	UBS Europe SE	4,930,815	0.90%	0	0	0	0	None	None	

Note 1: The top 10 shareholders shall all be listed. For those corporate shareholders, the name of the corporate shareholder and the name of the representative shall be listed separately.

Note 2: The shareholding is calculated as the ratio of the shares held with the person, his or her spouse, minor children or others.

Note 3: The relationship between the above-mentioned shareholders (including legal and natural persons) shall be disclosed in accordance with Regulations Governing the Preparation of Financial Reports by Issuers.

## IX. Comprehensive Shareholding Ratio

Shareholdings of the same investment business by the Company, the Company's directors and managers, and businesses directly or indirectly controlled by the Company, and the comprehensive shareholding ratio:

Dec. 31, 2024

Unit: shares; %

Re-invested business (Note)	The Company's investment		Investment by directors, managers and directly- or indirectly-controlled businesses		Comprehensive investment	
	Share number	Shareholding ratio	Share number	Shareholding ratio	Share number	Shareholding ratio
Elite, Turkey	32,850	75%	0	0%	32,850	75%
Everlight U.S.A.	300,000	100%	0	0%	300,000	100%
Everlight (Hongkong) Ltd.	1,000,000	100%	0	0%	1,000,000	100%
Everlight Europe B.V. (Netherlands)	500	100%	0	0%	500	100%
Everlight (Singapore) Ltd.	25,600,000	100%	0	0%	25,600,000	100%
Trend Tone Imaging, Inc.	44,906,400	76%	5,261,605	9%	50,168,005	85%
Greatlight Investment Corp.	10,000,000	100%	0	0%	10,000,000	100%
Good TV Broadcasting Corp	1,900,000	22%	0	0%	1,900,000	22%
TAK Technology Co., Ltd.	4,856,000	17%	145,680	1%	5,001,680	17%

Note: The investment made with Equity Method by the Company.

# Capital Overview

## I. Capital and Shares

### (I) Source of capital

#### 1. Shares and types of share in the most recent year and up to the publication date of the annual report:

Unit: shares; TWD thousand

Month/Year	Issuing price	Authorized capital		Paid-up capital		Notes		
		Share number	Dollar amount	Share number	Dollar amount	Source of capital	Paid in properties other than cash	Others
Aug., 2016	10	800,000,000	8,000,000,000	547,752,226	5,477,522,260	Stock dividends from retained earnings 26,083,440 shares	None	Note 1

Note 1: No.10501200760 has been completed registration on Aug.18, 2016.

Unit: shares

Share type	Authorized capital			Notes
	Outstanding shares	Unissued shares	Total	
Registered common shares	547,752,226	252,247,774	800,000,000	Shares of listed companies

#### 2. Relevant information of summary reporting system: Not applicable.

### (II) List of major shareholders: shareholders with shareholding ratio above 5%

March 31, 2025

Name of major shareholders	Shares	Share amount	Shareholding ratio
Yung-De Investment Co., Ltd.		61,000,000	11.14%
Chen, Ding-Chuan		48,000,000	8.76%

Note: Information of the shareholders with top 10 shareholding ratio, please refer to page 50.

### (III) Dividend policy and its implementation status

The Company's dividend policy is in line with the needs of the Company's various business development investments and takes into account the interests of shareholders. In no other special circumstances, the distributed dividends are no less than 50% of the earnings after-tax after deducting legal reserve.

The annual cash dividend is not less than 25% of the total dividends.

The above dividend policy was passed by the resolution of 2017 Shareholders' Meeting.

On March 13, 2025, the board of directors decided to distribute cash dividends of TWD 0.3 per share to shareholders.

### (IV) The impact of the stock grants proposed by the shareholders' meeting on the Company's operating performance and EPS: The Company has no share dividends distributed, and thus is not applicable here.

(V) Remuneration to employees and directors

1. The percentages or ranges of remuneration to employees and directors listed in the Articles of Incorporation:

If the Company has profits in the current year, it shall appropriate 5% as employee remuneration and no more than 2% as director remuneration. However, when the Company still has accumulated losses, the amount for compensation should be retained in advance.

The parties whose remuneration is paid with stocks or cash defined in the preceding paragraph include the employees of the subordinate companies that are reported to and passed by the Board of Directors.

2. If there is any difference between the estimated basis of remuneration to employees and directors, the calculation basis for the number of shares distributed to employees as remuneration, the actual distribution amount and the estimated numbers in the current period, please state the method of accounting treatment:

- (1) The estimated amount of the remuneration paid to employees and directors in the current period is based on the basis set out in the preceding paragraph, and the distributed amount has been passed by the resolution of the Board of Directors.

- (2) Not applicable. The remuneration to employees and directors are all distributed with cash this period.

3. The remuneration distribution passed by the Board of Directors:

- (1) Amount of remuneration to employees and directors distributed with cash or shares If there is any discrepancy with the estimated amount in the expense recognition year, the difference amount, reasons for the difference and the handling situation shall be disclosed:

The remuneration amount paid to employees and directors proposed to be distributed in the current period is the same with the estimated amount in the recognition year.

- (2) The amount of employee remuneration paid by stocks and its proportion to the summation of net income after tax in individual financial reports and total amount of employee remuneration in the current period: Not applicable.

4. The actual distribution status of remuneration to employees and directors in the previous year (including number of shares, amount and stock price); if there is any discrepancy with the recognized remuneration to employees and directors, the difference amount, reasons for the difference and the handling situation shall be stated:

The amount of employee remuneration in 2023 was TWD 5,275,458 and the amount of director remuneration was TWD 2,110,183, which are the same as the original estimated amount recognized as expenses.

(VI) Conditions that the Company buys back its shares: None.

**II. Issuance of corporate bonds:** None.

**III. Issuance of preferred stocks:** None.

**IV. Issuance of GDRs:** None.

**V. Issuance of employee stock warrants:** None.

**VI. Issuance of new restricted employee shares:** None.

**VII. Issuance of New Shares Upon any Merger and Acquisition With Other Companies:** None.

**VIII. Implementation of Capital Allocation Plans:** None.

# Operational Highlights

## I. Contents of Business

### (I) Scope of business

1. Everlight Chemical is engaged in the research and development, production and sales of specialty chemicals; product applications include textiles, electronics, optoelectronics, automobiles, people's livelihood, medicine and other industries. The company's products are divided into five categories. The main R&D and production bases are mainly in Taiwan, and the products are sold all over the world.

### 2. Business percentages in 2024 :

Business and product type		Sales volume	Sales amount (TWD thousand)	Percentage
Color chemicals		14,889 tons	3,011,694	36.9%
Specialty chemicals		3,696 tons	2,100,764	25.7%
Toner		4,519 tons	1,134,125	13.9%
Electronic chemicals	Photoresist	579 tons	525,488	20.7%
	Others	12,528 tons	1,170,185	
Pharmaceuticals	Prostaglandin	494,663 g	193,076	2.8%
	Other material medicines	1,032kg	32,888	
Total			8,168,220	100.0%

### 3. Current product items and new products planned to be developed:

Product type	Current products	New products planned to be developed
Color chemicals	<ul style="list-style-type: none"> <li>● Textile dye</li> <li>● Leather dye</li> <li>● High-purity dye used in ink jet printing</li> <li>● High-purity dye used in digital textile printing</li> <li>● Ink of digital textile printing</li> <li>● Metal dye</li> <li>● Paper dye</li> <li>● Functional chemicals used in textile</li> <li>● Solar energy dye</li> </ul>	<ul style="list-style-type: none"> <li>● Increasing items of each type of existing products</li> </ul>
Specialty chemicals	<ul style="list-style-type: none"> <li>● UV-absorber</li> <li>● Hindered amine light stabilizer</li> <li>● Formulated product</li> <li>● Functional Masterbatches</li> <li>● Antioxidants</li> <li>● High-molecular polymerizable dye</li> </ul>	<ul style="list-style-type: none"> <li>● Increasing items of each type of existing products</li> </ul>
Toner	<ul style="list-style-type: none"> <li>● Colored toner</li> <li>● Black toner</li> <li>● Toner finished cartridges · bottled and bagged etc.</li> <li>● Carrier and developer</li> <li>● Ceramic toner</li> <li>● Electronic Paper Pigment</li> </ul>	<ul style="list-style-type: none"> <li>● Increasing items of existing products</li> <li>● Enhancing the applicable range of existing products</li> <li>● Elastic conductive material</li> </ul>

Product type	Current products	New products planned to be developed
Electronic chemicals	Use in IC, LCD, LED and TP industry <ul style="list-style-type: none"> <li>● Photoresist</li> <li>● Developer</li> <li>● Slurry</li> <li>● Wet chemicals</li> <li>● Functional ink of thermosetting and UV curing</li> <li>● Electronic functional chemicals</li> <li>● Photosensitive polyimide</li> </ul>	<ul style="list-style-type: none"> <li>● Increasing items of each type of existing products</li> </ul>
Pharmaceuticals	<ul style="list-style-type: none"> <li>● Material medicine for Prostaglandin</li> <li>● Other material medicines</li> </ul>	<ul style="list-style-type: none"> <li>● Increasing the items of material medicine for Prostaglandin</li> <li>● Materials medicines for the elderly uses \ ophthalmic medications and other purposes</li> </ul>

## (II) Industry overview

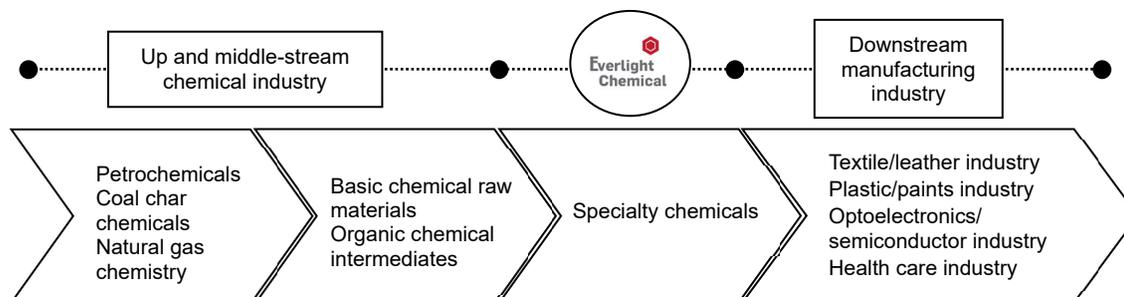
### 1. The current condition and development of the industry

Chemicals can be broadly classified into three categories: bulk chemicals, fine chemicals and specialty chemicals. Specialty chemicals are mainly used in processes or final products for the purpose of improving product characteristics, and are mostly high value-added products. The products of Everlight Chemical are all specialty chemicals. The demand for global specialty chemicals is growing steadily.

High value is the development direction of Taiwan's chemical industry. The so-called high value development includes the development of existing chemical products in the direction of high value, the development of high-priced or high value-added products, or the development of advanced materials, etc. The key to high value development is to master the core technology, key materials and intellectual property rights, as well as the ability to continuously innovate.

### 2. Relevance between the up, middle and downstream of industry

The direct upstream of the specialty chemicals industry is basic chemical raw material and organic chemical intermediate, and the next upstream is petrochemical, coal char chemical and natural gas chemistry. The specialty chemicals industry is the most technical and innovative field in the chemical industry, and is also a key industry directly supporting the manufacturing of electronics, optoelectronics, pharmaceuticals, and textile, etc., in the chemical industry. The development of specialty chemicals industry not only requires the strengthening of the upstream chemical industry supply chain and the effective grasping the source of key raw materials, but also needs the crossing of the gap between downstream and other industries and the development of application technology, in order to establish a bridge of technical communication with customers.



### 3. Product development trends and competition situations

All the products of the Company belong to the "specialty chemicals" with the characteristics of small amount, various type and high value-added, which are generally in a fully-competitive market with many manufacturers. The followings are the development trends of the products in the top four business divisions with the highest operating revenue:

Color Chemical business, the dye industry is developing steadily in the direction of environmental protection, energy saving, emission reduction, and green dyeing and finishing. Aside from supply and demand issues of raw materials affecting the price fluctuations of the dye market, post-pandemic era positive and negative developments will change or affect the growth of the downstream textile market. Reactive dye development continues to provide overall solutions for special fastness and differentiated commodity demand. For example: Launch a series of Everzol ERC Dyes and continue to research and develop products to be applied in Everzol ERC Solution (high efficient energy-saving washing process) and to help printing operators reduce resource consumption and save costs, achieving the ultimate green dyeing. Black MWF dyes and textile fastness that meet requirements of multiple wash fastness, cotton knitted fabric in the cold pressure dyeing application process. In the dyeing of nylon fabrics, we continue to develop high-fastness and vibrant color series of acid dye products, such as Everset PA, Everacid S, and X-Type. We also provide corresponding solutions for the dyeing issues of recycled and bio-based nylon, and develop metal-free acid black dyes with good deep-dyeing properties that meet environmental trends, as well as bisphenol-free acid dye fixing agents. To meet environmental protection and energy saving demands in the market, a series of high purity dyes Everplus and inks will be launched for digital textile printing. For the PUR business, we have adhesives for industrial textiles for high temperature lamination with high-viscosity and high bonding strength, and for fabric membranes for low temperature lamination with moderate bonding strength, and PUR glue with resistance to yellowing and fluorescent effects, allowing Evereco PUR series to be widely used in industrial and textile garments, making our product variety more exhaustive.

Specialty Chemicals business, the application areas with the greatest growth potential include the automotive component-related industry, green energy, the optoelectronics industry, biomedicine, composite materials, cosmetics and skincare products, etc.

Toner business, With the increasing popularity of color printers, color toner will become the market mainstream. Currently, color toner is still a specialty product, and capital investment, technological innovation, and upstream-downstream integration to differentiate products are key to staying ahead of competitors. Black toner is mostly a commodity product, so continuous process management, streamlining workflows, and strict cost control are maintained to preserve product competitiveness in the market. Ceramic toner has achieved breakthroughs in product application technology and has been commercialized with small-volume shipments.

Electronic Chemicals business, we focus on the development of key process materials for the display industry, optoelectronics industry, and semiconductor industry. With the development of the semiconductor industry, 5G applications are driving the integration of AI and IoT with wearable mobile devices, automotive applications, smart homes, and other application areas. We are particularly strengthening the development of thick-film photoresists for IC packaging processes and photosensitive polyimide for key power semiconductor processes, which are widely used in the manufacturing of power control components, sensor components, MEMS, etc. In the development of the optoelectronics industry, displays for high-end smartphones will primarily move towards AMOLED with in-cell and on-cell touch technology. We are developing low-temperature curing flexible process photoresists to drive low-temperature processes and enhance the competitiveness of the LCD industry. Micro/Mini LED new displays require high-resolution and high-temperature process operations, and Everlight Chemical has launched high-end positive and negative photoresists to meet industry demands. These related key products will bring commercialization opportunities to the Electrochemistry Division.

(III) Overview of technology and R&D

The R&D expenses devoted and successfully developed technology or products in 2024 and up to the publication date of the annual report:

Amount: TWD thousand

Item	Year	2024	The current year until March 31,2025
	R&D expense devoted		365,825
R&D results:			
Patent	Patents granted	9 items	1 items
	Accumulated patents	207 items	208 items
New products developed		49 items	48 items

(IV) Development programs for long- and short-term business

1. Long-term development program:

Everlight Chemical's vision is to "become the high-tech chemistry industrial group contributing to people's lives." To enhance the life quality and health of people, we have strived to research and develop forward-looking chemicals and to produce high-tech products to enable outstanding chemicals to enrich peoples' lives, contribute to the life quality of our employees, product competitiveness, and sustainable future, and implement the brand promise of "Better Chemistry Better Life".

2. Short-term development program:

- (1) Global production partner network project.
- (2) Digital Transformation Promotion Project.
- (3) Sustainable products inventory and development blueprint.
- (4) Revitalize the organization to increase per capita productivity.

## II. Market and Production Profile

### (I) Market analysis

#### 1. Sales areas of major products:

Unit: TWD thousand

Sales areas	2024		2023	
	Dollar amount	Percentage (%)	Dollar amount	Percentage (%)
Asia	4,127,176	51	4,257,550	54
Taiwan	1,876,408	23	1,447,847	19
Europe	1,085,074	13	1,101,422	14
Americas	957,103	12	866,503	11
Other areas	122,459	1	188,102	2
Total	8,168,220	100	7,861,424	100

#### 2. Market share and supply and demand and growth of the market in the future:

##### Color Chemicals business:

In 2024, the total global dye market volume continued to decline to 1.4 million tons due to negative factors such as global inflation, the Russia-Ukraine war, and the Israel-Hamas conflict. Our company's market share is approximately 1.06%. If inflationary pressures ease and the wars gradually subside, global dye demand is expected to gradually return to normal in the second half of this year and show a 4% compound annual growth rate in 2026. Over the past decade, Indian and mainland China dye industry peers have rapidly expanded their production capacity, leading to ample supply. Although the expansion speed has begun to slow down, the fundamental market situation remains one of oversupply. However, due to work safety accidents in the mainland China dye and intermediate industry, which have led to increased enforcement of chemical safety and stringent environmental compliance requirements, the supply side is tightening. In the long term, supply and demand have the potential to gradually move towards equilibrium. With the transformation of the textile industry and the need to gradually move towards green sustainability goals, future dye products, driven by rising environmental awareness, will focus on research and development in the direction of high exhaustion, high fixation, water saving, and non-toxicity to build competitiveness in the net-zero era.

##### Specialty Chemicals business:

In 2024, the global market for UV absorbers and light stabilizers totaled approximately TWD 42.3 billion, and the market share of Everlight Chemical was approximately 5%. The global compound annual growth rate is estimated to be 6.8% in the next five years. The main growth momentum comes from the demand for various types of plastics, including packaging materials, automotive plastics and agricultural films. The second largest growth momentum comes from the coatings industry, such as industrial coatings and construction coatings. Due to the high technical threshold, additive manufacturers are concentrated in a few developed industrial countries. Emerging markets and new application areas have become the most important growth opportunities.

##### Toner business:

In 2024, although customer inventories were depleted, the China market did not experience the anticipated rebound. The subsequent total market volume is 77,000 tons, with our company's market share being approximately 5.9%. As the global supply chain gradually recovers, the European and American markets have not seen significant order growth due to severe inflation, the ongoing Russia-Ukraine war, and the continued global economic sanctions against Russia. To ensure stable profitability, the company is focusing on the sales of color toner and strengthening market development in neighboring mainland China and Southeast Asia. Key future tasks include improving production equipment, enhancing production efficiency, continuously developing new products through R&D, and strengthening sales promotion to achieve sales targets.

#### Electronic Chemicals business:

In 2024, the global semiconductor photoresist and process chemicals market, driven by the rapid growth in overall semiconductor market demand, experienced accelerated operational momentum. However, even with a bottoming out and rebound of the semiconductor industry in the second half of the year, the market size is still expected to reach NT\$140 billion, and the electronic chemical materials market across Taiwan and mainland China maintains high long-term growth potential. With the continuous evolution of advanced processes and the capacity expansion of various wafer fabs and panel manufacturers, the demand for photoresists and process chemicals continues to grow, with a projected annual growth rate of 5-6% over the next three years. Currently, our company's market share is less than 1%. Looking ahead, the semiconductor market will be stimulated by emerging applications such as new information services, energy conservation and environmental protection, and technology integration. The mainstream demand in the back-end packaging market for advanced packaging technologies like CoWoS, FOWLP, and FOPLP will further drive the growth of thick-film photoresists and chemically amplified photoresists. The optoelectronics industry is focusing on developing flexible, low-temperature, high-end process materials and high-end photoresists for Mini/Micro LED as growth opportunities.

#### 3. Niche for competition:

- (1) Trustworthy corporate brand image and loyal customer base gain comparative advantages in a highly competitive market.
- (2) We will continue to accumulate our own key technologies, strengthen the development of market-driven and environmentally friendly new products to meet the evolving needs of our customers' product development.
- (3) Through the promotion of corporate brand and brand management, the Company's market competitiveness will be strengthened.
- (4) The global logistic, marketing channel and technical service network have been established to provide fast and immediate service and increase customer satisfaction, in order to build long-term and stable partnerships.
- (5) Technological innovation, competitiveness enhancement and profitability:
  - ① Differentiating products and technologies to increase the market share of products.
  - ② Promoting niche and superior products to increase added value.
- (6) Promote full range of online services including online streaming seminars and International Technology Forum, product marketing and promotion.

#### 4. Favorable and unfavorable factors of development vision and responding measures:

##### (1) Favorable factors:

- ① Regional and national chemical-related regulations have been promulgated. Governments such as China have greatly improved the implementation of environmental protection regulations, resulting in higher environmental protection costs, rising entry thresholds and operating costs of the chemical industry. The survival space of low-cost competitors in developing countries will be compressed.
- ② Governments around the globe pay attention to the development of high-tech chemical materials that are environmentally sustainable.
- ③ The growth momentum of polymer materials driven by the application of innovation industries: for example, materials needed for smart cars, green electricity and other industries.
- ④ With the decrease in prices of color office machines, the market is showing steady growth, and the color toner market is becoming more widespread.

##### (2) Unfavorable factors:

- ① Global inflation has hit the economy, protectionism has risen, and market uncertainty has increased.
- ② The tightening of Chinese environmental protection policies, imposing limitation on chemical industrial park, and forcing factory relocation and close-down, give rise to uncertainty in raw material supply and price increase. The management of supply chain is made more difficult and the control of costs become harder as well.

- ③ Taiwan's major trade competition countries have actively negotiated regional and bilateral free-trade agreements, which has certain degree of influence on Taiwan's export competitiveness.
- ④ Large-scale international chemical counterparts continue to conduct M&As, and the Chinese counterparts are actively expanding capacity to occupy market share with low prices.
- ⑤ Affected by factors such as geopolitics, trade conflicts, and monetary policies, exchange rates change relatively drastically, and exchange gains and losses fluctuate greatly.
- ⑥ Some emerging and developing countries are economically and financially unstable, or even bankrupt, resulting in a significant increase trade and payment risks.

(3) Response measures:

- ① Developing towards "high-tech knowledge industry" and "green economy industry," we will promote high-tech chemicals of environmental green energy with the core of R&D advantage, technology application and manufacturing capabilities.
- ② We will grasp the opportunity of global supply chain transfer due to China-US trade war and regionally politically conflicts, progressively developing the potential market.
- ③ Accelerating the expansion of service energy, extending to the upstream and downstream of the value chain, and becoming a multi-dimensional chemical company with equal emphasis on production and service.
- ④ Pay keen attention to market changes, flexibly adjust product structure, and provide diversified products to meet the needs of different customers in the market .
- ⑤ Integrate AI into all aspects of dye sales to enhance operational efficiency and identify unmet niche markets or rapidly growing regions.
- ⑥ Effectively grasp the current situation of trading countries and customers and adequately adjust trading terms and credit facilities to further reduce account risks.
- ⑦ Integrating the R&D, sales and production resources of the cross-strait toner business.

(II) Important uses of main products and their production process:

1. Important uses of main products:

Product type	Product name	Purposes
Color chemicals	Textile dye	For cotton, hemp, rayon, wool, silk and nylon
	Leather dye	For leather and fur
	High-purity dye used in ink jet printing	For office supplies, advertisement printing, labeling, and packaging materials
	High-purity dye used in digital textile printing	For textile printing, leather printing, wallpaper, and outdoor advertising
	Digital textile printing Printing ink	
	Metal dye	For aluminum metal, 3C housing, bicycle, and screw
	Paper dye	Used in the paper industry
	Functional chemicals used in textile	Used in the textile/leather industry
Solar energy dye	For solar sensitized dye batteries	
Specialty chemicals	UV-absorber	For coatings, adhesives, plastics, polyurethanes, elastomers and cosmetics
	Hindered amine light stabilizer	
	Functional Masterbatches	
	Antioxidants	
	Formulated product	
	High-molecular polymerizable dye	For polyurethane foams, adhesives and elastomers

Product type	Product name	Purposes
Toner	Colored toner	For color laser printers, color printers and multifunction printers
	Black toner	For black laser printers, black printers and multifunction printers
	Toner finished cartridges	For color / black printers and multifunction printers
	Carrier and developer	For color / black laser printers, color printers and multifunction printers
	Ceramic toners	Used for coloring ceramic ware
	Electronic paper pigment	Used for electronic paper color development
Electronic chemicals	Photoresist	Used in yellow lithography process such as IC, LCD, LED, TP and IC assembly
	Developer	For rinsing imaging process
	Slurry	For substrate flattening process
	Wet chemicals	Used in semiconductor and substrate surface cleaning, and process such as electroplating
	Functional ink of thermosetting and UV curing	Used in surface coating for substrates such as metals and glass
	Electronic functional chemicals	Functional chemicals for the electronic assembly industry
Pharmaceuticals	Material medicine for Prostaglandin	Treatment of gastric ulcer, glaucoma, pulmonary hypertension, induction of labor, sexual dysfunction, chronic idiopathic constipation, improvement of local ischemic symptoms of tissues, animal reproductive management, etc.
	Other material medicines	Treatment of high blood pressure, glaucoma, lowering intraocular pressure, actinic keratosis, Parkinson's disease, cancer, central nervous system, etc.

## 2. Production process:

The production process of the Group's main products can be roughly divided into the following three categories:

### (1) Production process based on chemical reaction:



Step 1: the basic raw material is formed into an intermediate through one or more chemical reactions.

Step 2: the intermediate is then converted into a semi-finished product by chemical changes.

Step 3: the semi-finished product is made into a product through different processes, such as refining, purification, drying, crushing, and batching, etc.

Products that fall into this type of production process include: various type of dyes, light stabilizers, yellowing resistance agents, and pharmaceuticals, etc.

### (2) Production process based on formula mixing:



Step 1: precisely putting in the required raw materials.

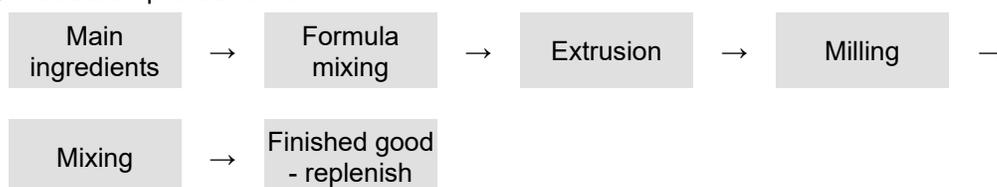
Step 2: mixing and performing a process inspection.

Step 3: conducting precision filtering through the various stages and performing a process inspection.

Step 4: the finished product is replenished and packaged, and then inspected.

Products that fall into this type of production process include: electronic chemicals, inkjet ink dyes, etc.

(3) Production process of toner:



Step 1: precisely putting in the required raw materials.

Step 2: mixing the raw materials with a mixer.

Step 3: the mixing of raw material is carried out by the extruder, so that the raw materials are uniformly dispersed, and then a process inspection is performed.

Step 4: grinding toner to the required particle size and a process inspection is performed.

Step 5: mixing toner and external additives into the mixer, and performing a process inspection.

Step 6: the finished product is replenished and packaged, and then inspected.

Products that fall into this type of production process include: colored toner, black toner, and ceramic toners, etc.

(III) Supply of main raw materials

The main raw materials for our company's various specialty chemicals are organic chemical intermediates (benzene series, naphthalene series, etc.) and basic chemicals (acids, alkalis, salts, solvents, etc.), primarily sourced from mainland China, India, and Taiwan. The supply capacity and prices of raw materials in the market fluctuate mainly due to the following factors: stringent environmental and work safety inspections in mainland China and India, as well as work safety incidents, which limit manufacturers' production capacity and increase production costs and supply risks. Following the pandemic, overall demand decreased, leading to a decline in raw material prices and transportation costs. However, the Russia-Ukraine war continued in 2022, triggering unresolved global economic issues such as an energy crisis, inflation, and reduced consumer spending. In October 2023, the Israel-Hamas war broke out, leading to the Red Sea crisis, longer shipping routes, and increased risks across the supply chain, including higher production and transportation costs. In 2024, several port strikes occurred in the United States, affecting the operational efficiency of ports on the East and West Coasts, causing a surge in freight rates on US routes, which also impacted shipping costs between Europe and Asia. We are responding by continuously monitoring supplier deliveries and logistics, adjusting raw material inventories, purchasing in advance as needed, and developing alternative sources of supply.

The main raw materials of toner are polymer materials such as acrylic and polyester resins, magnetic iron oxide, carbon black, and color pigments etc. Japan, Europe and the United States are the main sources of supply. Due to an increase in crude oil prices and shipping costs, prices for various raw materials have risen drastically. As a result, we have been importing China-made resins and magnetic iron oxide to balance the price increase. In the future, we will also work with Taiwan manufacturers to improve the problem of long supply chain.

(IV) The name of the customer who has once accounted for more than 10% of the total purchase (sales) of goods in any of the year within the most recent two (2) years, the amount and proportion of the purchase (sales), and the reasons for the increase or decrease:

1. Suppliers accounting for ten percent or more of the total purchases in the most recent two fiscal years: None.
2. Information on customers accounting for ten percent or more of the total sales revenue in the most recent two fiscal years.

Unit: Thousands of New Taiwan Dollars

Year	2024				2023			
Item	Name	Amount	Percentage of Net Sales for the Year (%)	Relationship with the Issuer	Name	Amount	Percentage of Net Sales for the Year (%)	Relationship with the Issuer
I	Company A	856,450	10.5%	None	-	-	-	-
	Other	7,311,770	89.5%	-	Other	7,861,424	100%	-
	Net Sales	8,168,220	100%	-	Net Sales	7,861,424	100%	-
Reason for Change		Due to increased customer demand						

Note: If a customer name cannot be disclosed due to contractual agreements, or if the transaction counterparty is an individual and not a related party, a code may be used.

### III. Information of the employees of the Company and affiliates

Year		2024	2023	The current year as of March 31, 2025
Employee number	Company	303	297	302
	Factory	1,519	1,533	1,515
	Total	1,822	1,830	1,817
Average age		41.4	40.9	41.4
Average service years		12.0	11.8	12.0
Percentages distribution of education (%)	PhD	2	2	2
	Master	20	21	20
	College	55	56	54
	Below (and include) high school	23	21	24

### IV. Information of Environmental Protection Expenditure

(I) In the most recent year, up to the publication date of the annual report, losses incurred due to pollution: None.

(II) Estimated amount of current and future possible losses and countermeasures

Plant III was announced as a 'Soil and Groundwater Pollution Remediation Site' on December 9, 2016, and the remediation plan was approved by the Taoyuan City Government on January 16, 2020, with a planned annual investment of over 30 million NTD for remediation work. In 2022, due to a fire accident, approximately 35 million NTD in remediation expenses was added to enhance the remediation of certain areas, and an application to modify the remediation plan was submitted and subsequently approved. According to the revised remediation schedule, an application to delist the pollution site is expected to be filed in January 2027.

## V. Labor Relations

(I) Employee welfare measures, on-the-job further study, training, retirement system, working environment of the Company and personal safety protection of employees and its implementation, as well as the agreement between labor and employer and the maintenance measures of various employees' rights and interests

### 1. Welfare measures

The Company focuses on the care of employees, and provides employees with complete salary, reward, bonus and welfare system, so that employees can contribute their efforts in the workplace. Meanwhile, in order to honor the long-term contribution of senior staff and excellent employees to the Company, they will be given commemorative gold coins and awarded trophies respectively. General health checkups for employees and physical examinations for senior staff will be conducted regularly every year. Relevant welfare measures include the followings:

- (1) Rewards: year-end bonus / holiday gift / Labor Day bonus / birthday gift
- (2) Subsidies: wedding gift / maternity allowance / child education award and subsidy / travel subsidy / injury relief payment / death subsidy
- (3) Insurance: labor insurance / health insurance / employee group insurance / voluntary group insurance / business travel insurance
- (4) Systems: factory uniform / food stipend / performance bonus / proposal bonus / club activity/ death benefit
- (5) Equipment: nursing room / staff dorms / staff transportation vehicle / staff restaurant / gym / basketball court / library / special store / e-magazine
- (6) System of day-offs (vacations): pre-borrowed annual leave / paternity leave / family care leave / menstrual leave / nursing leave
- (7) Physical and Mental Health: Employee Assistance Program (EAP) / On-site Medical Care / Health Education Seminars / Weight Loss Activities / Chronic Disease Prevention

### 2. Educational training

The company has been promoting character education for employees for a long time, and based on character education, it has created a platform for lifelong learning and growth. In management, the supervisors embrace the service spirit of "servant," educate the staff full-heartedly and practice what they preach, in order to deepen the integration and cooperation of employees into the Company's business philosophy and corporate culture. Based on job functional structure, Everlight Chemical conducts talent selection, talents education, talents exertion and performance management. According to the annual training plan, the Company compares the structure with the education and training system (including inspiration training, orientation education, class training, professional training, and project training). The Company provides education and training for employees, in the hope of balancing the sustainable development of talents in the fields of production, R&D, marketing, and management; and provide employees with a digital learning environment to accelerate the development of knowledge, skills, and attitudes required for employees' positions. In addition, employees may be designated by the Company to study domestically or abroad (including retrieving master's degree or PhD degree or professional technical study) if necessary for their work or tasks.

### 3. Retirement system

The Company established the "Labor Pension Reserve Supervision Committee" in accordance with the Labor Standards Act, which monthly appropriates pension reserve into the account in Taiwan Bank; employees who meet retirement criteria may be distributed with pension fund, of which the pension base is calculated according to the service years. The Company will reimburse the pension fund by 6% in accordance with laws and remit it into the personal account of an employee who satisfies the new system of retirement. In addition, the Company has also formulated the "Application Rules for Early Retirement of Employees". Any qualified employees can be retired early if approved by the Company.

#### 4. gender equality

In accordance with the spirit of the Gender Equality at Work Act, the company promulgated the "Regulations on Sexual Harassment Complaints and Punishment in the Workplace" and set up a "Sexual Harassment Complaint Handling Committee". Each factory also set up a complaint hotline and e-mail, and held regular monthly meetings every year to promote harassment prevention and treatment. Grievance Provisions.

#### 5. collective bargaining agreement

The company has established a corporate trade union and formulated labor-management meeting procedures in accordance with labor standards. Regular labor-management meetings are held every quarter to discuss labor-management issues, strengthen labor-employer relations, and protect labor rights and interests. With the consent of the trade union, the "Work Rules" will be submitted to the North City Government for approval. ◦

Although our company has established a corporate labor union, it has not signed a group agreement because the labor union has not requested the company to negotiate a group agreement.

#### 6. Working environment and employee personal safety protection and its implementation

The Company adheres to an occupational safety and health policy of "respect for life, pursue zero disasters," and has been certified pursuant to laws, and implements an Occupational Health and Safety Management System (ISO 45001:2018, valid until October 24, 2025), to ensure employee safety and safeguard company assets through a management spirit that subscribes to the Plan-Do-Check-Action (PDCA) cycle.

In accordance with clauses in ISO 45001:2018-6.1 regarding addressing risks and opportunities, we have established control procedures for hazard identification, risk and opportunity evaluation, which are carried out on a regular basis or implemented when there are any changes. Each hazard operational activity is identified step by step by all workers through work arrangement means, social factors, organizational leadership and culture, routine and non-routine activities, past events, potential emergencies, personnel, and changes using the job safety analysis (Job Safety Analysis, JSA) method. Afterwards, risks are classified and combined with 5 major control levels, including elimination, substitution, engineering control, administrative control, and personal protective equipment. By taking this approach, high-risk matters can be focused in order to propose improvement measures to eliminate hazards and reduce occupational safety and health risks. For example, implementing process safety management and evaluating the adoption of intelligent disaster prevention technologies, etc.

In order to provide a safe and healthy workplace, the Company adopts personal safety protection measures for employees, including formulating work safety regulations and training methods, implementing health protection and promotion measures (For example, an annual employee health examination is performed and managed by level. Health care professionals are hired or contracted to perform services on site, hazard prevention programs for material, human factors, workplace abuse, abnormal workloads are implemented. As well as these, we also facilitate occupational safety protection on night workers, senior and middle-aged workers, and have introduced the GreenScreen® for Safer Chemicals evaluation method to help identify chemicals of high concern to further select safer alternatives, while also adopting respiratory protection programs, and organizing physical and mental health activities, and providing fitness equipment), organizing regular emergency response drills, rewarding health and safety proposals, implementing environmental satisfaction surveys, promoting 5S and zero-disaster activities, safety inspections by senior managers, among other things, to prevent accidents and reduce occupational injuries.

In addition to the occupational safety and health committee's quarterly meeting, each plant discusses various safety and health issues, and also implements safety and health promotion at the plant's monthly meeting. The scope includes changes in regulations, defects of self-management, internal and external occupational safety accident cases, safety and health management plans and other matters.

(1) Zero-disaster exercise

Introducing zero-disaster activities. Every day before the start of work, the operation site supervisor will lead colleagues to carry out health confirmation, operational hazards and countermeasures, pointing and calling for single focus, to increase the alertness of employees during operations and reduce mistakes in the work.

(2) Emergency response

Self-defense firefighting drills, poison disaster drills and specific chemical substance disaster drills are held regularly every year, or irregular drills for high-risk projects continue to be operated by the company. Reviews and continuous improvements are conducted after the drills to ensure that disaster losses can be reduced in emergencies. Reduce it to a minimum so that the company's operations will not be affected.

(3) Monitoring of operation environment

The Company improves the working environment based on the characteristics of the job site, in order to provide a safe and comfortable working environment. To prevent occupational hazards and protect employees' health, the Company teaches and requires workers to properly wear and use personal protective equipment to reduce the exposed harm to an acceptable level.

The Company entrusts qualified institutions to carry out regular operation environment monitoring in accordance with the "Measures for Implementing Labor Operation Environmental Monitoring". The monitoring contents are all in accordance with statutory requirements (about chemical and physical factors). The unit may also propose an assessment for operations with concern of hazards. If there is any abnormality in the monitoring result, we will improve and correct it immediately to protect the safety of employees.

(4) External training

In accordance with the "Occupational Safety and Health Education and Training Rules," the personnel for special operations of the Company have completed safety and health education and training for special operations, and obtained operational qualification certificates/licenses. The Company also actively dispatches staff to participate in seminars related to occupational safety and health affairs, and strengthens and cultivates the safety and health awareness of personnel, The Company also actively participates in the operations of the Industrial Zone Safety and Health Promotion Association, to learn from the safety management experience of other factories. In the regards to managing contractors, the workers of contractors entering the Company's plants require safety and health training, and they are required to observe the Company's safety and health regulations, to ensure the safety of contracted work. Under the continuous deepening of various business concepts, the Company's corporate value has been significantly improved, which has also been positively recognized by all the staff and customers.

(II) In the most recent year and up to the publication date of the annual report, losses due to labor-employer disputes (including violation of Labor Standard Act found in labor inspection, should have details of date of penalty, serial number of penalty, article of statute violated, content of article of statute violated and content of wrongdoings documented), estimated amount of current and future possible losses and response measures: None

## VI. Cyber Security Management

In an attempt to implement the protection management of information security and personal data, we formed an Information Safety and Personal Information Management Committee in 2016. Each year, an information security management review meeting is held with the General Manager acting as the management representative responsible for the effectiveness of the information security management system. The Committee is made up of first-level managers of each business division, functional unit, plant and audit unit with the top manager of the Information Division serving as the executive secretary to assist the management representative in the planning, management and execution of the information security management system. In doing this, the management system is in line with the requirements of international standards listed in external reference documents, and regularly report information security implementation to the Board Of Directors every year.

At Everlight Chemical, we understand that information security is an important issue for the sustainability of a company. To ensure the confidentiality, integrity and availability of information, we have formulated an information security management policy as “implementation of protective measures to ensure information security”. In August 2024, we passed ISO 27001:2022 (valid from Aug. 21, 2024 to Aug. 20, 2027) Information Security Management System certification. Through the introduction of ISO27001 management system, we continue to reinforce our response in the event of an emergency, regulatory compliance while also strengthening risk evaluation and management of information assets.

In an effort to strengthen our information security protection capabilities, we have performed the following information security management programs and investment of resources:

1. Each year, an external professional information security vendor is entrusted to perform vulnerability scanning and conduct risk analysis and vulnerability repair.
2. Perform network protection equipment replacement and social engineering attack drills to reduce the risk of network attacks.
3. Plan and build an IDC computer room to improve remote support capabilities.
4. Strengthen user and privileged account management by regularly reviewing accounts, changing passwords and account password error alerts.
5. Regularly perform information security-related disaster drills to improve response capabilities.
6. Manage flash drive use to reduce the risk of computer virus and data leakage.
7. Plan computer replacement and install protection programs for operating systems that are no longer supported.
8. Join the information security joint defense organization, provide information security incident consulting and coordination services, and effectively receive and transmit information security information.

The resources invested by our company in cybersecurity management

1. Dedicated personnel: Chief Information Security Officer (CISO) and one cybersecurity specialist are responsible for the company’s information security operation in order to maintain and continue to enhance cybersecurity.
2. Training & education: The company conducts one advocacy campaign “Cybersecurity and Personal Data Protection” each year at the monthly meeting for all employees. Completion rates are always 100%. To enhance awareness in cybersecurity, a total of two simulated phishing email and social engineering attacks and advocacy of information security to new hires were conducted in 2024. Colleagues of Information Division receives at least three hours of cybersecurity training per year.
3. Cybersecurity related meetings: Information security management review meetings are convened at least once each year. Information Division meetings are held once a month.

For 2024 and as of the publication date of the annual report, no major information security incidents occurred.

## VII. Important Contracts

The contracts that are still valid and will expire in the most recent year as of the date of publication of the annual report are as follows:

Contract characteristics	Litigant	Begin and End Date of contract	Main content	Restrictive covenant
Engineering contract	Ettech System Technology Co., Ltd.	April 2023- December 2024	MES system procurement	None
Equipment contract	Agia Engineering Co., Ltd	November 2022 - December 2024	Deployment of polymer dewatering facilities on the production lines	None
Equipment contract	Rockwell Automation Taiwan Co., Ltd	February 2024 - December 2024	Manufacturing process control system	None
Engineering contrac	Sinotech Environmental Technology Ltd.	April 2020- July 2025	Soil remediation at Plant III	None
Procurement contracts	IBM Taiwan Corporation	December 2022 -December 2025	Implementation of SAP application system.	None
Procurement contracts	Hua Ya Automobile Co., Ltd	April 2016 – April 2026	Procurement of steam at Plant III	None
Engineering contrac	Grand Chareau Engineering Co., Ltd	March 2025 - June 2026	Plant IV Phase II Construction Project	None
Equipment contract	Chemineer International Corp.	November 2024 – July 2025	Nanofiltration Unit for the New RO Production Line	None
Equipment contract	Kangchun Technology Co., Ltd.	November 2024 – July 2025	Pure Water Unit for the New RO Production Line	None
Equipment contract	Zongmao Smart Technology Co., Ltd	August 2024 - November 2024	Smart Steam Flowmeter and Data Software	None
Engineering contrac	By Shen Jia Mechanical Engineering Co., Ltd.	Septmber 2024 - March 2025	Plant III, Building L Piping Project	None
Engineering contrac	Advanced Automation Co., Ltd.	November 2024 - February 2025	Plant III, Building L Instrumentation and Control Wiring Project	None
Engineering contrac	Pu Gang Engineering Co., Ltd.	October 2024 - February 2025	Plant III, Building L Electrical Power Distribution Project	None

# Financial Information, Financial Performance, And Risk Management

## I. financial Information

Unit: TWD thousand

Item	Year	2024	2023	Difference	
				Dollar amount	%
Current assets		6,772,950	6,677,394	95,556	1
Property, plant and equipment		4,605,298	4,535,850	69,448	2
Intangible assets		154,460	128,362	26,098	20
Other non-current assets		1,710,493	1,559,120	151,373	10
Total assets		13,243,201	12,900,726	342,475	3
Current liabilities		3,084,425	2,849,660	234,765	8
Non-Current liabilities		1,349,621	1,395,191	(45,570)	(3)
Total liabilities		4,434,046	4,244,851	189,195	4
Capital stock		5,477,522	5,477,522	0	0
Capital surplus		475,236	474,558	678	0
Retained earnings		2,547,678	2,351,733	195,945	8
Other equity		35,704	40,262	(4,558)	(11)
Non-controlling interests		273,015	311,800	(38,785)	(12)
Shareholders' equity		8,809,155	8,655,875	153,280	2

I. The main reasons for the significant changes of assets, liabilities and equity in the most recent two (2) years:

(1) The increase in intangible assets is mainly due to the addition of SAP computer software this year.

II. Future response plan for matters with significant influence: There are no matters that have significant influence on the Company's financial condition.

## II. Financial performance

Unit: TWD thousand

Item	Year		Increase (decrease) dollar amount	Changes %
	2024	2023		
Operating revenue	8,168,220	7,861,424	306,796	4
Operating cost	6,380,955	6,261,590	119,365	2
Operating gross profit	1,787,265	1,599,834	187,431	12
Operating expense	1,611,905	1,516,414	95,491	6
Net operating profit	175,360	83,420	91,940	110
Non-operating revenue and expense	110,853	25,537	85,316	334
Pre-tax profit of going-concern operation department	286,213	108,957	177,256	163
Income tax expense	32,951	13,880	19,071	137
Net income after tax of going-concern operation department	253,262	95,077	158,185	166

- The main reasons for the significant changes of operating revenue, operating income and pre-tax income in the most recent two (2) years:
  - The increase in operating profit is mainly due to the rise in revenue and the lower increase in operating costs.
  - The increase in non-operating income and expenses is mainly due to the increase in exchange gains.
  - The increase in income tax expenses is mainly due to the increase in pre-tax profit.
- For expected sales volume and its reference, please refer to Summary of Operation Plan.
- Possible impacts on the Company's future financial operations and response measures: There are no significant impacts.

## III. Cash Flows

- The analysis of cash flow changes during recent year and corrective measures to be taken in response to illiquidity
  - The decrease in the cash flow ratio is mainly due to the decrease in net cash flow from operating activities compared to the previous period
  - The cash flow adequacy ratio decreased slightly is mainly due to a slight decrease in net cash flow from operating activities in the recent five years.
  - The cash reinvestment ratio decreased is mainly due to the decrease in net cash flow from operating activities compared to the previous period.
  - Corrective measures to be taken in response to insufficient liquidity: Not applicable.
- Liquidity analysis for the coming year:

Unit: TWD thousand

Cash - beginning balance (1)	Expected net cash flow from operating activities for the year (2)	Expected cash outflow (3)	Expected cash balance (insufficiency) (1)+(2)-(3)	Countermeasures against cash insufficiency	
				Investment plan	Wealth management plan
1,305,622	760,000	1,480,000	585,622	0	0

- Net cash flows from operating activities: mainly due to the profit and depreciation recognition.
- Cash outflows: mainly due to the payment of each factory's capital expenditure, the payment of cash dividends.

#### **IV. Impact of major capital expenditures on financial operations**

Not applicable; there are no significant impacts on the Company's financial operations.

#### **V. Reinvestment policy in the most recent year, the main reasons for the profit or loss, improvement plans and investment plans in the upcoming year : Not applicable**

#### **VI. Risk Items**

##### **(I) Risk management policy and procedures**

The Company's risk management policy is "implementing risk management and ensuring sustainability operation," which has been discussed and passed by the Board of Directors on Aug. 8, 2024.

The company referred to the ISO 31000:2018 Risk Management - Guidelines, Best Practice Principles on Risk Management for TWSE/TPEX Listed Companies, the book "Applying Enterprise Risk Management to Environmental, Social and Governance-related Risks" and relevant data in the amendment of Risk Management Procedures. This was discussed and approved by the Board of Directors on Aug. 8, 2024.

##### **(II) Risk management strategy**

1. Establishing risk management strategy for the Group's operation.
2. Implementing educational trainings to strengthen the staff's risk awareness.
3. Providing insight about the fluctuation trend of operation environment.
4. Abiding by international product safety rules.
5. Ensuring industrial safety and environmental protection.

##### **(III) Risk management organization and operation**

The company has established a Risk Management Committee under the Board of Directors to oversee the operation of risk management mechanisms. The committee shall consist of no fewer than three members, with over half of the members serving as independent directors, and one of the independent directors shall be elected to serve as the chairperson. The Risk Management Committee is responsible to the Board of Directors and shall convene a Risk Management Committee meeting twice a year, and the meeting results shall be reported to the Board of Directors in a timely manner. The operations of the Risk Management Committee in 2024 were reported to the Board of Directors on May 9th and December 12th, respectively.

The company has established a Risk Management Office, convened by the General Manager with the participation of production, finance, and other department heads, to be responsible for planning, implementing, and overseeing risk management-related affairs. The Risk Management Office convenes meetings twice a year and reports the meeting results to the Risk Management Committee in a timely manner, to receive guidance from the committee members and make subsequent adjustments and implementations to relevant operational activity plans.

For the first meeting of the Risk Management Office every year, the risk topics are prioritized by referring to the "BCI Horizon Scan Report" or "WEF Global Risks Report" for discussing the countermeasures that the Company should adopt; for the second meeting of the Risk Management Office, the risk assessment outcomes submitted by each unit are reviewed and discussed, to select the risk issues that the whole company needs to address first, and to develop the "Business Continuity Management (BCM) Plan" accordingly.

The Company has established a "Business Continuity Management System (BCMS)" in accordance with ISO 22301. Regular third-party audits are conducted every year to verify the effectiveness of the management system.

#### (IV) Risk management policy and scope

We classify the risks we face into five major categories (Strategic risks, Legal risks, Financial risks, Operational risks, and Other risks). The handling strategies/treatment principles for each category of risk are set forth in the "Risk Management Procedures". Each responsible unit oversees the evaluation, reporting and execution of response/preparedness plans within their business scope so as to reduce possible impact or risk hazards.

The risk categories and control mechanisms are as follows:

1. Strategic risks: Everlight Chemical Strategy Committee has been established under the Board of Directors. Strategic risks are mitigated with the advice and oversight from the directors. By taking into account the industry characteristics, such as business environments, complexity, nature and scope of operations, each division conducts operational risk assessment each year, as well as analyze, evaluate and formulate strategies in reference to changes in laws, policies and markets, and implement these strategies accordingly.
2. Legal risks: Based on the authorities and responsibilities of each plant division and functional unit, changes in laws and regulations are closely monitored, and various corresponding measures are implemented; the implementation results are reported to the "Compliance Management Committee."
3. Financial risks: The financial accounting and legal units formulate and implement various strategies, and take various response measures according to the analysis of laws, policies and market changes. The Audit Office controls over and audits on the risk items mentioned above.
4. Operational risks: The risk assessment of the annual operating guidelines and the management system is carried out by the management team of each business division each and functional office, to adopt proper strategies and measures and conduct regular performance tracking, to ensure that the operational strategies are in line with the Company's vision and that operational objectives are achieved.
5. Other risks: Based on their authorities and responsibilities, each unit will be alert at all times, and submit response/pre-response plans for execution upon approval by the responsible supervisor.

#### (V) Various risk evaluation

The analysis for the risk items in the latest annual report and up to the date when the annual report was printed is as follows:

1. The influence of changes in interest rates and exchange rates and inflation on the Group's profit and loss and future countermeasures:

##### (1) Changes in interest rates:

The Group's main borrowing currencies are US dollars and New Taiwan dollars. Following the three interest rate cuts by the US Federal Reserve in 2024, concerns about inflation have increased in 2025 due to tariff-related issues, and the pace of interest rate cuts by the US Federal Reserve may slow down. Interest rates are expected to remain at a relatively high level, and the Group's interest expenses in 2025 are projected to be similar to those in 2024.

The short-term and long-term borrowings of the Group are debts with floating interest rates. Changes in market interest rates will cause the effective interest rates of short-term and long-term borrowings to change, which will cause future cash flows to fluctuate. If market interest rate increases by 1%, the Group's net profit will decrease by about TWD 20 ~ 30 million.

The Group will continue to closely observe the trend of interest rates, and use interest rate hedging or other capital market financing channels in a timely manner to control the Group's financing costs to a relatively low point of market interest rates.

(2) Exchange rate fluctuation:

The Group's import and export is mainly based on USD and RMB. It is estimated that the appreciation of one NTD will reduce the Group's net profit margin by approximately 1%. In 2024, the Group had exchange gains of 80 million NTD due to the depreciation of the New Taiwan dollar against the US dollar and the Renminbi, among other currencies. The Group's foreign exchange policy is based on the principle that the foreign exchange position is self-squared, and the surplus or needed parts of the account are hedged in a timely manner. In addition, the Group's borrowings of Everlight (Suzhou) Advanced Chemicals Ltd., a subsidiary in Mainland China, was unable to be hedged because they are USD borrowings of foreign debts. The Group has consulted the bank to lend in RMB to facilitate the self-squaring of foreign exchange position to reduce the risk.

(3) Inflation:

In 2024, the year-on-year growth rate of the domestic Consumer Price Index was 2.18%. According to the estimate of the Directorate General of Budget, Accounting and Statistics, Executive Yuan, the year-on-year growth rate of the domestic Consumer Price Index in 2025 is expected to be 1.94%, indicating continuing inflationary pressures. The U.S.-Russia war has not come to a ceasefire, and although inflation data in countries such as the United States and Europe have declined, they are far from the inflation target, indicating persistent inflationary pressures. Being impacted by inflation, the Company's costs are expected to increase. With operating costs continuing to increase, the Company will make timely adjustments on the prices of competitive products to reduce the impact of inflation on operations.

2. The policy, main reasons for the profit or loss, and future response measures of high risk, high leverage investment, lending of capital, endorsements and guarantees and derivatives tradings:

(1) The Company does not engage in investments of high risk and high leverage.

(2) Lending of capital, endorsements and guarantees: The purpose of the Company's lending of capital and endorsements and guarantees is to deal with the fund transfer within the group, which is handled according to the "Management Rules for Lending of Capital, Endorsements and Guarantees" formulated by the Company in accordance with government regulations. For the Company's lending of capital, endorsements and guarantees in 2024, please refer to XIII. Note Disclosure of Consolidated Financial Report.

(3) Derivatives tradings: The Company's derivatives tradings are for the purpose of hedging (including financial hedging) and the trading commodities should be selected to avoid the risks arising from the Company's business operations, which are based on the Company's "Regulations Governing Derivatives Transactions" in accordance with government regulations. In order to avoid the impact of exchange rate changes, the derivatives business of foreign exchange in 2024 was mainly foreign currency option contracts. For its profit or loss, please refer to the notes VI (2) of Consolidated Financial Report. In addition, since March 1, 2016, the FSC has set up many restrictions on financial derivative products. The Company will continue to pay attention to the exchange rate changes of the foreign currencies held and abide by relevant operational regulations of the competent authority. The restrictions mentioned above have not had a significant impact on the financial operations of the Company.

3. Research and development (R&D) plans to be carried out in the future and the expected R&D expenditures:

For sustainability operation and international development, Everlight Chemical is expected to invest TWD384 million in R&D expense in 2025. For future R&D plans, please refer to the section of Operational Profile about the new products planned to be developed.

4. The influence of important policies and changes in laws at home and abroad on the Company's financial business and the countermeasures:

The Greenhouse Gas Reduction and Management Act was renamed the Climate Change Response Act after passing its third reading on January 10, 2023, and the amended version was promulgated on February 15, 2023. Key points include the setting of a national long-term target of net-zero greenhouse gas emissions by 2050, as well as the legislation of carbon pricing and a review mechanism.

On October 7, 2024, the Ministry of Environment convened the Carbon Fee Review Committee and ultimately decided to set the general rate at NT\$300 per metric ton of carbon, which will be gradually increased in stages in the future. According to the Ministry of Environment's plan, the initial levy targets will be electricity, gas supply, and manufacturing industries with annual emissions exceeding 25,000 metric tons, affecting approximately 281 companies and 500 factories. Currently, the carbon emissions of our company's factories do not exceed 25,000 metric tons, but we will continue to monitor changes in regulations and respond promptly.

To respond to the aforementioned laws, our company has established a cross-departmental climate change task force dedicated to address climate-related risks and opportunities. We will follow government regulations and continue to implement various mitigation and adaptation strategies to reduce the negative impacts of climate change and carbon policy shifts on our operations. Our company's Climate-Related Financial Disclosures (TCFD) are provided in a dedicated climate chapter in our sustainability report.

Our company has established a legal compliance management system. Relevant departments conduct conformity reviews on important policy and legislative changes in accordance with internal regulations, and implement necessary improvements or preemptive measures, such as adjusting internal systems or business operations, in order to adhere to major domestic and international policies and legal requirements, as well as mitigate the impact on the company's financials.

5. Effect of technology development and industrial change (including cyber security risks) on the Company's financial operations, and measures to be taken in response:

Artificial intelligence, cloud computing, and Industry 4.0 have triggered a massive wave of industrial smart technology changes. However, the rapid evolution of these technologies has also brought increased pressure on capital expenditure, especially in digital transformation and cybersecurity infrastructure development. At the same time, cybersecurity risk management is becoming increasingly important. The company has implemented the ISO 27001 information security management system and continues to train employees on information security awareness and prevention capabilities. It has increased investment in information security, updated network hardware equipment, software upgrades and strengthened backups. It also conducts regular disaster drills to ensure backup backup. The availability of support and information services will not be interrupted.

In response to the international trend of achieving net-zero carbon emissions, the chemical industry needs to develop alternative energy and material sources to replace petrochemicals and coal. Circular economy, renewable energy, recycled and biobased materials have become key issues in the development of the chemical industry. In addition, the development of green synthesis pathways with low pollution and toxicity, the use of catalysts, biomimetic chemical processes, microreactors, and other green chemistry technologies all have important long-term impacts on the industry. In particular, the promotion of carbon neutrality policies and sustainability requirements may increase raw material and R&D costs.

The company actively promotes green chemistry and the circular economy, developing low-carbon footprint, high-performance, and sustainable solutions to address industry changes, market demands, and comply with relevant regulations.

6. Effect of corporate image change on the Company's crisis management, and measures to be taken in response:

Since its establishment, the Company has been adhering to the business principle of "decent management," doing the right thing in the spirit of honesty, law-abiding and fairness, establishing a good reputation and image, and has been well received by all circles. There are no risks of changing business image.

7. Expected benefits and possible risks associated with any merger and acquisitions, and response measures to be taken:

As of the printed date, there are no plans for merger and acquisition, and thus is not applicable here.

8. Expected benefit and possible risk associated with plant expansion, and measures to be taken in response: None.

9. Risks associated with purchasing or sales consolidation, and measures to be taken in response:

The company continues to implement strategies such as supplier audit management, procurement diversification, and sourcing development, and there is no concentration of purchases. Our company continues to develop new customers and expand into new markets to diversify operational risks. In 2024, only one customer's sales amount exceeded 10% of the total sales amount. Overall, our company does not have a significant risk of sales concentration.

10. Effect upon and risk to the Company in the event a major quantity of shares held by a director or a major shareholder with more than 10% shareholding has been transferred or changed hands, and measures to be taken in response:

Changes in equity transfers and board positions of the company's directors and major shareholders holding more than 10% of shares have no impact on the company, and there is no need to take any special countermeasures.

11. Effect upon and risk to Company associated with any change in governance personnel or top management, and measures to be taken in response:

The major shareholders of the Company all focused on the operation of their own business, and harmoniously and unanimously support the development of the Company's various business development. There should be no risk of changes in management rights, and no special response measures are required.

12. Litigious and non-litigious matters: List major litigious, non-litigious or administrative disputes that involve the Company and/or any of the Company's directors, supervisors, general manager, any persons with actual responsibility for the Company, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the Company and have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the Company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report:

None of the above-mentioned people of the Company have the conditions mentioned in the previous paragraph.

13. Other important risks and response measures: None.

**VII. Other important matters:** None.



# Special Disclosure

## **I. Information Related to the Company's Affiliates**

In 2024, the three financial statements of related enterprises prepared by our company in accordance with the 'Regulations Governing the Preparation of Consolidated Business Reports of Affiliated Enterprises, Consolidated Financial Statements of Affiliated Enterprises and Reports on Affiliations' have been publicly announced and filed on the Market Observation Post System (MOPS) website.

Index Path (Market Observation Post System > Single Company > Electronic Document Download > Related Party Transaction Reports).

Website: [https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10).

## **II. Status of private placement of securities:** None.

## **III. Other Necessary Supplementary Explanations:** None.

## **IV. Any occurrence of the Matters Defined in Term 2, Provision 2, Article 36 of Securities Exchange Act that Have a Significant Impact on Shareholders' Equity or Security Price during the most recent year and up to the date of publication of this annual report:** None.

Everlight Chemical Industrial Corporation

Chairman Chen, Chien-Hsin