

ESG[🌱]

Sustainability Report 2023

Core Services, Max Value



康普材料科技股份有限公司
COREMAX CORPORATION



Content

Scope of the Report and Editorial Principles	02
Statement from the CEO	03
2023 Sustainability Achievements at a Glance	04

Appendix

GRI Index	80
TCFD Guidelines Comparison Table	82
SASB Chemicals Industry Standard Reference Table	83
Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Chemical Industry Sustainability Disclosure Indicators	85
Climate-related Information of Listed and OTC Companies	86
Third-party Verification Statement	87

01 Overview of CoreMax Group

1.1 Company Organization Overview	06
1.2 Products and Value Chain	10
1.3 Operational Performance	11
1.4 Core Values and Behavioral Indicators	12

02 Sustainability Management

2.1 ESG Implementation Organization	14
2.2 Stakeholders and Material Topics	14
2.3 Stakeholders Engagement	21

03 Corporate Governance

3.1 Corporate Governance Structure	24
3.2 Integrity Management and Insider Trading Prevention	29
3.3 Risk Management (Material Topic)	30
3.4 Research and Development Innovation and Quality Management	34
3.5 Customer Relationship Management	35
3.6 Supplier Management	35
3.7 Regulatory Compliance (Material Topic)	39

04 Sustainable Environment

4.1 Climate Change Adaptation (TCFD)	44
4.2 Environmental Management Policies and Investments	48
4.3 Water Resource Management	49
4.4 Air Pollution Control	51
4.5 Waste Management (Material Topic)	53
4.6 Energy Policy and Greenhouse Gas Inventory	55

05 Blissful Workplace

5.1 Human Rights Policy and Commitment	58
5.2 Labor Relations	59
5.3 Employee Benefits	61
5.4 Talent Development and Training (Material Topic)	62
5.5 Occupational Health and Safety (Material Topic)	65

06 Social Engagement

6.1 Community Maintenance and Public Participation	78
6.2 Participation in External Associations and Organizations	79

Scope of the Report and Editorial Principles (GRI 2-1)

CoreMax Group (hereinafter referred to as CoreMax, the Group, or we) first published its Corporate Social Responsibility Report in 2014. In response to the Financial Supervisory Commission's requirements, it was renamed the Sustainability Report in 2021. The 2023 Sustainability Report is the tenth report by the company to disclose non-financial information. It aims to inform stakeholders about our commitments and achievements in economic, social, and environmental aspects, demonstrating our determination to fulfill corporate social responsibility and pursue sustainable operations.

Reporting Period January 1, 2023 to December 31, 2023 (GRI 2-3)

Information Recompiled (GRI 2-4)

In 2023, due to boundary expansion, the water resource management data for 2021 and 2022 was recompiled. Additionally, the calorific value of steam usage was changed in 2023, resulting in revisions to past energy data.

Principles Followed in Writing the Report

This report is prepared in accordance with the "Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies." The content structure follows the GRI Universal Standards 2021 version published by the Global Reporting Initiative (GRI). Additionally, the report references the chemical industry indicators of the Sustainability Accounting Standards Board (SASB) and the framework of the Task Force on Climate-related Financial Disclosures (TCFD).

Report Management Process (GRI 2-14)

The Board of Directors of CoreMax Group is the highest governance and decision-making body of the group. The control over the various operations of data collection, preparation, and verification for this report follows the "Sustainability Report Preparation and Verification Procedures." To meet the governance needs of sustainable development, the company established the "Corporate Sustainability Development Committee" and the "Sustainability Office" in 2022. The compilation of the sustainability report is convened by the President's Office of CoreMax Corporation and completed by the ESG team, which consists of various related departments and units within the company. The report is assured by a third-party organization and is published after approval by the Board of Directors.

Report Issuance (GRI 2-3)

This report is issued annually. The 2024 report was issued in August, and the next report is scheduled to be issued in June 2025.

Reporting Boundary (GRI 2-2)

The reporting boundary of this report covers CoreMax Group, including CoreMax Corporation, Uranus Chemicals Co., Ltd. (hereinafter referred to as Uranus Chemicals), and Heng-I Chemical Co., Ltd. (hereinafter referred to as Heng-I Chemical), along with their respective plants. The environmental and social information does not include overseas plants. The financial data in this report is consistent with the consolidated annual report, and the currency used in the report is New Taiwan Dollar (NTD).

External Assurance (GRI 2-5)

This report has commissioned KPMG to perform limited assurance procedures on the assured information in accordance with Statement of Assurance Standard No. 1, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information," issued by the Accounting Research and Development Foundation of the Republic of China. The assurance statement can be found in the appendix.

Issuance Channels and Contact Information (GRI 2-3)

This report is published on the company's website, where all stakeholders can view and download it online. For any corrections or updates to the report's content, please refer to the electronic file posted on the company's website. If you have any comments, suggestions, or inquiries about the content, please feel free to contact us using the contact information provided below.



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Statement from the CEO

(GRI 2-22)

Chairman & CEO Jim C.Ho

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2023 remained a year full of challenges and transformations for the world. Although we have overcome the COVID-19 pandemic, various crises and challenges persist. In addition to natural disasters caused by extreme weather, the geopolitical tensions between Ukraine and Russia have triggered an energy crisis, resulting in global shortages of raw materials, rising prices, and supply chain disruptions, leading to severe inflationary pressures and affecting international stability and market activities. Despite the turbulent environment, CoreMax Group has continued to take steady steps, thoroughly implementing corporate social responsibility under the premise of sustainable development.

Reflecting on 2023, CoreMax has made progress in all three ESG dimensions. In terms of the environment, we have continued to promote energy-saving and carbon-reduction initiatives, increasing environmental expenditure by 1.5 times compared to 2022 and reducing energy usage by approximately 41% from the previous year, resulting in a total emission reduction of 2,340.07 tCO₂e.

On the social front, CoreMax Group respects employee rights, regularly reviews human rights-related training indicators to improve human rights governance, and ensures all operational locations comply with local regulations, fulfilling our commitment to safeguarding human rights and preventing any human rights violations. Additionally, we conduct annual due diligence on the cobalt supply chain, identifying and assessing supply chain risks, and implementing corresponding measures for identified risks, thereby upholding the mission of responsible production. In corporate governance, amidst the significant expansion of the global electric vehicle market, we continue to develop materials for power batteries, incorporating recycled materials and practicing circular economy principles to reduce the negative environmental impact.

Looking ahead, CoreMax Group established a wholly-owned subsidiary in Vietnam in 2023, with a capital expenditure of USD 31 million, aiming to mass-produce nickel sulfate products by 2025 to expand the production capacity of power battery materials. Simultaneously, we remain focused on innovation in green technology, regenerating waste materials, and reducing the extraction of scarce and precious resources, thereby supporting the global electric vehicle battery industry with tangible actions. In the specialty chemical materials sector, we will maintain stable production to meet customer demands. In terms of recycled materials, since establishing the first catalyst oxidation production line, we have invested in waste catalyst recycling services and later in waste sulfuric acid recycling and reuse when setting up the sulfuric acid production line. These efforts not only reduce environmental impact but also enhance material use efficiency. Moving forward, we will continue to innovate and develop low-pollution, low-risk sustainable environments.

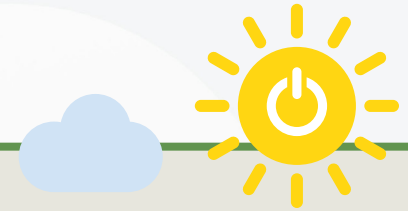
In terms of social participation, CoreMax has upheld the spirit of "taking from society, giving back to society" since its inception, providing various resources to give back to the community, including assisting the disadvantaged, caring for students, and fostering community prosperity, allowing students and local residents to enjoy a benevolent community. We also value interaction with communities near our plants, establishing partnerships with local associations, suppliers, neighboring communities, governments, and non-governmental organizations. CoreMax recognizes that community development is a crucial part of sustainable corporate development, and we actively participate in and support community affairs.

- For nine consecutive years, we have collaborated with social welfare groups for festive welfare gift boxes, prioritizing the purchase of products that support disadvantaged groups as employee holiday gifts. This action not only supports disadvantaged groups but also helps ensure smoother operations for these groups, allowing employees to engage in public welfare while celebrating holidays.
- For five consecutive years, we have supported the "Planting the Seeds of Reading" project initiated by Commonwealth and Global Views Education Foundations. By the end of 2023, CoreMax Group had donated a total of 179 sets, consisting of 8,387 magazines, to 54 elementary and junior high schools in Miaoli County.
- We sponsor local sports activities and events, including the Hsinchu Lions basketball team and the Toufen Jianshan Elementary School soccer team, aiming to cultivate outstanding local athletes in the Hsinchu and Miaoli areas and contribute to community sports activities.

CoreMax deeply understands the importance of corporate social responsibility in industrial, social, and economic development. We take sustainable management seriously, exceeding regulatory requirements by adopting international standards in our sustainability strategy. We strive to advance corporate governance, fulfill social responsibilities, and pursue sustainable environmental development to meet the expectations of employees, customers, society, shareholders, and stakeholders.



2023 Sustainability Achievements at a Glance



Corporate Governance

- * Achieved ISO 9001 Certification Across the Entire Group
- * IATF 16949 Management System
- * Added 2 New Female Independent Directors, Enhancing Board Diversity by 22%
- * 4 Independent Directors
- * Established New Overseas Plants with an Investment of Approximately NTD 1 Billion
- * 90% of the Top 10 Raw Material Suppliers Meet Environmental and Social Standards
- * Corporate Governance Evaluation Improved Annually, Reaching 20-35% in 2023, Up from 36-50% in 2022
- * 100% Supplier Assessment Completion Rate
- * Published the Cobalt Supply Chain Due Diligence Report for Four Consecutive Years

Environmental Aspect

- * Increased Environmental Expenditure by 1.5 Times Compared to Last Year, Reaching NTD 13.92 Million
- * Heng-I Introduced Cogeneration, Achieving a 1.4% Reduction in Electricity Consumption in 2023
- * All Subsidiaries Implemented ISO 14001
- * CoreMax Corporation and Uranus Chemicals Implemented ISO 14064-1

Social Aspect

- * 100% Participation Rate in Human Rights Training
- * 100% Participation and Completion Rate in Employee Performance Evaluations
- * Total Public Welfare Donations Amounting to NTD 1,403,797
- * Supported Rural Education Program for Five Consecutive Years, Donating a Total of 8,387 Magazines to 54 Elementary and Middle Schools



01 Overview of CoreMax Group

CoreMax Group provides a range of chemical products, including oxidation catalysts, specialty chemical materials, battery materials, and chemical fertilizers. We believe that materials are at the **Core** of everything, **Maximizing** recyclable materials for a better future.




- 1.1 Company Organization Overview
- 1.2 Products and Value Chain
- 1.3 Operational Performance
- 1.4 Core Values and Behavioral Indicators

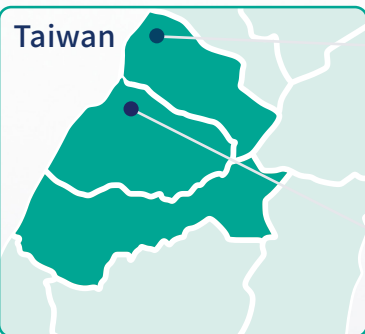
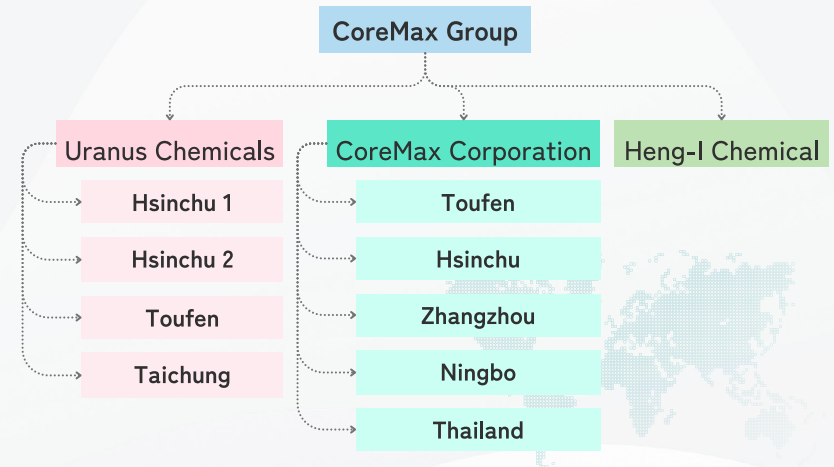
1.1 Company Organization Overview

(GRI 2-1) (GRI 2-2)

About CoreMax Group

CoreMax Group consists of three main companies: CoreMax Corporation (CoreMax), Heng-I Chemical Co., Ltd. (Heng-I Chemical), and Uranus Chemicals Co., Ltd. (Uranus Chemicals). The group's business strategy and planning are primarily led by CoreMax Corporation. Each company within the group has its own specialized expertise and technology, performing distinct roles in their respective fields. As of the end of 2023, CoreMax Group has a total of 503 employees, with 59 located overseas and 431 based in Taiwan.

Company	 COREMAX Core Service, Max Value.	 URANUS	 HENG I
Full Name	CoreMax Corporation	Uranus Chemicals	Heng-I Chemical
Established	1992	1975	1961
Paid-in Capital	NTD 1,190,292,690	NTD 663,750,000	NTD 498,000,000
Main Products	<ol style="list-style-type: none"> 1. Oxidation catalysts 2. Used catalyst regeneration services 3. Battery materials 	<ol style="list-style-type: none"> 1. Metal-based specialty chemicals 2. R&D and manufacturing of electronic/battery materials 	<ol style="list-style-type: none"> 1. Chemical fertilizers/compound fertilizers/organic fertilizers/slow-release fertilizers 2. Electronic-grade sulfuric acid
Number of Employees	159	141	131



CoreMax - Hsinchu Plant

Phone : +886 3 598 3101

Address : No. 11, Wenhua Road, Hsinchu Industrial Park, Hukou Township, Hsinchu County 303035, Taiwan (R.O.C.)

Certifications : [ISO 9001](#)/[ISO 14001](#)/[ISO 45001](#)/[ISO 50001](#)/[ISO 17025](#)/[IATF 16949](#)

CoreMax - Toufen Plant

Phone : +886 37 631 018

Address : No. 440, Zhonghua Road, Toufen City, Miaoli County 351029, Taiwan (R.O.C.)

Certifications : [ISO 9001](#)/[IATF 16949](#)/[ISO 45001](#)



Uranus - Toufen Plant

Phone : +886 37 612 068
Address : No.440, Zhonghua Road, Toufen City, Miaoli County 351029, Taiwan (R.O.C.)
Certifications : ISO 9001/ISO 45001



Heng-I Chemical

Phone : +886 37 623 396
Address : No.440, Zhonghua Road, Toufen City, Miaoli County 351029, Taiwan (R.O.C.)
Certifications : ISO 9001/ISO 14001/ISO 45001



CoreMax - Thailand Plant

Phone : +66.33.012.571
Address : Eastern Seaboard Industrial Estate (Rayong) 64/62, Moo 4, Tambol Pluakdaeng , Amphur Pluakdaeng, Rayong 21140 Thailand.
Certifications : ISO 9001



Taiwan

China

Zhejiang
Fujian

Thailand

Uranus - Hsinchu Plant 1

Phone : +886 3 598 5750
Address: No. 11, Wenhua Road, Hsinchu Industrial Park, Hukou Township, Hsinchu County 303035, Taiwan (R.O.C.)
Certifications : ISO 9001/ISO 14001/ISO 45001



Uranus - Hsinchu Plant 2

Phone : +886 3 598 6750
Address : No.18, Shijtan Road, Hsinchu Industrial Park, Hukou Township, Hsinchu County 303035 , Taiwan (R.O.C.)
Certifications : ISO 9001 /IATF 16949 /ISO 45001



Uranus - Taichung Plant

Phone : +886 4 2699 6606
Address : No.68, Lane 245, Section 3, Shatian Road, Dadu District, Taichung City 432013, Taiwan (R.O.C.)
Certifications : ISO 14001



CoreMax - Ningbo Plant

Phone : +86.574.8650.2235
Address : No. 789, Fengming Road, Ningbo Petrochemical Economic and Technological Development Zone, Zhenhai District, Ningbo, Zhejiang Province 315204, China
Certifications : ISO 9001

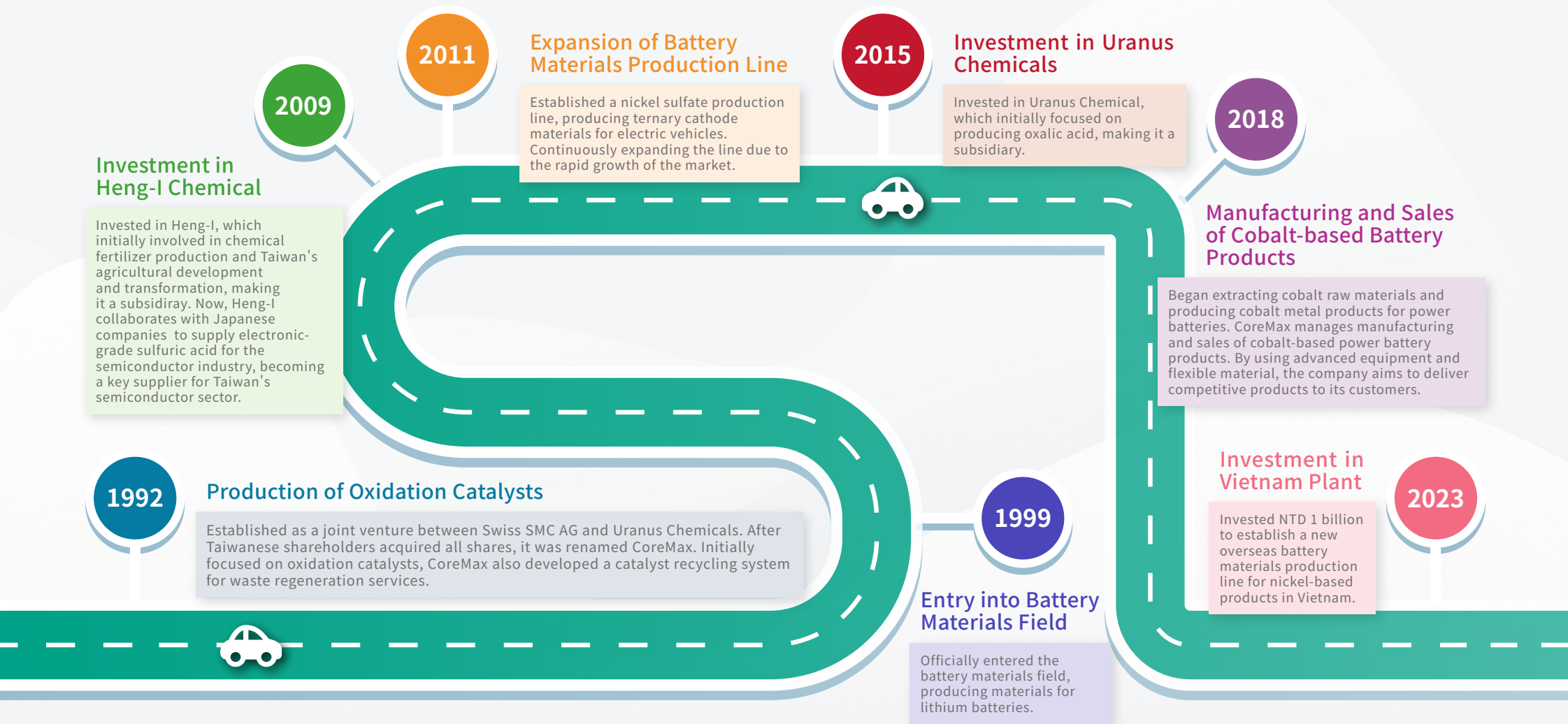


CoreMax - Zhangzhou Plant

Phone : +86.596.6081.866
Address : No. 30, Binhai Road, Gulei Port Economic Development Zone, Zhangzhou, Fujian Province 363216, China
Certifications : ISO 9001



CoreMax Group Important Milestones



CoreMax Corporation

- **1992** First oxidation catalyst production line began operations
- **1994** Completed the first waste catalyst recycling production line.
- **1999** Completed advanced materials and battery materials production line.
- **2004** Established Ningbo CoreMax Chemical Co., Ltd.
- **2010** Thailand Rayong oxidation catalyst production line began mass production.
- **2011** Listed on the OTC market; established CoreMax (Zhangzhou) Chemical Co., Ltd.
- **2017** Listed on the main board; third battery materials production line began mass production.
- **2019** Achieved IATF 16949 (Automotive Quality Management System) certification.
- **2020** Obtained the RMI Responsible Minerals Assurance Process certification for qualified cobalt refinery.
- **2021** Participated in the Taiwan Institute of Economic Research "Brand Excellence Program" to enhance the CoreMax Group brand image.



Uranus Chemicals

- **2015** Became a subsidiary of CoreMax Corporation
- **2018** Invested in cobalt raw material extraction and cobalt sulfate crystallization production line, expanding the product portfolio and entering the large-scale green energy market.
- **2021** Toufen Plant extraction production line began mass production.
- **2022** Hsinchu Plant 2 cobalt sulfate production line began mass production.



Heng-I Chemical

- **2009** CoreMax Corporation acquired controlling interest in Heng-I Chemical.
- **2013** Collaborated with Mitsubishi Chemical Corporation to establish the second electronic-grade sulfuric acid plant.
- **2014** Sulfuric Acid Plant 8 began operations, entering the recycling and reuse business; collaborated with Mitsubishi Chemical Corporation to establish the third electronic-grade sulfuric acid plant.
- **2021** Expanded Sulfuric Acid Plant 8 and commenced construction of the fourth electronic-grade sulfuric acid plant.
- **2022** New office building was completed.

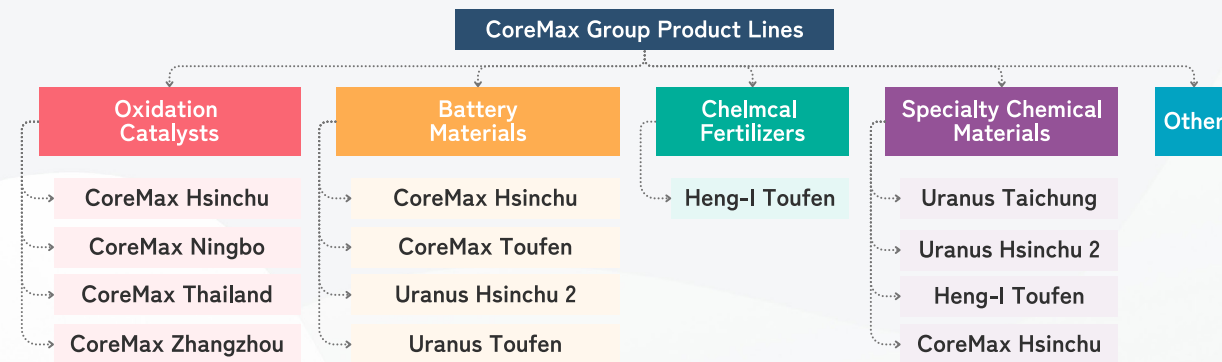


1.2 Products and Value Chain

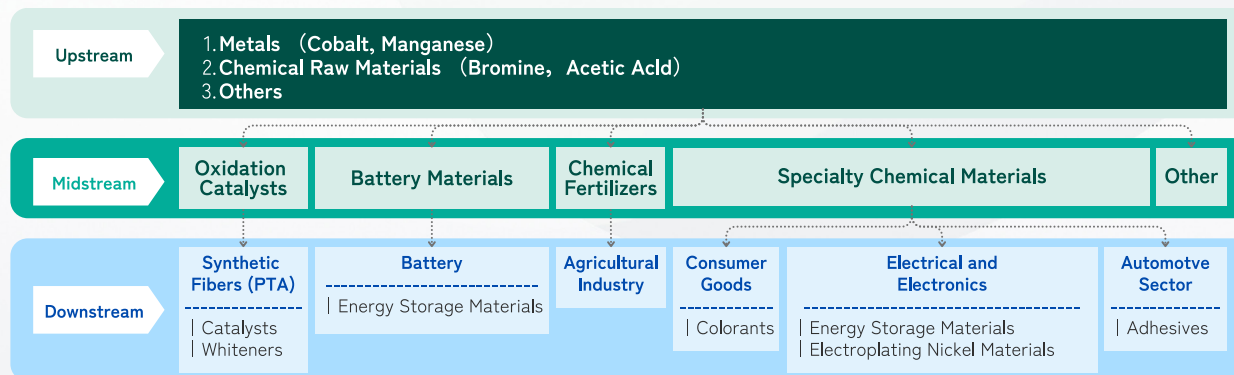
(GRI 2-6)

CoreMax Group's main product lines include oxidation catalysts, power battery materials, chemical fertilizers, and specialty chemical materials. These products have a wide range of downstream applications, including the chemical industry, consumer goods, electrical and electronics, and the automotive sector.

CoreMax Group Industry Value Chain (GRI 2-6)



Product Value Chain



Impact Assessment

Positive Impact

Upstream

CoreMax, through the signing of the Supplier Code of Conduct, requires suppliers to jointly comply with environmental and human rights regulations, thereby reducing the impact on the environment and society.

Downstream

CoreMax provides innovative products and services, promoting economic development in downstream sectors such as the artificial fiber industry, chemical and consumer goods industry, and battery industry. This contributes positively to the economy and society.

CoreMax assists customers with waste catalyst, waste metal, and waste sulfuric acid recycling, reducing negative environmental impacts.

Negative Impact

Upstream

CoreMax's upstream raw materials include metal suppliers, some of which are sourced from African countries with potential human rights risks. This necessitates supplier risk assessments to manage and prevent potential negative impacts.

Downstream

If CoreMax's production processes lack proper safety and pollution control management, there could be potential environmental harm, which may indirectly lead to negative downstream impacts.

1.3 Operational Performance

In 2023, CoreMax Group achieved total revenue of NTD 5.23 billion. The demand was primarily driven by changes in climate change policies and evolving market trends, with increasing demand for electric vehicles across various countries. Consequently, sales of CoreMax's battery materials have surged, now accounting for nearly 50% of the group's total revenue.

Tax Management Policy and Strategy (GRI 207-1, 207-2)

The Chief Financial Officer (CFO) of CoreMax Group is the highest responsible person for the group's tax management. The CFO oversees all daily tax administration activities and is assisted by qualified and experienced tax professionals to help the accounting manager fulfill tax obligations. Additionally, the Audit Committee, commissioned by the Board of Directors, supervises the company's tax compliance to ensure adherence to tax regulations. CoreMax Group adheres to all applicable domestic tax laws and international tax standards, accurately reporting and paying the required taxes to the relevant authorities. Given that the company's operations span multiple countries and regions, there are increased international tax risks, such as transfer pricing risks and foreign exchange risks. The group regularly assesses tax risks, identifies potential tax risks, and develops contingency strategies to mitigate them.

2023 Revenue Breakdown by Product Line

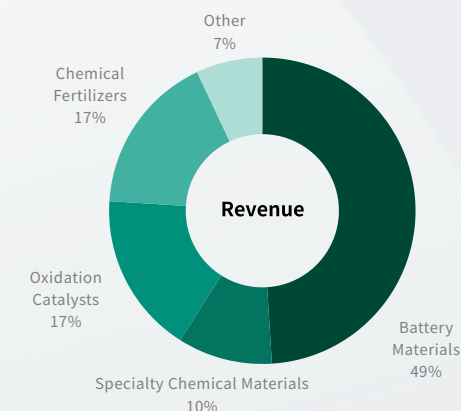
In 2023, CoreMax Group's sales of battery materials were the most prominent, accounting for nearly 50% of the group's total revenue. Secondly, oxidation catalysts accounted for 16.77%, chemical fertilizers accounted for 16.70%, specialty chemicals accounted for 9.74%, and others accounted for 7.45%.

Product Line	Revenue (Thousands NTD)	Production Volume (Tons)	Revenue Share(%)
Oxidation Catalysts	877,342	8,713	16.77%
Battery Materials	2,581,202	24,667	49.34%
Specialty Chemical Materials	509,389	Note	9.74%
Chemical Fertilizers	873,604	37,911	16.70%
Others	390,194	Note	7.45%
Total	5,231,731	-	100.00%

Note: Specialty chemical materials and other products are not included in the production volume due to the wide variety of items and inconsistent measurement units."

Total Group Revenue (GRI 415-1)

Item	2021	2022	2023
Operating Revenue	7,338,783	9,081,621	5,231,731
Operating Costs	6,395,418	8,057,095	5,055,610
Operating Profit	584,373	582,835	-93,485
Net Profit After Tax	448,420	530,100	-74,426
Earnings Per Share (EPS)	4.67	4.72	-0.93



Note : CoreMax Group does not directly or indirectly receive any government donations.

CoreMax Group Sales Overview for the Past Three Years

		2021		2022		2023	
Item (Thousands NTD)		Amount	Ratio (%)	Amount	Ratio (%)	Amount	Ratio (%)
Domestic Sales		1,630,174	21%	1,760,095	20%	1,454,072	28%
International Sales	Asia	5,427,260	74%	5,932,970	65%	3,103,569	59%
	Europe and America	281,349	4%	1,388,556	15%	674,090	13%
Total Revenue		7,338,783	100%	9,081,621	100%	5,231,731	100%

Customers and Markets

In 2023, CoreMax Group's total revenue was composed of 28% domestic sales and 72% international sales, with the proportion of international sales increasing compared to previous years. This growth was primarily driven by customers in Asia, Europe, and America. The rising impact of climate change and the introduction of policies by various countries to phase out fuel-powered vehicles have significantly increased the market demand for electric vehicle batteries. Additionally, fluctuations in raw material prices due to the Russia-Ukraine conflict have highlighted the value of CoreMax's recycling technology, providing customers with more options and meeting market demands.

1.4 Core Values and Behavioral Indicators

CoreMax Group follows the established strategy of "end-to-end product management," fostering exceptional professional talent, innovating production technologies, and manufacturing high-quality products. While meeting customer needs, the company also strives to enhance operational performance. CoreMax is committed to continuous improvement and excellence, aiming to create a shared vision for the company and its employees.

We operate based on five core values and 25 key behavioral indicators, utilizing the "Core Values and Key Behavioral Indicators Evaluation Form." This approach ensures that all employees adhere to the same principles, fostering a solid and stable corporate culture. By contributing diligently in their respective roles, employees help create greater shareholder value and support sustainable development and corporate social responsibility.

Five Core Values

Safety	Talent	Quality	Innovation	Continuous Improvement
<ul style="list-style-type: none"> • Prioritize safety and environmental responsibility for oneself and others. • Follow established procedures for safe and eco-friendly operations. • Respect and heed guidance from environmental and safety experts. • Continuously improve environmental knowledge and risk management skills. • Never compromise safety and environmental standards for efficiency or profit. 	<ul style="list-style-type: none"> • Respect all employees. • Acknowledge and appreciate contributions. • Value diverse knowledge and skills. • Support ongoing development. • Ensure fair treatment and transparency. 	<ul style="list-style-type: none"> • Prioritize meeting company's quality standards. • Emphasize and improve product, work, and service quality. • Collaborate closely with peers on quality issues. • Continuously enhance operational processes for better quality. • Maintain comprehensive quality documentation and systems. 	<ul style="list-style-type: none"> • Embrace new information and ideas openly and flexibly. • Collaborate actively with innovative ideas to transform processes for efficiency. • Approach challenges optimistically, seeking proactive solutions. • Continuously contribute innovative thinking for creative solutions. • Utilize imagination and foresight to understand possibilities, opportunities, and trends. 	<ul style="list-style-type: none"> • Uphold the highest professional standards in tasks. • Demonstrate innovation for achieving excellence. • Take pride in work, focusing on details and the overall environment. • Strive to get things right the first time, learning from mistakes. • Continuously learn from situations, proactively enhancing performance and quality.

02 Sustainability Management

CoreMax Group recognizes its significant responsibility in climate action, environmental protection, and economic and social development. We move forward steadily, prioritizing customer orientation, providing excellent product quality and a diverse product portfolio. We review and minimize our economic, social, and environmental impacts, fulfilling our corporate social responsibility."

- 2.1 ESG Implementation Organization
- 2.2 Stakeholders and Material Topics
- 2.3 Stakeholders Engagement

2.1 ESG Implementation Organization

ESG Implementation Organizational Structure

On August 3, 2022, CoreMax established the "Corporate Sustainability Development Committee" and promulgated the "Corporate Sustainability Development Committee Organizational Regulations." This initiative aims to fulfill corporate social responsibility, align with international trends, and actively respond to stakeholders' risk assessments and response strategies regarding environmental, social, and governance aspects. The Board of Directors appointed and authorized the Chairman to serve as the Chairman of the ESG Committee, overseeing the formulation of the company's sustainability development direction and goals. Under the ESG Committee, four subcommittees have been established: ESG Governance, ESG Partnerships, Blessed Office and Community Outreach, and Green Environment. Senior executives at the department level and above have been appointed as the heads of these subcommittees.



2.2 Stakeholders and Material Topics

1 Identification of Material Topics (GRI 3-1, 3-2, 3-3)

To properly identify material topics for CoreMax's sustainable development, we referenced the new GRI 2021 material topic identification process.

This involved assessing the impact of CoreMax's activities on various issues, including environmental, economic, and human/human rights issues. Additionally, we used the four principles of the AA1000 Accountability Principles (inclusivity, materiality, responsiveness, and impact) to ensure the correctness of the methodology.

Impact Management Mechanism (GRI 2-12, 2-13)

In managing the impacts of material topics, the Board of Directors serves as the highest governance body, responsible for oversight and decision-making. The ESG Office is tasked with preventing and mitigating potential or actual risks. After compiling various potential issues, the ESG Office conducts impact assessments and prioritization of these issues through surveys and interviews with departmental supervisors.

Since the European Union first introduced the concept of double materiality in 2019, CoreMax has adopted this principle to identify (1) the impact of various issues on CoreMax's operations, and (2) the impact of these issues on the economy, environment, and human/human rights. Finally, through discussions with supervisors and suggestions from stakeholders, the significant issues are confirmed. Based on the internal management system, indicators and targets are then set accordingly.

2 Process for Determining Material Topics (GRI 3-1) (GRI 2-12, 2-29)

	Steps	Content	Description
1	Understanding the Organizational Context	Stakeholder Identification and Establishment of a List of Sustainability Issues	<ul style="list-style-type: none"> • Stakeholder Identification: Establish six categories of stakeholders, including employees, shareholders or investors, distributors, suppliers, government or regulatory agencies, and customers (corporate) • Establishment of Sustainability Issues: Referencing GRI, SASB, and TCFD guidelines and incorporating stakeholder feedback, consolidate four main areas: (1) Corporate Governance, (2) Environmental Protection and Climate Action, (3) Blessed Office and Community Outreach, (4) Products and Services, summarizing a total of 32 topics • Stakeholder Concern Survey: To understand stakeholders' evaluations of various issues, CoreMax conducted a survey among the six identified stakeholder categories. A total of 176 valid questionnaires were collected, including 75 from employees, 16 from customers (corporates), 15 from shareholders or investors, 11 from distributors, 55 from suppliers, and 4 from government or regulatory agencies.
2	Identifying Actual and Potential Impacts	Conducting Impact Assessments of Material Topics by Internal Management	<ul style="list-style-type: none"> • Impact on Sustainable Development: Identifying the actual and potential impacts of CoreMax's operational activities on the economy, environment, and human/human rights We invited department heads to participate in the evaluation. Through questionnaires and interviews, a total of 25 senior management executives were interviewed to assess CoreMax's impact on the economy, environment, and human/human rights based on the company's 2023 operational performance on various issues. Each issue can generate both positive and negative impacts. • Impact on Organizational Operations: Identifying the Impact of Various Issues on CoreMax's Operations • Additionally, managers were asked to evaluate the impact of each issue on CoreMax's operations based on actual occurrences in 2023. The evaluation was conducted according to the scale of impact and the likelihood of occurrence. We define operational impact as the increase or decrease in CoreMax's tangible and intangible assets: <ul style="list-style-type: none"> ▶ Positive Impact on Company Operations: Increase in tangible assets/revenue, enhancement of intangible assets/brand reputation ▶ Negative Impact on Company Operations: Increase in operating costs, deterioration of intangible assets/brand reputation
3	Assessing Impact Significance	Using Double Materiality and Referring to Company Strategic Development Goals	<ul style="list-style-type: none"> • Conducting Double Materiality Assessment: Quantitatively assess the positive and negative impacts of CoreMax Group's operational activities on the economy, environment, and human/human rights (inside-out) from the perspectives of stakeholders and executives. Through executive questionnaires, understand the impact of various sustainability issues on the company's operations, including financial, strategic, regulatory, and operational impacts.
4	Confirming Material Topics	Identifying Reportable Material Topics and Management Indicators	<ul style="list-style-type: none"> • Confirming Material Topics: Based on the assessment of the positive and negative impacts and the likelihood of occurrence for the 32 topics, determine the ranking of each issue. After discussions with senior executives, select six material topics for management and disclosure. • Establishing Management Policies and Indicators: Set management policies and indicators for the material topics, and regularly review and track progress in real-time.

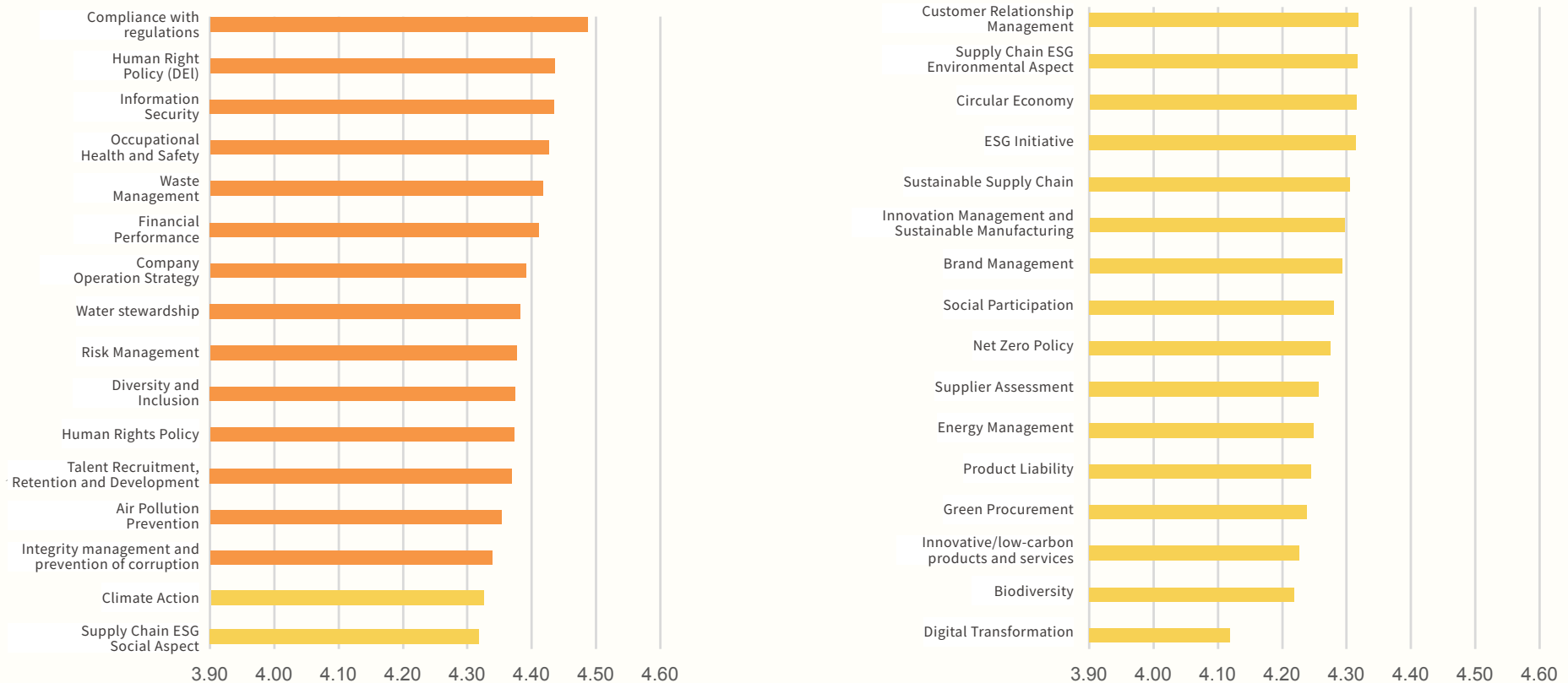
③ Results of the Material Topic Assessment

Stakeholder Concern Level

Based on the identified 32 sustainability issues, a survey was conducted to gauge stakeholders' concern for each issue. A total of 14 sustainability issues received a concern level higher than the average score of 4.33.

【Ranking after weighting】

First 14 items and remaining topics



Double Materiality Assessment

We adopted the Double Materiality principle proposed by the European Union in 2019 to identify material topics based on CoreMax Group's operations and value chain activities. Through the application of Double Materiality and by considering the issues of concern to stakeholders, we determined the significant topics. Utilizing our internal management system and target setting, we aim to mitigate and prevent negative impacts while enhancing the company's positive contributions to the external environment.

(1) How to Define Materiality

According to the GRI 3 Material Topics guidelines, "material topics" are those that have an impact (positive or negative) on the economy, environment, and people, including human rights, due to an organization's operational activities. These impacts can be actual or potential, negative or positive, short-term or long-term, expected or unexpected, reversible or irreversible. For example:

- **Economic Impact of Operational Activities:** This may include creating economic revenue for the locality/market, procurement behavior, etc.
- **Environmental Impact of Operational Activities:** This may include impacts on environmental protection or biodiversity conservation, such as air emissions, water stewardship usage, or the consumption of other natural resources.
- **Impact on People/Human Rights due to Operational Activities:** This may include contributions to community activities or social engagement or impacts on people/human rights through employment relationships, supply chain collaborations, or drug safety and access to medicines.

(2) Double Materiality

The concept of Double Materiality encourages companies to assess "materiality" from the following two perspectives, emphasizing the importance of considering their interconnection. Therefore, CoreMax evaluates materiality based on two aspects:

- **Impact on Sustainable Development:** The impact of the company's operational activities on the economy, environment, and people/human rights.
- **Impact on Organizational Operations:** The impact of sustainability issues on corporate development and company value.

(3) Criteria for Confirming Material Topics

The following perspectives are considered to confirm whether an issue is a material topic:

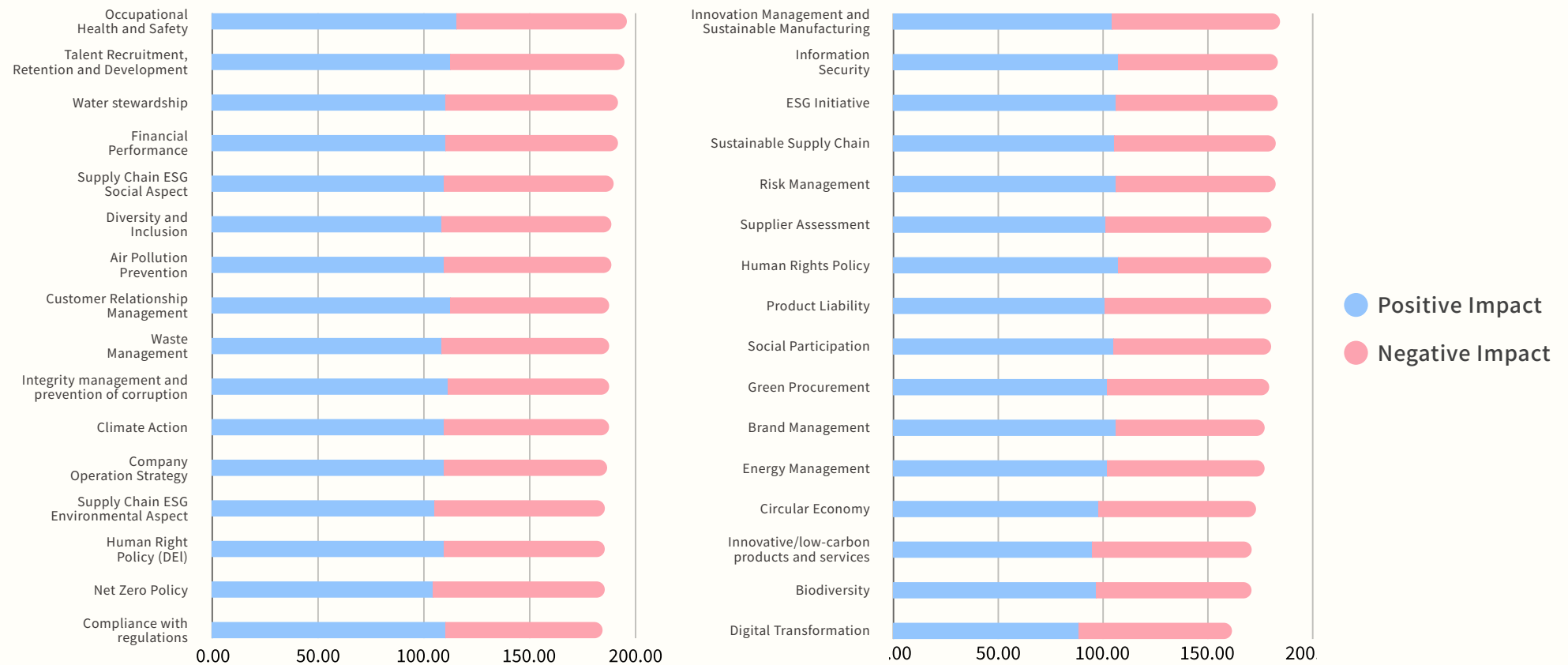
- **Stakeholder Perspective:** The issue is of high concern to stakeholders regarding sustainability-related matters.
- **Impact on Organizational Operations:** The impact of sustainability issues on corporate development and company value.
- **Impact on Sustainable Development:** The impact of the company's operational activities on the economy, environment, and people/human rights.
- **Manageable Indicators and Targets:** The issue has measurable indicators and targets, which can be executed by the respective responsible units and reviewed annually to assess target achievement.



(4) Positive and Negative Impact Significance Assessment: Impact of Operational Activities on the Economy, Environment, and People/Human Rights

To fully understand the impact of CoreMax's operational activities on the economy, environment, and human/human rights, we conducted a survey with 25 senior management executives participating. The results showed that the top-ranked impact areas for CoreMax are as follows:

【The impact of operating activities on the economy, environment, and human/human rights】



(5) Assessment of Operational Materiality Impact on CoreMax's Operations (Including Financial, Strategic, Regulatory Compliance Aspects)

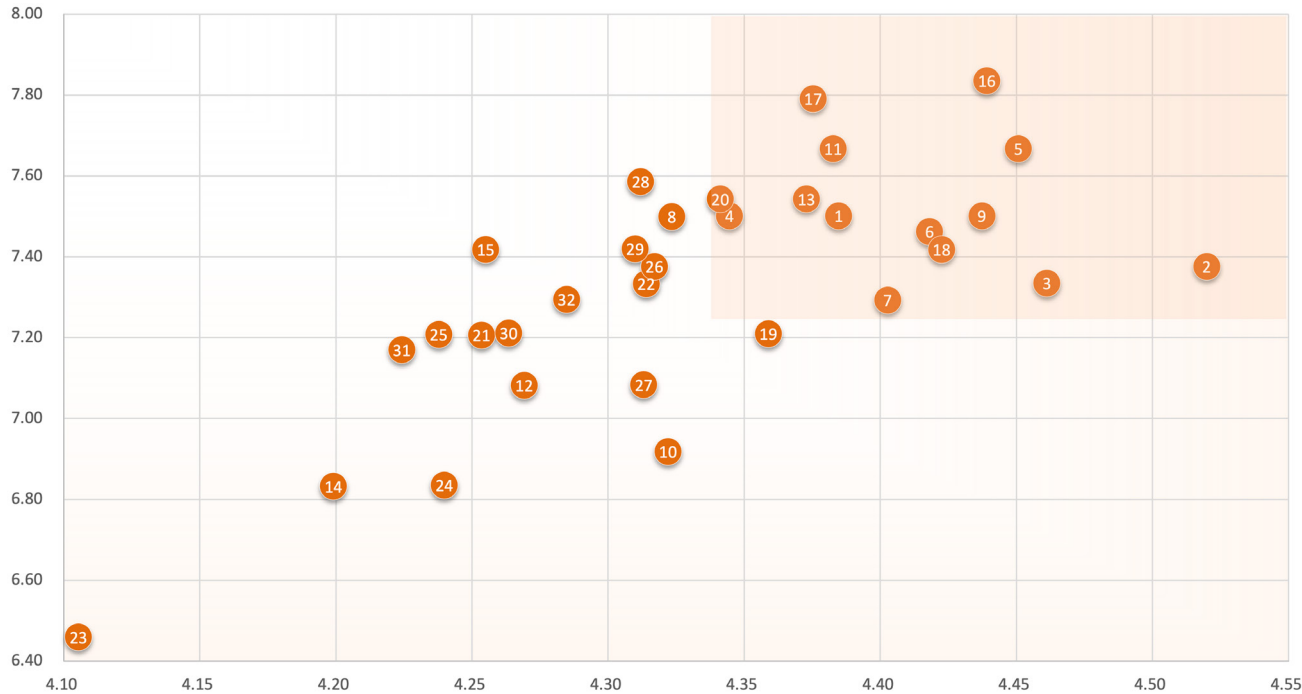
According to the traditional definition of materiality assessment, we conducted surveys and meetings to interview senior management executives. They were asked to evaluate the impact of various sustainability issues on CoreMax's operations, including financial, strategic, and regulatory compliance aspects.

【Impact of various issues on CoreMax's operations】



【Digital Transformation】

The impact of the external environment on company operations



- 1 Integrity management and prevention of corruption
- 2 Compliance with regulations
- 3 Information Security
- 4 Customer Relationship Management
- 5 Financial Performance
- 6 Company Operation Strategy
- 7 Risk Management
- 8 Climate Action
- 9 Waste Management
- 10 Circular Economy
- 11 Water stewardship
- 12 Energy Management
- 13 Air Pollution Prevention
- 14 Biodiversity
- 15 Net Zero Policy
- 16 Occupational Health and Safety
- 17 Talent Recruitment, Retention and Development
- 18 Human Right Policy (DEI)
- 19 Human Rights Policy
- 20 Diversity and Inclusion
- 21 Social Participation
- 22 ESG Initiative
- 23 Digital Transformation
- 24 Innovative/low-carbon products and services
- 25 Product Liability
- 26 Innovation Management and Sustainable Manufacturing
- 27 Brand Management
- 28 Supply Chain ESG Social Aspect
- 29 Supply Chain ESG Environmental Aspect
- 30 Supplier Assessment
- 31 Green Procurement
- 32 Sustainable Supply Chain

The impact of company operations on the economy, society, and people

(6) Double Materiality Matrix

Based on the double materiality analysis, the following material topics were identified and discussed with CoreMax executives. After the discussion, the following five topics were determined to be the material topics for 2023:

- 01 Occupational Health and Safety
- 02 Talent Recruitment, Retention, and Development
- 03 Waste Management (Circular Economy)
- 04 Compliance with Regulations
- 05 Risk Management

④ Changes in the List of Selected Material Topics for 2023 and 2022 (GRI 3-2)

In 2023, due to the first-time adoption of the double materiality principle, there are significant differences in material topics compared to 2022. To address emerging market opportunities and transition opportunities in the face of future climate change, the results of the double materiality assessment are better aligned with Compo Group's future strategies and planning objectives. Below is a comparison of the rankings for 2022 and 2023:

	1	2	3	4	5
2022 Material Topics	Compliance with regulations	Integrity management and prevention of corruption	Innovation and Quality Management	Supply Chain Management	Waste Management
2023 Material Topics	Occupational Health and Safety	Talent Recruitment, Retention and Development	Waste Management (Circular Economy)	Compliance with regulations	Risk Management
Comparison of 2023 Material Topics with SDGs					

2.3 Stakeholders Engagement

(GRI 2-16)

Stakeholders	Material Topics of Concern	Communication Channel and Frequency in 2023	2023 Communication Performance
Employees	<ol style="list-style-type: none"> Human Right Policy (DEI) Occupational Health and Safety Compliance with Regulations Waste Management Talent Recruitment, Retention and Development 	<ol style="list-style-type: none"> Employees can provide feedback or file complaints through various channels such as written communication, the Chairman's mailbox, the dedicated HR mailbox, email, the company intranet, physical suggestion boxes, verbally, or by phone to their department supervisor or the Human Resources Management Department. Labor-management meetings (quarterly) are held to establish effective communication channels. The Human Resources Management Department regularly reviews the salary system and welfare measures, and adjusts them in compliance with labor law amendments as needed (irregularly). Implementation of an employee profit-sharing system (annually). Employees can participate in cash capital increases to purchase shares (irregularly). 	<ol style="list-style-type: none"> The employee communication sessions are held in both the first and second halves of the year, accommodating the working hours of employees across various company sites within the group. A total of 21 sessions were conducted, with 211 non-managerial employees attending, achieving an attendance rate exceeding 80%. These sessions gathered feedback from all perspectives. Among the topics of greatest concern to employees were compensation-related issues, general administrative matters, and improvements in working conditions. Feedback was categorized and provided to relevant authorities for further improvement actions. Foreign employees participate in quarterly communication meetings, with attendance rates consistently exceeding 90%.
Shareholders or Investors,	<ol style="list-style-type: none"> Compliance with Regulations Financial Performance Integrity management and prevention of corruption Information Security Waste Management 	<ol style="list-style-type: none"> Corporate visits, phone calls, and regular publication of operational updates (monthly). Annual Shareholder Meeting: Preparation of financial annual reports as required. Establishment of an investor relations section on the official website: Shareholders can access operational, financial, borrowing, and shareholder-specific information (dividends, stock prices, shareholder columns). Establishment of a shareholder contact window and email address. Appointment of a spokesperson and corporate shareholder contact window. Electronic communication platform (irregularly). Regular/irregular visits and credit review by banking counterparts 	<ol style="list-style-type: none"> CoreMax, Uranus, and Heng-I each hold one shareholder meeting annually. CoreMax hosts two investor presentations (roadshows) annually.

Stakeholders	Material Topics of Concern	Communication Channel and Frequency in 2023	2023 Communication Performance
Customers (Corporate)	<ol style="list-style-type: none"> Diversity and Inclusion Sustainable Supply Chain Water stewardship Human Right Policy (DEI) Net Zero Policy 	<ol style="list-style-type: none"> Business department visits to customers (irregularly) Customer service inbox (irregularly) customer satisfaction surveys (Annually) Email and phone communications (irregularly) Participation in relevant product exhibitions to directly understand customer and market development directions (irregularly) Customers directly visit the plant (irregularly) 	<ol style="list-style-type: none"> Visits to over 30 abroad clients. Visits to over 50 domestic clients. Complete one satisfaction survey. Over 50 visits from clients to the plant.
Suppliers	<ol style="list-style-type: none"> Human Right Policy (DEI) Occupational Health and Safety Diversity and Inclusion Compliance with Regulations 	<ol style="list-style-type: none"> Email and phone communications (irregularly) Supplier audits (annually) Suppliers directly visit the plant (irregularly) Surveys (regularly conducted every three years after the initial survey) Supplier Code of Conduct signing Participation in international conferences on raw materials 	<ol style="list-style-type: none"> Conduct on-site audits of 5 domestic and abroad suppliers. Assess 87 domestic and abroad suppliers. Attend 2 international supplier conferences.
Government or Regulatory Agencies	<ol style="list-style-type: none"> Human Right Policy (DEI) Occupational Health and Safety Compliance with Regulations Customer Relationship Management Information Security 	<ol style="list-style-type: none"> 1. Official documents (irregularly) 2. Participation in meetings (irregularly) 	<ol style="list-style-type: none"> Disclose information on Market Observation Post System Platform
Distributors	<ol style="list-style-type: none"> Information Security Compliance with Regulations Risk Management 4. Company Operation Strategy 	<ol style="list-style-type: none"> Corporate presentations, significant updates on the Market Observation Post System Platform (irregularly) 	<ol style="list-style-type: none"> Visiting over 30 domestic and abroad distributors

03 Corporate Governance

CoreMax recognizes its responsibility to the industry, society, and economic development. Therefore, the company continues to take steady steps, thoroughly implementing corporate social responsibility under the premise of social stability, harmony, and sustainable development. To ensure long-term development, CoreMax adheres to ethical business practices, avoids moral risks, and formulates management policies based on integrity. By establishing sound corporate governance and risk control mechanisms, CoreMax creates an operating environment conducive to sustainable corporate development.

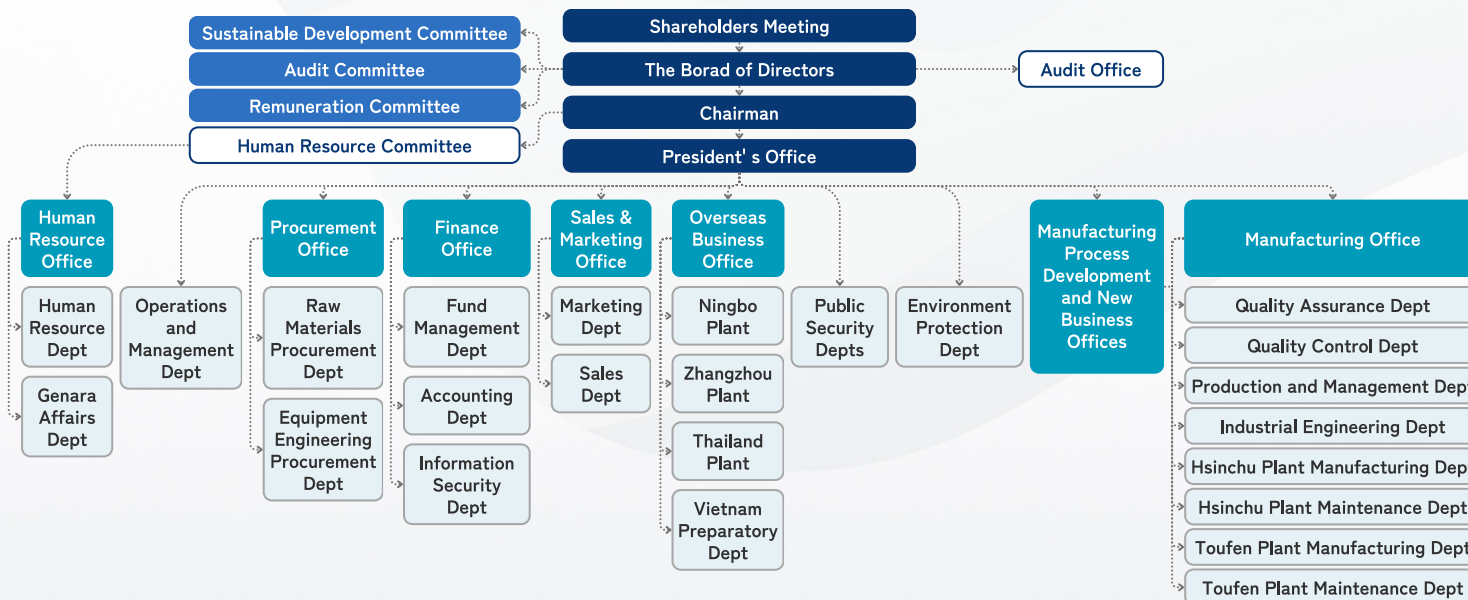
- 3.1 Corporate Governance Structure
- 3.2 Integrity Management and Insider Trading Prevention
- 3.3 Risk Management (Material Topic)
- 3.4 Research and Development Innovation and Quality Management
- 3.5 Customer Relationship Management
- 3.6 Supplier Management
- 3.7 Regulatory Compliance (Material Topic)

3.1 Corporate Governance Structure

Operation and Role of the Board of Directors

The Board of Directors at CoreMax Group serves as the highest governance body and key decision-making center for major business strategies. It diligently oversees the management team, evaluates business strategies, ESG performance, and manages risks, always prioritizing the group's interests. The board operates under the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" and the "Rules of Procedure for Board of Directors Meetings," with a "Code of Ethical Conduct" ensuring directors' conflict of interest behaviors are regulated. The board meets at least once per quarter, during which it communicates with financial and internal audit officers to assess risk control, major litigation, and internal audit reports. Through annual audit plans and financial statement certifications by both internal and external auditors, the board ensures compliance with regulations and financial standards.

In 2023, the board held eight meetings, receiving reports from finance and audit departments to establish a comprehensive regulatory system, review performance, and discuss strategic issues. The issues included economic matters like IFRS and capacity expansion, environmental protection like RoHS and GP, and corporate social responsibility. The Board has established the Audit Committee, Remuneration Committee, and Sustainability Development Committee, whose chairpersons regularly report to the Board. The Board also supervises and guides the company's corporate sustainability strategy, with management regularly reporting on progress and forecasting key metrics. Additionally, the Board reviews and approves sustainability disclosure reports and related projects to ensure targets are met.



Board Selection (GRI 2-10, 2-11)

CoreMax Group has implemented a "Director Nomination Procedure" that outlines the policies and standards for nominating, qualifying, and evaluating director candidates. The selection process for board members is rigorous, considering diverse backgrounds, professional skills, experience, ethical reputation, and leadership. Candidates are reviewed by the Board and then elected at the shareholders' meeting. Shareholders holding more than 1% of the company's shares can nominate director candidates.

The current Board, elected on June 30, 2023, has a three-year term and consists of 9 members, with the Chairman serving as the highest governing officer and the chair of the Board. The Board includes 4 independent directors, nominated through a candidate system, with qualifications reviewed by the Board and elected at the shareholders' meeting. Each independent director has over five years of relevant experience or holds academic qualifications in fields essential to the company. The Board members provide expertise in operations, technology, and finance, contributing to the company's strategy, operations and oversight.



Board of Directors List (GRI 2-9)

Name	Designation	Gender	Nationality	Professional Background / Skills					Other Experience	Age			Terms (Years)			Simultaneous Holding of Senior Executive and Employee Roles
				Chemical Business	Heat Treatment Industrial Business	E-commerce	Business, Legal, Finance, Accounting	Experience in ESG		Below 30	31-50	Above 50	1-3	4-6	7-9	
ChiCheng Ho	Chairman	M	R.O.C.	V					Chairman of CoreMax Corporation Vice General Manager of RTA Corporation, USA			V				Chairman of CoreMax
Representative, Chang-Shin Investment Co., Ltd Ching-Yuan Lai	Director	M	R.O.C.	V					General Manager of Uranus Chemicals Co., Ltd. General Manager of Heng-I Chemical Co., Ltd. Plant Manager of Xinchang Chemical Co., Ltd. Assistant Vice President, CAPCO			V				
Eugene Lawrence Ho	Director	M	U.S	V					President of CoreMax Corporation Deputy General Manager of Uranus Chemicals Co., Ltd. Business Specialist at ITOCHU Tomen Chemicals Co., Ltd., Japan		V					President of CoreMax
ChiChou Ho	Director	M	R.O.C.	V	V				CEO of Abba Aluminum Co., Ltd.. Special Assistant to the General Manager of Shih Her Technology Inc.			V				
ChihFa Cheng	Director	M	R.O.C.				V		CPA, EVERGREAT CPAs Chairman of Yusing Management and Consulting Co., Ltd. Director at Uranus Chemicals Co., Ltd.			V				
YuanLong Chang	Independent Director	M	R.O.C.				V		CPA at Diligent Public Accounting Firm Independent Director of Geestech Technology Co., Ltd. Independent Director of Shin u Shing Co., Ltd.			V			V	
WenChang Liu	Independent Director	M	R.O.C.				V		Executive Consultant at the Chinese Human Resource Management Association Annual Consultant at 104 Information Technology Co., Ltd.		V		V			
ChingRong Huang	Independent Director	W	R.O.C.			V		V	Executive Consultant at the Chinese Human Resource Management Association Annual Consultant at 104 Information Technology Co., Ltd.		V		V			
AiFen Dai	Independent Director	W	R.O.C.				V		Principal Attorney at Dai Ai-Fen Law Firm		V		V			

Board Diversity and Independence (GRI 405-1)

CoreMax Group actively implements policies to ensure the diversity and independence of its Board of Directors. All board members possess rich professional backgrounds and experience to meet the operational and development needs of the industry. To comply with corporate governance requirements, the proportion of directors who concurrently serve as managers should not be excessively high. On June 30, 2023, during the shareholders' meeting, CoreMax conducted a comprehensive re-election of the board, including the election of two directors who also serve as senior executives (accounting for 22%, below one-third) and the appointment of two new female independent directors. The board includes four independent directors to ensure its independence. In addition to the guideline that directors concurrently serving as managers should not exceed one-third of the board seats, CoreMax Group adheres to principles of equality concerning gender, age, nationality, and culture. Policies are formulated according to the group's operational needs and development, ensuring appropriate diversity.

Board Conflict of Interest (GRI 2-15)

The regulations governing the proceedings of the Board of Directors of CoreMax Group explicitly state that if a director has a personal interest or represents a legal entity with an interest in a matter under discussion, which may harm the interests of the company, the director may express opinions and answer inquiries but must not participate in the discussion or vote on the matter. During the discussion and voting, the director must recuse themselves and may not act as a proxy for other directors. Resolutions of the Board, where a director is prohibited from voting due to a conflict of interest, shall be handled in accordance with Article 206, Paragraph 2, and Article 180, Paragraph 2, of the Company Act.

CoreMax's directors carefully review and assess each proposal listed in the board meetings, evaluating any potential operational risks to ensure the best interests of customers, shareholders, and employees. Directors are appointed according to relevant laws and the company's articles of incorporation, using a candidate nomination system. Nominations are made by the board and shareholders meeting the required shareholding ratios, with announcements and reviews conducted per legal procedures.

Additionally, the board meeting regulations clearly define the conflict of interest policy. New directors must sign a letter of consent to serve, adhering to Article 23 of the Company Act, performing their duties faithfully, and exercising due care as good managers. All directors must also sign a declaration acknowledging their understanding of Article 206 of the Company Act regarding the recusal from voting and the legal consequences of any violation. Since the establishment of CoreMax Group's Board of Directors, there have been no incidents of conflict of interest.

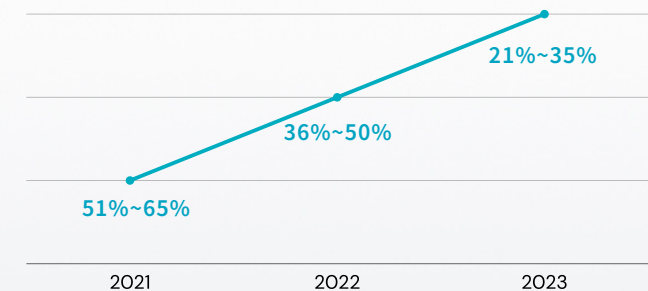
Board Performance Evaluation (GRI 2-18)

To enhance corporate governance and improve the functionality of the Board of Directors, CoreMax Group conducts performance evaluations in accordance with the "Board Performance Evaluation Measures" passed in 2019. Each year, in the first quarter, the group conducts self-assessments of the overall board, individual members, and functional committees, which are then reported to the board. The performance evaluation scores are 4.8 for the board, 4.74 for individual self-assessments, and 4.65 for functional committees. The evaluations indicate that the board's overall operation is good, meeting corporate governance requirements and effectively strengthening board functions and protecting shareholders' rights.

In 2023, CoreMax also commissioned an external performance evaluation of the board. An external agency appointed three experts to evaluate the board on 16 aspects and 94 indicators, covering composition, guidance, authorization, supervision, communication, self-discipline, internal control, and risk management. Interviews with individual directors and board effectiveness evaluations were also conducted. The results showed excellent board performance.

CoreMax has steadily improved its corporate governance rating, moving from the 36-50% range in 2022 to the 21-35% range in 2023. We aim to align with leading industry enterprises in corporate governance. Moving forward, the company will continue to implement energy-saving and carbon reduction in green processes, uphold social responsibility, and advance corporate governance practices.

CoreMax Corporate Governance Evaluation



Board Training and Collective Knowledge (GRI 2-17)

CoreMax Group mandates that all directors undergo professional training annually. The training covers various topics including board functions, board performance evaluations, corporate ethics, and other essential matters. To encourage continuous learning, CoreMax Group irregularly provides directors with information on courses offered by the Stock Exchange and the Over-the-Counter (OTC) Center, arranging suitable training sessions as needed.

The Group also arranges workshops and training sessions for directors on corporate governance, economic aspects, environmental protection, social responsibility, and human rights, based on their availability.

Designation	Name	Training Date	Offering Authority	Course Name	Duration
Chairman	ChiCheng Ho	11/08	Taiwan Corporate Governance Association	Corporate Law Framework and Operational Practices	3
		12/07	Taiwan Corporate Governance Association	Disputes over Management Rights and Case Analysis	3
Director	ChingYuan Lai	11/08	Taiwan Corporate Governance Association	Corporate Law Framework and Operational Practices	3
		12/07	Taiwan Corporate Governance Association	Disputes over Management Rights and Case Analysis	3
Director	Eugene Lawrence Ho	11/08	Taiwan Corporate Governance Association	Corporate Law Framework and Operational Practices	3
		12/07	Taiwan Corporate Governance Association	Disputes over Management Rights and Case Analysis	3
Director	ChiChou Ho	11/08	Taiwan Corporate Governance Association	Corporate Law Framework and Operational Practices	3
		12/07	Taiwan Corporate Governance Association	Disputes over Management Rights and Case Analysis	3
Director	ChihFa Cheng	08/22	Securities & Futures Institute, Taiwan (SFI)	Sustainable Development Goals Impact Measurement and Management	3
		08/22	Securities & Futures Institute, Taiwan (SFI)	Talent Development and Corporate Sustainability	3
Independent Director	YuanLong Chang	04/27	Taiwan Stock Exchange	Promotion Seminar for the Sustainable Development Action Plan of Listed Companies	3
		07/04	Taiwan Stock Exchange	2023 Cathay Sustainable Finance and Climate Change Summit	6
		08/22	Securities & Futures Institute, Taiwan (SFI)	Measurement and Management of the Impact of Sustainable Development Goals	3
		08/22	Securities & Futures Institute, Taiwan (SFI)	Talent Development and Corporate Sustainability	3
Independent Director	WenChang Liu	10/11	Chinese National Association of Industry and Commerce, Taiwan	Corporate Governance and Corporate Fraud: Analysis of Major Cases	3
		11/08	Taiwan Corporate Governance Association	Corporate Law Framework and Operational Practices	3
		11/29	Securities and Futures Institute (SFI)	112Internal Equity Transactions Compliance Seminar	3
Independent Director	JingRong Huang	03/14	Taiwan Corporate Governance Association	Risks and Opportunities of Climate Change Trends for Business Operations	3
		09/08	Taiwan Corporate Governance Association	Initiation of Succession Planning - Employee Compensation Plan and Equity Succession	3
Independent Director	AiFen Dai	09/04	Financial Supervisory Commission (FSC)	14th Taipei Corporate Governance Forum	6
		10/21	Accounting Research and Development Foundation (ARDF)	Legal Responsibilities and Case Studies Related to Corporate Control Disputes	3
		11/08	Taiwan Corporate Governance Association	Corporate Law Framework and Operational Practices	3

Functional Committees (GRI 2-14, 2-20)

	Remuneration Committee	Audit Committee	Corporate Sustainability Development Committee
PoChang Ho (President)			✓
YuanLong Chang (Independent Director)	✓	✓	
WenChang Liu (Independent Director)	✓	✓	✓
JingRong Huang (Independent Director)		✓	✓
AiFen Dai (Independent Director)	✓	✓	

Audit Committee

To strengthen the board's functionality and enhance management mechanisms, we established the Audit Committee in 2017. The operations and performance evaluation methods of the committee are fully disclosed on the Market Observation Post System and the company's website for reference. The Audit Committee consists of four independent directors with a three-year term. The committee meets at least once a quarter and can convene additional meetings as needed. Company-related department managers, internal auditors, accountants, legal advisors, or other personnel may attend these meetings to provide necessary information.

The main objectives of the committee include ensuring the fair presentation of the company's financial statements, selecting (or dismissing) the signing accountant, assessing the accountant's independence and performance, effectively implementing the company's internal controls, ensuring compliance with relevant laws and regulations, and managing current or potential risks.

Remuneration Committee

The CoreMax Group has established a "Remuneration Committee" under the Board of Directors. In accordance with the "Regulations Governing the Establishment and Exercise of Powers of Remuneration Committees of Companies whose Stock is Listed on the Stock Exchange or Traded Over the Counter" (hereinafter referred to as the "Remuneration Committee Regulations"), the Board selects professionals and independent individuals who meet the requirements of Articles 5 and 6 of the "Remuneration Committee Regulations". These individuals, from a professional and objective standpoint, plan and evaluate the company's remuneration policies and systems for directors, supervisors, and managers, and make recommendations to the Board. The performance evaluation and remuneration policies, systems, standards, and structures for the company's highest governing members (directors and supervisors) and senior managers are regularly reviewed and evaluated by the independent and professional Remuneration Committee. Based on the company's operating performance and with reference to industry standards, the compensation for the highest governing members and senior managers is assessed to inform decision-making, upholding the principle of protecting the rights and interests of stakeholders.

The company's Remuneration Committee is composed of three independent directors and meets at least twice a year. In 2023, four meetings were held, during which discussions were conducted on policies, systems, standards, and structures related to directors and supervisors' remuneration, employee bonuses, salary adjustments, performance bonuses, and cash capital increases. After the meetings, the resolutions were presented to the Board for decision-making.





CoreMax Group's compensation policy has not yet incorporated sustainability performance or include related indicators into managerial performance evaluations. CoreMax is planning to develop a framework by 2025 that links the company's sustainability goals with performance indicators.

Corporate Sustainability Development Committee

To fulfill our corporate social responsibility, align with international trends, and proactively respond to stakeholders' environmental, social, and corporate governance risk assessments and mitigation strategies to achieve sustainable business goals, the Corporate Sustainability Development Committee convenes at least twice a year. Its responsibilities include the following:

1. Formulating the direction, strategy, and objectives for corporate sustainability development, and drafting related management policies and specific implementation plans.
2. Planning for corporate sustainability development, which includes setting goals, strategies, and execution plans for sustainable governance, ethical business practices, and environmental and social aspects.
3. Promoting and implementing tasks related to corporate integrity and risk management.
4. Tracking, reviewing, and revising the implementation and effectiveness of corporate sustainability efforts, and reporting to the Board of Directors.
5. Addressing concerns of various stakeholders, including shareholders, customers, suppliers, employees, government, non-profit organizations, communities, and media, and overseeing communication plans.
6. Handling other matters as resolved by the Board of Directors.

Policy Commitments (GRI 2-23, 2-24)

Category	Highest Level of Approval for Commitments	Applicable Activities and Scope	How to Communicate
Responsible Business Conduct	Chairman	Products or services provided within the group and supplier partners jointly establish a stable and sustainable supply chain relationship.	
Human Rights Policy	Chairman	Respect workplace human rights, establish a friendly work environment, uphold social welfare, and develop a sustainable environment.	
Environmental Policy	Chairman	The Group's environmental treatment facilities operate in tandem with plant production to ensure that the discharge of wastewater, exhaust gases, and waste complies with local regulatory requirements.	
Responsible Mineral Management	Chairman	The Group recognizes the risks of significant adverse impacts associated with mineral extraction, trading, processing, and exporting in high-risk areas. We acknowledge our duty to respect human rights and avoid negative social impacts. We are committed to adopting the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, Third Edition, and incorporating these guidelines into contracts or agreements with our suppliers.	

3.2 Integrity Management and Insider Trading Prevention

Integrity Management and Corporate Ethics

CoreMax Group, including its subsidiaries, complies with the Company Act, Securities and Exchange Act, Business Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Public Officials Conflict of Interest Prevention Act, relevant regulations for listed companies, and other related commercial laws to implement integrity management.

To further strengthen corporate integrity and meet the expectations of investors and other stakeholders, CoreMax Group has established a "Code of Integrity Management," "Code of Ethical Conduct," and an "Insider Trading Prevention Mechanism." Comprehensive training is provided to all employees at operational sites, with detailed procedures, behavioral guidelines, and reward and punishment systems in place. This ensures that all employees understand and implement the importance of integrity management and professional ethics.



Seeking Advice and Raising Concerns Mechanism (GRI 2-25, 2-26)

CoreMax Group has established a robust mechanism for seeking advice and raising concerns, guided by our "Code of Conduct" and "Ethical Guidelines." We have set up a whistleblower hotline and a dedicated email for reporting concerns, and we have designated a responsible unit to handle these reports. The principles of confidentiality for whistleblower identities and report content are strictly adhered to, and anonymous reporting is allowed to protect whistleblowers from any retaliation. We also have a whistleblower reward system and "Complaint and Whistleblower Procedures" in place. If a violation is substantiated, appropriate disciplinary actions are taken as per the group's regulations. The detailed reporting channels are as follows. As of the end of 2023, CoreMax Group has not received any whistleblower reports.

1. Whistleblower Hotline: (03) 5983101 ext. 2140
2. Whistleblower Email: hr880@CoreMaxcorp.com
3. Responsible Unit: Human Resources Department



Internal Audit Organization and Operations

To assist the Board of Directors and management in implementing corporate governance and strengthening internal controls and audit operations, the CoreMax Corporation Audit Office reports directly to the Board. Upon approval by the Audit Committee and the Board, one person is appointed and removed as the chief auditor, with 1-2 auditors under their supervision. The audit scope includes the design and execution of internal control systems and the review of self-assessments of internal controls. The detailed audit operations are as follows:

1. Annual Audit Plan: By the end of each year, based on risk assessment results, an annual audit plan is formulated and submitted to the Audit Committee and the Board for approval, and then reported in accordance with legal requirements.
2. Execution of Audits: Conduct planned and special project audits.
3. Monthly and Quarterly Reports: Monthly internal audit work reports and quarterly audit tracking reports are reviewed by independent directors. The chief auditor attends Audit Committee and Board meetings to report on internal audit operations.
4. Review of Internal Control Self-Assessments: Review the self-assessment and high-level diagnostics of the internal control system, and report the effectiveness of the internal control system and the "Internal Control System Statement" to the Audit Committee and the Board, and report in accordance with legal requirements.
5. Management Systems Implementation: The company has established management systems such as ISO 9001, IATF 16949, ISO 14001, ISO 45001, ISO 50001, ISO 14067, and RMI RMAP. Through internal audits, the PDCA management cycle is implemented.

Any deficiencies identified in the annual internal control audits are continuously tracked and reviewed to ensure that the relevant units have taken timely and appropriate corrective actions. Routine and special project audits, along with subsidiary supervision operations, help understand the operation of internal control functions and potential risks, assisting the Board and management in fulfilling their responsibilities and thereby implementing the corporate governance system. In 2023, CoreMax Group and its subsidiaries completed 79 audit reports, with no deficiencies found.

Operation Sites Assessed for Corruption Risks (GRI 205-1, 206-1)

The group has conducted self-assessments of internal control systems related to corruption risks, and no operational activities with corruption risks were identified at all sites. In 2023, there were no incidents of corruption, no anti-competitive behavior, antitrust, or monopoly practices.

3.3 Risk Management (Material Topic)

Impact Assessment

Positive: Properly addressing operational risks and preventive measures to achieve maximum benefits within acceptable risk levels.
Potential Negative: Unidentified emerging risks or uncontrollable factors such as supply chain crises triggered by war or pandemics, leading to financial or reputational losses for the company.

Policies and Commitments

The Group has established the "Risk Management Practice Guidelines," where each responsible unit is required to propose and implement response/prevention plans within their scope of work to minimize potential risk impacts. To protect the rights of stakeholders and maintain the company's image, CoreMax regularly discusses changes in internal and external environments and sets up follow-up tracking plans.

Responsible Unit

The Risk Management Committee under the Sustainability Development Committee.

Indicators and Goals

CoreMax aims to implement risk event tracking and improvement as a target goal.

	2023 Performance	2024 Goal
Implementation of risk event management, tracking, and improvement	100% completion	100% completion

Ensuring Action Effectiveness

- Internal Control Systems
- CoreMax Group holds regular monthly high-level management meetings to discuss and track issues related to personnel, products, and future developments across various production lines.

Stakeholder Engagement

Relevant stakeholders include employees, shareholders/investors, customers (corporates), suppliers, government/regulatory agencies, and distributors. Various forms of communication are held regularly or irregularly to ensure effective stakeholder engagement.

Internal Audit Management

CoreMax Group has established comprehensive "Internal Control System," "Internal Audit Implementation Rules," and "Risk Management Procedures" to address significant risks in marketing, production operations, human resources, new product development, and financial controls. Any revisions to these procedures require Board approval. The group has an internal audit office, reporting directly to the Board of Directors, that assists in supervising internal systems and processes. The audit office executes the annual audit plan to ensure the effectiveness of internal controls, the reliability of financial reporting, and compliance with laws. It also provides timely improvement suggestions to ensure the effective implementation of internal systems. CoreMax Group holds monthly senior management meetings to discuss personnel, product, and development matters, evaluate risks, and propose response measures.

Risk Management Policy

CoreMax Group's risk management process includes risk assessments and discussions by various departments, leading to the consolidation of four major risk areas and the identification of twelve specific risks. Based on these risks, we formulate the risk management policies.



Risk Management Principles

In recent years, significant fluctuations in metal raw material prices have posed substantial risks to CoreMax's financial evaluations and profit margins. To address this, we integrate risk management into the Sustainability Development Committee, with regular reports to the Board. Currently, CoreMax focuses on hedging key raw materials, specifically cobalt and nickel, using derivative financial products. This strategic risk management aims to protect the company from adverse market fluctuations, ensuring financial stability and supporting the group's long-term development.

Risk Management Process



Risk Management Operations

The CoreMax Board of Directors is the highest decision-making body for risk management, with the Sustainability Development Committee responsible for execution. To ensure effective risk management, the Group has established "Risk Management Practice Guidelines," requiring each unit to implement response and prevention plans to minimize potential risks. CoreMax regularly discusses environmental changes and sets up tracking plans to protect stakeholders' rights and maintain the company's image. Operations are supervised and audited by the Board and functional committees. Communication with the Board includes CSR issues across economic, environmental and social. The high-level team reviews risks to develop operational plans, while strict internal processes, continuous improvements, timely document updates, and periodic audits help establish control systems that minimize risk hazards.

ESG Risk Assessment

The IPCC's "Global Warming of 1.5° C" report highlights the need to limit global warming to 1.5° C by 2030 to avoid severe consequences like sea level rise, food shortages, and ecological disasters. CoreMax Group conducts ESG sustainability risk assessments and on-site visits to ensure corporate ethics are upheld across all service processes, focusing on the societal, economic, and environmental impacts of key suppliers. Emphasizing human rights, Occupational Health and Safety and low-carbon services. We work with suppliers to improve sustainability performance, even during the pandemic. To manage climate-related risks and opportunities, the Sustainability Development Committee discusses issues such as sustainable governance, partnerships, blissful workplace, social care and the green environment and holds meetings at least twice a year. The committee presents the risks/opportunities strategies to the chairman, president and department heads through the meetings then share the results with the Board of Directors to ensure proper oversight and the implementation of relevant management policies.

Risk Categories

Risk Categories		Definition of Scope	Management Policy	Responsibilities and Authorities	Implementation Methods
Category 1	Strategic Risk	Industry Development	<ul style="list-style-type: none"> Continuously gather the latest market information and customer feedback data to inform the direction of new product development. New Investment Evaluation: Conduct feasibility studies, risk analysis, and strategic response analysis for all new investments. 	President's Office	<ul style="list-style-type: none"> Regularly visit domestic and international business operations to gather industry-related information and ensure the optimality of production and sales strategies. Actively stay informed about the latest industry developments to support new product research and development.
		Policy and Legal Changes	<ul style="list-style-type: none"> Regulatory compliance is monitored by each department with attention to relevant regulatory changes to ensure compliance Adhere to internal company control regulations. 	President's Office	<ul style="list-style-type: none"> Each department regularly reviews relevant regulatory changes. Dedicated personnel are assigned to safety and environmental protection to regularly review regulations, consulting with regulatory authorities or external experts when necessary. The audit department regularly reviews internal control regulations.
		Sustainable Development Strategy	<ul style="list-style-type: none"> Regularly convene the Sustainability Committee and report to the Board of Directors. Adhere to national sustainability development pathways and comply with the sustainability requirements of international clients. 	President's Office	<ul style="list-style-type: none"> Complete greenhouse gas verification and develop related carbon reduction plans and energy management plans. Complete carbon footprint verification for battery materials. Regularly review the national sustainable development pathways to ensure timely completion. Actively communicate with overseas customers to understand international sustainability trends.
Category 2	Financial Risk	Interest rate and exchange rate fluctuations, Changes in tax regulations.	<ul style="list-style-type: none"> Establish internal control system guidelines in compliance with regulations for publicly listed companies, , as well as financial, operational, and accounting management systems, to evaluate and supervise operational activities. 	Finance Department	<ul style="list-style-type: none"> CoreMax establishes relevant risk management procedures to keep abreast of regulatory changes and ensures compliance by all subsidiaries within the group. Currently, CoreMax's export accounts for approximately 72% of its revenue. Most export products and overseas raw material purchases are quoted in USD, allowing for natural hedging through regular import/export transactions. In the future, the group will continue to strengthen natural hedging by offsetting foreign currency receivables and payables and use derivative financial products as auxiliary tools to reduce financial risks under appropriate risk guidelines.
		Significant fluctuations in metal raw material prices leading to substantial changes in valuation gains and losses.	<ul style="list-style-type: none"> Engage in derivative financial product transactions with the principle of risk avoidance. Implement risk management for key metal raw materials (cobalt, nickel). 	Finance Department Procurement Department	<ul style="list-style-type: none"> Monitor metal price fluctuations daily, hold regular risk management meetings, and mitigate risks through derivative financial instruments. Adjust production and sales strategies in real-time through weekly production and sales meetings to effectively manage raw material and finished product inventory targets.

Risk Categories		Definition of Scope	Management Policy	Responsibilities and Authorities	Implementation Methods
Category 3	Operational Risk	Supply Chain Disruption	<ul style="list-style-type: none"> All primary raw materials have a secondary supplier. Establish safety stock levels and regularly review to ensure they meet current conditions. 	Presidents Office	<ul style="list-style-type: none"> Sign supply agreements with more than two suppliers for key raw materials. Establish a safety stock and, if necessary, conduct internal transfers within the group Actively seek new suppliers (domestic/international) for procurement. Stay informed about international logistics to mitigate delay risks.
		Talent and labor shortage	<ul style="list-style-type: none"> Participate regularly in salary surveys to ensure competitive employee salary levels. Hold regular employee communication and coordination meetings to increase retention rates. Increase the number of recruits through diverse channels. Provide employee education and training. 	Human Resource Department	<ul style="list-style-type: none"> Ensuring Competitive Salaries: Compare market salary data with the company's compensation policies to ensure competitiveness. Continuously gather salary information from various sources. Employee Communication Meetings: Conduct employee communication meetings biannually. In 2023, held 21 sessions with an 80% participation rate, collecting employee feedback for improvement. Recruitment Efforts: Participate in job fairs organized by local employment service stations, expand campus recruitment channels by attending five campus recruitment events, and establish internship programs with two universities. Additionally, applied for a research and development substitute service project, successfully recruiting one staff member.
		Information Security Risks	<ul style="list-style-type: none"> External threat prevention tasks. Regular cybersecurity awareness and training 	Information Security Department	<ul style="list-style-type: none"> Regular network vulnerability scans and patching to reduce the risk of hacker intrusions. Establishment of firewalls and filtering software. Implementation of encryption systems to protect confidential documents and prevent data leaks. Regular backups of critical servers and signing of backup service agreements, with at least one disaster recovery drill conducted annually.
Category 4	Environmental Risk	Resource Shortage	<ul style="list-style-type: none"> Power Outage: Prepare backup generators and perform regular maintenance. Water Outage: Arrange for water trucks and maintain storage tanks. 	Maintenance Department	<ul style="list-style-type: none"> Ensure the generator is started and maintained regularly. Coordinate and manage water delivery via water trucks.
		Natural Disasters (Including Climate Change): Earthquakes, Typhoons, Floods	<ul style="list-style-type: none"> Establish emergency response procedures Set up notification pathways 	Environmental Health and Safety Department	<ul style="list-style-type: none"> Establish response guidelines and evacuation plans based on various disaster scenarios. Develop an incident reporting form that clearly lists internal and external reporting units and timelines.
		(Global) Risks Associated with Pandemic Infectious Diseases	<ul style="list-style-type: none"> Establish relevant infectious disease prevention measures. 		<ul style="list-style-type: none"> Initiate office zoning, flexible working hours, or remote work arrangements based on CDC guidelines. Plan a job substitution system. Plan procedures for personnel access control and cleaning and disinfection arrangements. Plan procedures for handling suspected or confirmed cases. Establish reporting procedures. Establish communication procedures for customers and stakeholders.
		Fire Safety	<ul style="list-style-type: none"> Conduct regular emergency response drills Establish communication pathways 		<ul style="list-style-type: none"> Conduct physical fire drills every six months

3.4 Research and Development Innovation and Quality Management

CoreMax is dedicated to meeting customer needs with high-quality products and professional services, continually striving for improvement. Therefore, we focus on nurturing professional talent and innovating production technologies to produce high-quality products that effectively serve our customers.

Green Low-Carbon Initiatives

CoreMax Group evaluates the potential impacts of each stage of the product manufacturing process and establishes various indicators at each stage to achieve green, low-carbon products.

Green Initiatives	Indicators	Description
Minimize the environmental impact of hazardous substances.	Compliance with the standards	The Group adheres to hazardous substance emission standards and develops new processes to meet stricter requirements.
Use of Renewable Raw Materials	Varies by Product Category Proportion	1. 100% use of CoreMax battery black powder. 2. FSC-certified recycled paper packaging. 3. Heng-I recycles electronic components into industrial sulfuric acid from waste sulfuric acid.
Reuse of Waste in Production Processes	Annual waste reduction and increased recycling volume.	1. CoreMax's valuable metal waste is under 6%. 2. Heng-I recycles waste heat, saving 11 tons of steam per day for the sulfuric acid deoxygenation tank.
Increase the Proportion of Recycled Water Usage	Reduce annually	Heng-I installed a pure water system to enhance the RO system and increase water utilization, targeting the reduction of water usage by 5% in 2024 compared to 2023.
Annual Reduction in Energy Use	Reduce Annually	1. CoreMax aims to save 1% on electricity annually. 2. Heng-I's cogeneration system, installed on November 17, 2023, saved 1.4% in electricity by using steam pressure drop for in-plant power generation.

Annual R&D Expenses and The Proportion

Unit: Thousands NTD	2021	2022	2023
R&D expenses	8,971	20,558	13,410
Net operating income	5,285,365	9,081,621	5,231,731
Proportion of operating income	0.12%	0.23%	0.25%

CoreMax Quality Management System Certification

CoreMax Group have implemented the ISO 9001 and IATF 16949 management systems in most subsidiaries. The facilities that have implemented these systems conduct regular internal audits annually and have all passed verification by third-party certification bodies. For detailed information, please refer to the company profile.

Research and Development Innovation Plan

In 2023, CoreMax Group invested NTD 13.41 million in research and development. The R&D focus will remain on optimizing production processes, improving quality and enhancing efficiency across various products. Additionally, efforts will be directed towards developing new products and strengthening raw material recycling and reuse technologies to further enhance competitive advantages.

Short-Term Goals	Medium to Long-Term Goals
1. Enhance the quality of current products 2. Improve manufacturing processes 3. Increase the efficiency of waste management operations 4. Quality enhancement of the fertilizer product line	1. Develop nickel, cobalt, and manganese hydroxide compounds with varying ratios 2. Diversify the recycling technologies and processes for cobalt and nickel metals to increase recycling volume, efficiency, and quality.

Intellectual Property Management

CoreMax Group strengthens its technical foundation and develops new products while adhering to regulations, respecting intellectual property rights and protecting proprietary technologies. Thus, we have established an operational model to enhance company value, reduce risks, and ensure a competitive advantage.

CoreMax Intellectual Property Strategy :

- Establish Intellectual Property Management System
- Integrate Intellectual Property Resources, enhance the efficiency and benefits.
- Enhance Employee Intellectual Property Knowledge

3.5 Customer Relationship Management

Since its establishment in 1992, CoreMax Group has adhered to a customer-first business philosophy, striving for stable cooperative relationships and creating social value together. A dedicated person is responsible for the consolidation and archiving of customer information. According to the Group's internal ISO procedure document "QP016-Information System Management Procedure," access to the customer database is restricted. Employees must fill out an application form and obtain approval from the relevant departments before accessing the database, ensuring the best protective measures are in place.

Customer Privacy and Confidentiality (GRI 418-1)

CoreMax Group places great importance on customer privacy and intellectual property rights. In addition to signing non-disclosure agreements with customers to protect their confidential information, the Group has also established internal standards to ensure the execution of business activities while preventing data leaks and protecting customer interests. Currently, the Group has implemented the "Personal Data Protection Management Measures" and the "Information System and Network Resources Usage Measures" to protect the Group's intellectual property, confidential information, and the personal data of customers and employees. In 2023, CoreMax Group did not receive any complaints regarding the violation of customer privacy or the loss of customer data.

Customer Satisfaction Survey

To ensure customer satisfaction, CoreMax Group has established customer satisfaction and communication management procedures, collecting feedback on product quality and market response to monitor and measure customer needs and expectations. Each November, CoreMax Corporation conducts satisfaction surveys with a sample of two customers for each sales category: NT\$5 million to NT\$20 million, NT\$20 million to NT\$40 million, NT\$40 million to NT\$60 million, and NT\$60 million to NT\$80 million. For customers with sales exceeding NT\$80 million, a comprehensive survey is conducted. This feedback is used as a reference for formulating business strategies. In 2023, CoreMax Group distributed 15 questionnaires to both domestic and international customers. The satisfaction score for domestic customers was 96, while for international customers was 88. Analysis of the survey results showed that the highest satisfaction factors for domestic customers were staff cooperation, after-sales service, and the politeness of sales personnel on the phone. For international customers, the highest satisfaction factors were staff cooperation, after-sales service, and phone manners. Additionally, due to the significant transaction volume with automotive battery customers, they are specifically targeted for mandatory surveys. Every month, CoreMax randomly selects three customers from shipments to conduct visits, focusing on product quality, pricing, delivery time, and cooperation, using this feedback for continuous improvement.

Customer Handling Procedure (GRI 2-25)

To effectively handle customer complaints and meet customer quality demands, CoreMax Group has established a customer complaint handling procedure. This procedure also addresses abnormalities by proposing effective improvement measures. Complainants can report issues through written forms, email (sales@CoreMaxcorp.com), or verbal telephone contact with the business unit's contact person. Complaints are directed to the business department for processing and are logged into the customer complaint registration list. The Quality Assurance Department, along with other cross-functional teams, collaborates to ensure that customer complaints are handled efficiently, customer quality demands are met, and effective improvement measures are proposed.

3.6 Supplier Management

Local Procurement (GRI 204-1)

CoreMax Group's procurement for the top 10 raw materials amounts to approximately NT\$6.657 billion, accounting for 99.02% of total procurement, with a local procurement ratio of 6.3%.

CoreMax Group's Top 10 Raw Material Procurement Ratios for 2021-2023:

Year	2021	2022	2023
Local Procurement (Taiwan)	0%	5.46%	6.30%
Non-local Procurement	89.28%	89.41%	92.72%
Total	89.28%	94.87%	99.02%

Responsible Minerals Management

Since 2019, CoreMax has committed to adopting the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidelines) for cobalt materials. This commitment is embedded in our company's Responsible Mining Supply Chain Due Diligence Policy and incorporated into supplier contracts or related agreements. To fulfill our corporate social responsibility and promote international justice, we follow the Responsible Minerals Initiative (RMI) guidelines by using the CMRT (Conflict Minerals Reporting Template) to investigate the cobalt smelters involved in our products. We conduct these investigations through an electronic information system and classify the risk levels to meet customer and regulatory requirements. CoreMax is committed to continually addressing and mitigating the impacts of mineral sourcing issues. As of October 2023, CoreMax has undergone an RMI audit and anticipates receiving the compliant cobalt refinery certification in 2024. We plan to undergo and pass the annual audit in October of the same year.

In 2023, CoreMax expanded its overseas plant layout, planning to invest 31 million USD (approximately 1 billion NTD) to establish a subsidiary in Quang Ninh Province, Vietnam. Of this investment, 400 million NTD will be for land acquisition, securing 8 hectares (over 24,000 ping) of land. The new Vietnam plant is scheduled to start mass production of nickel sulfate for electric vehicle battery materials in 2025, with future exports planned for battery manufacturers in Japan, South Korea, and Europe. Although supplier management was not selected as a major theme for this year, we place high importance on this issue and have established policy commitments and indicators.

Impact Assessment

Positive Contribution: Collaborating with high-quality suppliers to cultivate long-term business partnerships, conducting regular assessments and surveys to ensure services and quality align with the company's product values, and actively promoting the long-term goal of strengthening a sustainable supply chain.

Potential Negative Impact: Cobalt is included among the raw materials, which has limited production and most of it comes from African regions with potential human rights risks. CoreMax requires suppliers to commit to the Supplier Code of Conduct and pass the RMI RMAP certification, ensuring compliance with environmental and human rights regulations. Additionally, suppliers must sign a commitment not to use conflict minerals.

Management Policy

Formulate supplier management policies, requiring suppliers to comply with the Supplier Code of Conduct regarding environmental protection, occupational health and safety, and labor rights.

Management Commitment

Strengthen the implementation of sustainable supply chain development, ensuring that suppliers meet social responsibility standards for energy conservation, environmental protection, labor safety, and human rights in the process of providing products and services. CoreMax is committed to mutual growth with suppliers, upholding corporate social responsibility, and continuously improving and enhancing these practices to achieve sustainable operations together.

Responsible Units

Procurement Department, Quality Assurance/Quality Control Units

Indicators and Goals

CoreMax Group sets supplier assessment completion rate and conflict mineral investigation as supplier targets.

	2023 Targets	2023 Achievements	2025 Targets	2030 Targets
Third-Party Conflict Mineral Certification for Cobalt Suppliers		Conducted "Cobalt Reporting Template" (CRT) conflict mineral investigations for 2 new cobalt raw material suppliers, achieving a 100% completion rate.	All major cobalt suppliers have passed the conflict mineral verification.	All cobalt suppliers have passed the conflict mineral verification.
Supplier assessment completion rate	100%	100%	100%	100%

Ensuring Effectiveness of Actions

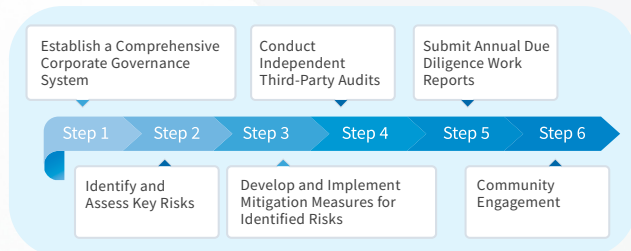
Conduct periodic reviews of suppliers' ISO certificates to ensure validity and conduct supplier evaluations.

Stakeholder negotiation

Report to the Board of Directors, publish on the official website, and include in the corporate sustainability report.

Steps for Responsible Minerals Management

1. Conduct supplier investigations using the Conflict Minerals Reporting Template (Cobalt Reporting Template, CRT) to identify the sources of smelters. In 2023, CoreMax investigated two new cobalt suppliers, both of whom responded, achieving a 100% response rate.
2. CoreMax established the "Responsible Mining Supply Chain Due Diligence Policy," which was officially published on the company website on November 1, 2019.
3. Following the OECD Guidelines, CoreMax developed the "Responsible Minerals Supply Chain Risk Management Procedure" to assess and review supplier risks, respond to, and mitigate identified risks.
4. CoreMax first published the "2020 Cobalt Supply Chain Due Diligence Report" in August 2020. The fourth annual "2023 Cobalt Supply Chain Due Diligence Report" was published, following a six-step methodology, and is available on the website.



Supplier Evaluation and Selection Mechanism

To implement corporate social responsibility among suppliers, CoreMax Group has established the "Supplier Social Responsibility and Code of Conduct," which applies to all subsidiaries within the group. Suppliers, along with their related supply chain vendors and employees, are required to adhere to this code.

Supplier Environmental, Safety, Health, and Quality System Investigation

The triennial supplier environmental, safety, health, and quality system investigation was conducted in 2022. Therefore, there was no investigation on supplier environmental, safety, health, and quality systems in 2023.

Supplier Risk Management

CoreMax classifies qualified suppliers into different risk levels and implements corresponding action plans based on their risk levels.

Risk Levels	Definition	Execution Plan
Low Risk	1. Standard product suppliers 2. Suppliers with an annual evaluation rating of A or B	1. Prioritize low-risk suppliers for procurement
Medium Risk	1. Suppliers that require approval before replacement 2. Suppliers with an annual evaluation rating of C	1. Continuously monitor their quality and reduce order volume as needed
High Risk	1. Single-source suppliers 2. Suppliers with an annual evaluation rating of D	1. Conduct audits on high-risk suppliers 2. Actively develop and evaluate the introduction of second suppliers or alternative materials

Supplier Assessment

In addition to requiring suppliers to sign the "Supplier Social Responsibility and Code of Conduct," CoreMax has historically conducted quarterly assessments on suppliers that had transactions more than twice in that quarter for raw materials and packaging materials. Due to the stability of the conditions with suppliers, the assessment was changed to an annual basis starting in 2021. According to the group's established "Supplier Assessment Form," evaluations are conducted on quality, delivery time, price, service, and other criteria. In 2023, CoreMax assessed a total of 87 suppliers, with a 100% qualification rate. This statistical data is used as a basis for procurement allocation and subsequent cooperation decisions. CoreMax also periodically sends emails or conducts phone interviews with suppliers to understand their supply status and international market trends, allowing for real-time market information management.

The number and percentage of suppliers by risk level in 2023

CoreMax Group prioritizes low-risk suppliers for procurement, reduces order volumes for medium-risk suppliers while continuously monitoring their quality, and audits high-risk suppliers while seeking alternative materials or suppliers. In 2023, none of the CoreMax Group subsidiaries had high-risk suppliers. There were a total of 2 medium-risk suppliers. The detailed identification of suppliers for each subsidiary is shown in the table below.

Risk Levels	Foreign Suppliers			Domestic Suppliers			Percentage		
	CoreMax	URANUS	HENG-I	CoreMax	URANUS	HENG-I	CoreMax	URANUS	HENG-I
Low Risk	39	6	5	44	40	19	98.81%	97.87 %	100%
Medium Risk	1	0	0	0	1	0	1.19%	2.13%	0%
High Risk	0	0	0	0	0	0	0%	0%	0%
Total	40	6	5	44	41	19	100%	100%	100%

Supplier Audits (GRI 308-1, 308-2, 414-1, 414-21)

To reduce the environmental and social impact of the company and its suppliers, CoreMax not only evaluates suppliers using assessment forms but also sets an annual audit plan for raw material and packaging material suppliers. This involves on-site visits to audit suppliers primarily for quality and environmental aspects. In 2023, CoreMax continued to implement the supplier audit plan and conducted on-site audits for five suppliers. The on-site inspections did not reveal any non-compliance issues.

Note: CoreMax Corporation and Uranus Chemicals conducted the audits jointly.

Environmental Indicators

CoreMax Group investigates its suppliers for their ISO 14001 certification. In 2023, there were 20 suppliers that had not obtained ISO 14001 certification or had not yet returned the Environmental, Safety, and Health Management Questionnaire. CoreMax encourages these suppliers to implement and actively obtain this certification and continues to track the progress of the returned questionnaires. In 2023, the response rate from suppliers for each company exceeded 90%.

		CoreMax	URANUS	HENG-I
Number of Surveys Conducted	Domestic	43	28	25
	International	29	6	6
Number of Responses	Domestic	43	26	25
	International	29	5	6
Comply with Environmental Standards		✓	✓	✓
Response Rate		100.00%	91.18%	100.00%

New Raw Material and Packaging Suppliers

For the newly added raw material and packaging suppliers in 2023, CoreMax evaluated these suppliers on "Environmental Aspects" and "Social Aspects." In 2023, CoreMax added a total of 5 new suppliers, of which 3 met environmental standards and 4 met social standards. We will continue to require suppliers to comply with environmental and social standards in the future.

Social Indicators

CoreMax investigates whether suppliers have ESG social-related declaration documents or requires them to sign the 'Supplier Social Responsibility and Code of Conduct' and the "Supplier ESG Self-Assessment Questionnaire". Only after signing these documents can they be considered qualified suppliers. For suppliers who have not signed, we notify them via email or phone to understand the reasons and request their signatures. In 2023, the response rate from suppliers of each company exceeded 90%.

		CoreMax	URANUS	HENG-I
Number of Surveys Conducted	Domestic	43	28	25
	International	27	6	6
Number of Responses	Domestic	43	26	25
	International	22	5	6
Compliance with Social Standards		✓	✓	✓
Response Rate		92.86%	91.18%	100.00%

Results of ESG/CSR Policy and Guidelines Survey for Top 10 Raw Material and Packaging Suppliers

CoreMax Corporation conducted an ESG/CSR policy and guidelines survey for its top 10 raw material and packaging suppliers in terms of transaction amount for the year 2023. All top 10 suppliers complied with the survey requirements. For the "Environmental Aspect" and "Social Aspect" indicators, CoreMax completed the survey for the top 10 suppliers. The compliance rate for both environmental and social aspects among the top 10 suppliers was 90%. Compared to 2022, the number of suppliers meeting environmental standards has significantly increased, demonstrating CoreMax's strict requirements for suppliers and a commitment to co-creating sustainable development.

Year	2022	2023
Number of Key Suppliers	10	10
Number of Suppliers Surveyed	10	10
Number of Suppliers Meeting Environmental Standards	2	9
Number of Suppliers Meeting Social Standards	8	9

3.7 Regulatory Compliance (Material Topic)

(GRI 2-27)

Compliance is a material topic for CoreMax Group this year. In addition to adapting to climate-related regulatory changes, CoreMax emphasizes adherence to regulations on corporate governance, environmental protection, and labor rights.

Impact Assessment

Positive Impact: Enhancing employees' understanding of regulations helps prevent significant violations and reduces potential negative impacts.
Potential Negative Impact: Complaints or confirmed regulatory violations may damage the company's reputation.

Management Policies

Corporate Governance: Code of Ethical Conduct, Code of Business Conduct, Insider Trading Prevention Mechanism
Human Rights: Compliance with domestic and international human rights conventions
Environmental Regulations: ISO 14001 Environmental Management Policy

Management Commitment

Corporate Governance: We establish business policies based on integrity, ensuring a sustainable business environment through effective governance and risk control.
Human Rights: We implement policies to ensure customer health and safety, privacy protection, and proper marketing and labeling.
Environment: We establish group-wide environmental policies, aligning our practices with international standards

Responsible Units

Audit unit, supervisors of relevant departments and sections

Indicators and Goals

	2023 Goals	2023 Achievements	2025 Goals	2030 Goals
Education and Training	Conduct regularly	Total 139 individuals, accumulating 205 hours training and report the implementation during the board meeting in Nov 8, 2023.	Conduct regularly	Conduct regularly
Human Rights-Related Complaint Cases	0 incidents	0 incidents	0 incidents	0 incidents
Environmental Fines	0 incidents	Air pollution: Uranus NT\$100,000; Waste: Heng-I NT\$60,000	0 incidents	0 incidents

Ensuring Action Effectiveness

We hold regular board meetings to oversee compliance, while the audit department ensures adherence to regulations, supporting honest business practices.

Stakeholder Engagement

Regularly publish audit results on the company's website, annual reports, and sustainability reports.

Strict Compliance and Sustainable Operation (GRI 417-2, 417-3, 418-1)

To ensure compliance with laws and regulations, CoreMax Group monitors both domestic and international policies that impact business and financial operations. We have established comprehensive internal controls, including accounting systems, CSR standard, dishonest prevention procedure, guarantee endorsement, liability commitment and data protection.

We value employees' professional capabilities and uphold labor rights, gender equality, and anti-discrimination principles. In 2023, we had no incidents of discrimination, human rights violations, or complaints about forced labor or child labor.

CoreMax adheres to fair competition principles, opposing price-fixing, market allocation, and monopolistic practices, and strictly follows relevant laws to ensure a fair and open competitive environment.

The following did not occur violations in 2023:

- Corruption
- Bribery
- Antitrust violations
- Child labor
- Forced labor
- Major violations (fines exceeding NT\$1 million are considered major violations)
- Violations related to product and service information and labeling
- Loss or leakage of customer data



Violation Incidents and Responses

In 2023, CoreMax Group incurred a total of NT\$1.7893 million in fines for violations. There were no penalties related to corporate governance. The detailed violations and fines are as follows:

Unit: NTD		Incidents Fined in 2023		Reason for Fines	Improvement Measures	Progress on Improvements
Aspect	Item	2023 Year Violation	Previous Year Violation			
Environment Related	Air Pollution Emissions	N/A	100,000	Penalty for Commencing Construction Prior to Obtaining a Permit for Taichung Plant Modification	Apply for construction registration and obtain the license by 2024. Responsible personnel will regularly track project-related cases to ensure compliance and timely reporting.	Properly handled
	Waste Management	60,000	N/A	Discrepancies in Reported Data Quality	Ensure the data is verified before uploading to the Business Waste and Management Information System website.	Properly handled
Social Related	Occupational Health and Safety Related	360,000	N/A	1. The Heng-I hot air furnace fan's spindle and the electric motor's transmission chain lack protective covers, guards, and sleeves, posing a hazard to workers. 2. Uranus has not provided appropriate safety equipment for the working platform.	Implement equipment engineering improvements and require operators to undergo training and wear protective gear during operations.	Properly handled
	Building Law Related	225,000	939,337	1. Taichung Plant fined for starting construction without a permit. 2. Heng-I fined for starting construction without a permit.	Apply for construction registration and obtain the license by 2024. Responsible personnel will regularly track project-related cases to ensure compliance and timely reporting.	Properly handled
Other		1,937	103,036	Fertilizer products failed to pass inspection	Align internal testing with government standards and enhance raw material inspections to prevent future violations.	Properly handled
Total Amount		646,937	1,142,373			
Number of Cases		7	8			

Corporate Governance (GRI 417)

To ensure that CoreMax strictly complies with relevant laws and regulations, we closely monitor domestic and international policies and legal developments that could impact the group's business and finances. In addition to adhering to regulations, we have established internal control systems, accounting systems, corporate governance practices, corporate social responsibility guidelines, procedures for preventing unethical conduct, procedures for endorsements and guarantees, management procedures for liabilities and contingencies, personal data protection management measures, and pollution prevention measures. We operate in compliance with laws and regulations, contributing to a high-quality industrial operating environment and ensuring the company's sustainable operations.

Additionally, regarding products and services, CoreMax Group places great importance on the confidentiality of customer information and privacy rights.

Human Rights Protection

CoreMax Group values employees' professional capabilities provides equal employment opportunities without discrimination based on race, gender, age, disability, religion, ethnicity, zodiac sign, blood type, or any other characteristic protected by relevant laws. We respect human rights, gender equality, and equal pay for equal work, treating equality and anti-discrimination as core principles in our conduct.

In recruitment, we emphasize equal employment opportunities, respect for human rights, a diverse workforce, and the prohibition of child labor and forced labor, adhering to relevant labor standards. In 2023, there were no incidents of gender or racial discrimination, human rights violations, violations of indigenous rights, or external human rights reviews or impact assessments. Additionally, there were no incidents or complaints related to forced labor, child labor, restrictions on freedom of association, discrimination, or excessive overtime.

Market Competition (GRI 206)

CoreMax Group adheres to principles of fairness, openness, and propriety in industrial competition, firmly opposing any improper conduct related to price-fixing, market division, customer allocation, bidding, agreement content, monopolies, and joint boycotts against suppliers or customers. CoreMax consistently complies with relevant laws to ensure that competition with peers occurs in a fair and transparent environment. In 2023, there were no incidents of violating antitrust regulations.



04 Sustainable Environment

Our Group recognizes the importance of sustainable business operations and is committed to the effective management of energy resources and pollution prevention. We aim to fulfill our responsibilities as global citizens while practicing corporate social responsibility. By adhering to regulations and implementing robust management measures, we strive to create a sustainable, safe, and pollution-free work environment, working towards the goal of sustainable corporate development.

- 4.1 Climate Change Adaptation (TCFD)
- 4.2 Environmental Management Policies and Investments
- 4.3 Water Resource Management
- 4.4 Air Pollution Control
- 4.5 Waste Management (Material Topic)
- 4.6 Energy Policy and Greenhouse Gas Inventory

4.1 Climate Change Adaptation

(TCFD)

Climate Governance TCFD1(a) TCFD1(b)

The CoreMax Board of Directors serves as the highest governing body for managing climate-related risks and opportunities, overseeing and reviewing strategy development and policy formulation.

Under the authorization of the Board, CoreMax established a Sustainability Development Committee in 2022, with the Board appointing at least three members, including one independent director to participate in supervision. The committee members elect a convener and chairperson for meetings.

Given the broad scope of climate change issues, the Sustainability Development Committee includes representatives from various departments to assess risks, opportunities, and corresponding responses according to their functional units.

Climate Strategy

CoreMax's Sustainability Development Committee, along with external consultants, conducted interviews and surveys with managers to identify climate-related risks and opportunities. They found that extreme weather events such as floods and droughts pose a "medium" probability of operational disruptions at subsidiaries. Transitional risks include increased raw material costs due to supply-demand imbalances and heightened regulatory requirements as Taiwan moves toward its 2050 net-zero emissions target. To mitigate these risks, CoreMax has proactively implemented ISO 14001 environmental management systems and completed ISO 14064 greenhouse gas inventories at CoreMax and Uranus, with successful verification.

TCFD Climate Risk Financial Impact Assessment

Through a risk matrix, we have ranked various risks and identified four transition risks and one physical risk, assessing their potential financial impact as follows:

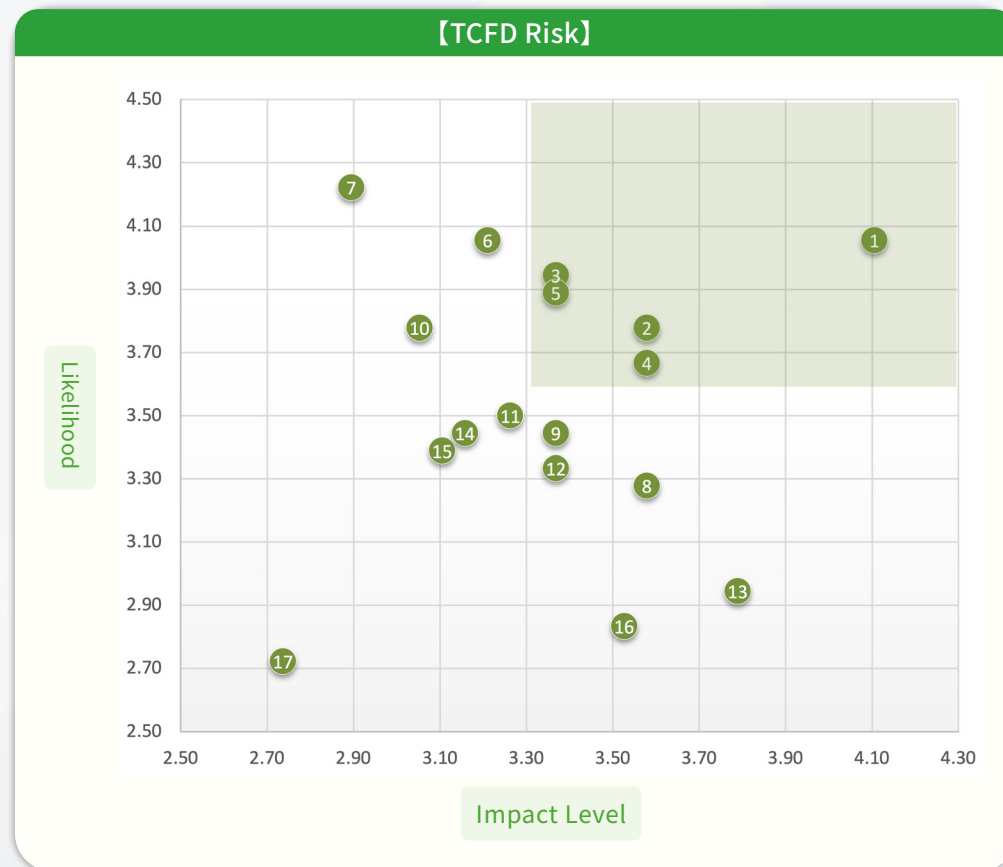
Timeframe	Risk Category	Impact on CoreMax	Subsequent Financial Calculation Needs	Impact Magnitude Estimate
Short-Term (1-3 Years)	Transition Risk: Rising Raw Material Costs	Due to climate change, the supply of raw materials becomes scarce, leading to a situation where demand exceeds supply. This results in increased procurement costs and, consequently, higher manufacturing costs.	(1) Potentially affected raw material items and the extent of impact; (2) Affected products and scope; (3) Start time of impact.	+++
Medium to Long-Term (3-10 years)	Transition Risk: Changes in Customer Behavior	With rising environmental awareness, customers will be more focused on energy-saving and carbon-reducing products. This will require the market and R&D departments to invest more resources in research, leading to increased operational costs.	(1) Continuous operation planning costs (2) Costs of alternative solutions	+++
Medium to Long-Term (3-10 years)	Physical Risk (Immediate): Increase in Average Temperature	Global warming indirectly causes both physical and transitional risks, such as extreme weather events and the phasing out of energy-intensive products.	(1) Continuous operation planning costs (2) Costs of alternative solutions	++
Medium to Long-Term (3-10 years)	Physical Risk (Immediate): Increased Severity of Extreme Weather Events such as Typhoons and Floods	Extreme weather events, such as typhoons or sudden heavy rains/floods, can increase the likelihood of flooding in plant areas or nearby communities. This can result in equipment damage, transportation disruptions, and employees being unable to attend work, leading to decreased revenue or increased costs.	(1) Ongoing operational planning costs (2) Alternative solution costs (3) Increased personnel scheduling and staffing costs (4) Increased equipment damage and repair costs	+++
Medium to Long-Term (3-10 years)	Transitional Risk: Market Information Uncertainty	If CoreMax fails to grasp relevant low-carbon product technologies, or if competitors launch low-carbon products earlier, this could potentially erode the company's market share and result in decreased revenue in the future.	(1) Failure to grasp market trends leading to decreased revenue (2) Costs of alternative solutions	++

*Impact magnitude explanation: +++ High impact, ++ Moderate impact, + Low impact

Climate Risks Identification

CoreMax, in response to key operational business activities and future market development trends, evaluated the 17 climate change risks proposed by the TCFD guidelines. Interviews were conducted with 18 managers to discuss, rank, and create a risk matrix based on the impact and likelihood of each risk. The following is the ranking of the risk issues:

No.	Opportunity Topics	Impact Level	Likelihood	Short-Term Occurrence	Medium- to Long-Term Occurrence
1	Raw Material Cost Increase	4.11	4.06	12	6
2	Changes in Customer Behavior	3.58	3.78	7	11
3	Rise in Average Temperature	3.37	3.94	7	11
4	Changes in Rainfall Patterns and Extreme Climate Variations	3.58	3.67	9	9
5	Uncertainty of market information	3.37	3.89	9	9
6	Increase in Greenhouse Gas Emission Prices	3.21	4.06	5	13
7	Strengthening of Greenhouse Gas Emission Reporting Obligations	2.89	4.22	13	5
8	Growing Stakeholder Concern and Negative Feedback	3.58	3.28	4	14
9	Increase in Severity of Extreme Weather Events such as typhoons and Floods	3.37	3.44	5	13
10	Mandatory/Legislative Requirements to Disclose Carbon Emissions for Existing Products and Services	3.05	3.78	8	10
11	Increased Costs for Low-Carbon Technology Transition	3.26	3.50	3	15
12	Replacement of Existing Products and Services with Low-Carbon Products	3.37	3.33	2	16
13	Industry Stigmatization	3.79	2.94	1	17
14	Sea Level Rise	3.16	3.44	1	17
15	Shift in Consumer Preferences (Towards Low-Carbon Products)	3.11	3.39	1	17
16	Failure of Investment in New Technologies	3.53	2.83	1	17
17	Risk of Climate-Related Litigation	2.74	2.72	1	17



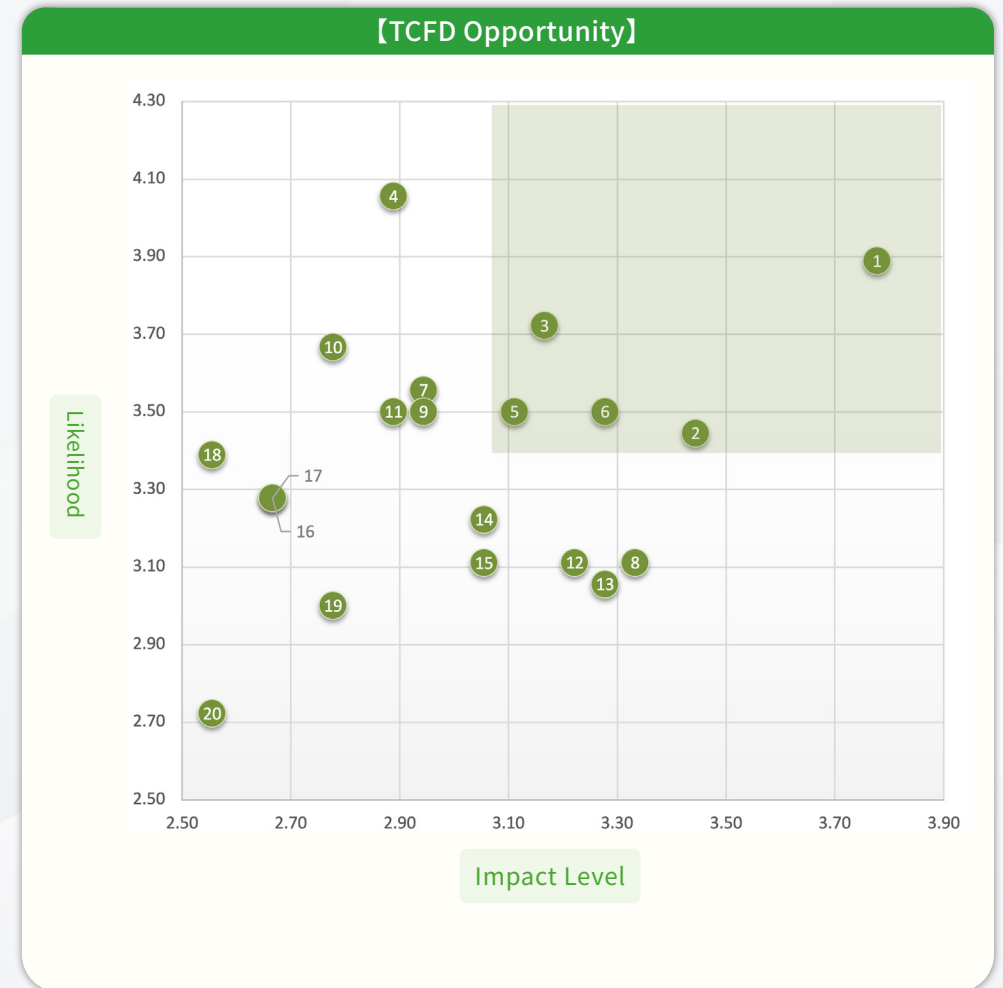
*Impact: We use a 1-5 point scoring system:
4-5 points: High impact, leading to significant financial cost or capital expenditure.
3 points: Medium impact, leading to considerable (medium) financial cost or capital expenditure.
1-2 points: Low impact, leading to minor financial cost or capital expenditure.

*Probability: We use a 1-5 point scoring system:
4-5 points: High probability, occurring frequently, such as once a month or several times a year.
3 points: Medium probability, occurring approximately once every 5 years.
1-2 points: Low probability, occurring infrequently, such as once every 10 years.

Climate Opportunity Identification TCFD2(a) TCFD2(b)

We classify climate change-related opportunities based on their impact magnitude and likelihood of occurrence. The identification results and rankings are shown in the table below. The CoreMax team believes the greatest opportunities arise from recycling and reuse-related climate opportunities, as well as actions aimed at reducing environmental impact, such as using more efficient production and distribution processes, reducing water consumption, and substituting energy sources.

No.	Risks Topics	Impact Level	Likelihood	Short-Term Occurrence	Medium- to Long-Term Occurrence
1	Recycling and Reuse	3.78	3.89	8	10
2	More Efficient Production and Distribution Processes	3.44	3.44	1	17
3	Reducing Water Usage	3.17	3.72	9	9
4	Energy Substitution/Diversification	2.89	4.06	11	7
5	Participation in Renewable Energy Projects	3.11	3.50	4	14
6	Adoption of New Technologies	3.28	3.50	0	18
7	Participation in Carbon Trading Markets	2.94	3.56	3	15
8	R&D for New Products and Services	3.33	3.11	3	15
9	Shifts in Consumer Preferences	2.94	3.50	1	17
10	Use of Low-Carbon Energy	2.78	3.67	7	11
11	Adoption of Incentive Policies	2.89	3.50	6	12
12	Development and/or Increase of Low-Carbon Goods and Services	3.22	3.11	0	18
13	Entry into New Markets	3.28	3.06	1	17
14	Utilization of Public Sector Incentives	3.06	3.22	8	10
15	Diversification of Business Activities	3.06	3.11	3	15
16	Transition to Decentralized Energy	2.67	3.28	2	16
17	Acquisition of Necessary Insurable Assets and Regions	2.67	3.28	3	15
18	Adoption of More Efficient Transportation Methods	2.56	3.39	1	17
19	Development of Climate Adaptation and Insurance Risk Solutions	2.78	3.00	1	17
20	Transition to More Efficient Buildings	2.56	2.72	1	17



TCFD Risk and Opportunity Assessment

Using an opportunity matrix, we have ranked various opportunities, identifying four medium to long-term opportunities and one short-term opportunity. We have also estimated the potential financial impacts they might bring, as described below:

Time	Source of Opportunity	Impact on CoreMax	Subsequent Financial Calculation Needs	Estimated Impact Magnitude
Medium to long-term 3-10 years	Recycling and Reuse	Increase resource efficiency through recycling and reuse, promoting a circular economy.	Increase in equipment costs, reduction in raw material costs	+++
Medium to long-term 3-10 years	Use of more efficient production and distribution processes	Shorten delivery times and reduce carbon emissions during manufacturing.	Increase in revenue	+++
Medium to long-term 3-10 years	Reduction in water usage and consumption	Optimize systems to control water intake and consumption.	Gradual reduction in environmental cost expenditure	++
Medium to long-term 3-10 years	Participation in renewable energy projects and adoption of energy-saving measures	Replace old equipment with energy-saving equipment	Increase in equipment costs	+++
Short-term 1-3 years	Use of new technology	Develop new technologies in response to climate-related markets.	Increase in R&D costs, increase in revenue	++

*Impact Magnitude Explanation: +++ High impact, ++ Medium impact, + Low impact

Scenario Analysis TCFD2(c)

Under different scenarios, we also assessed the potential impacts of the risks and opportunities described in the TCFD guidelines. As shown in the table below:

Overall, as climate action intensifies, CoreMax will need to invest more in transitioning to low-carbon technologies and providing more low-carbon products and services. Although short-term costs will increase, long-term benefits are expected. Under the 1.5° C target, CoreMax will actively seek more carbon reduction measures, including considering Scope 1, Scope 2, and Scope 3 emissions simultaneously.

To further assess organizational resilience, we considered the following three scenarios to evaluate potential carbon reduction strategies:

- ▶ BAU (business as usual): Represents the worst-case scenario with no changes made.
- ▶ NDC: Simulates based on nationally determined contributions, with climate change impacts falling between BAU and 1.5° C.
- ▶ 1.5° C: Based on the International Energy Agency (IEA) developed scenario to keep global warming within 1.5° C. This represents the most ambitious carbon reduction target, indicating a pursuit of more aggressive carbon reduction measures.

Risk/ Opportunity	Description	Assessment of Risks and Opportunities under Different Scenarios			
		NDC	1.5° C	Implications for CoreMax	Response
Transitional Risks	Raw material cost increase	Costs rise : ++	Costs rise : +++	Raw material costs will increase significantly due to climate change impacts	1. Seek alternative materials 2. Improve processes, increase recycling rates, and reduce raw material purchases
	Customer behavior changes	Costs rise: +++	Costs rise: +++	Customers will pay more attention to energy-saving and carbon-reducing product	1. Invest in improving lithium/cobalt-nickel recycling technologies 2. Enhance energy efficiency, improve yield 3. Set annual electricity consumption reduction targets 4. Conduct product carbon footprint verification
	Market information uncertainty	Costs rise:++ Revenue decrease++	Costs rise: +++ Revenue decrease: +++	Mastering the technology related to low-carbon products	1. Stay abreast of trends 2. Increase R&D spending
Physical Risks	Average temperature increase	Costs rise: ++	Costs rise: ++	Indirect impacts caused by global warming	1. Replace outdated equipment 2. Use renewable energy
	Increased severity of extreme weather events	Costs rise: ++ Revenue decrease: ++	Costs rise: +++ Revenue decrease: +++	Droughts lasting more than a week due to extreme climate would impact CoreMax's operations	1. Assess and mitigate flood-prone areas 2. Ensure safety stock and establish HR management systems for potential climate-related disasters 3. Promote preventive education to enhance employee safety awareness
Opportunity	Recycling and reuse	Costs rise: ++ Revenue increase: +++	Costs rise: ++ Revenue increase: +++	Although R&D involves certain costs, it can effectively increase recycling rates	
	Use of more efficient production and distribution processes	Costs rise: ++ Revenue increase: +	Costs rise: ++ Revenue increase: +	Shortening delivery times and reducing carbon emissions from manufacturing	
	Reduction in water usage	Costs rise:++ Revenue decrease++	Costs rise: ++ Revenue increase : ++	CoreMax requires a large amount of water resources for its processes; optimizing systems to control water intake and consumption	
	Participation in renewable energy projects and adoption of energy-saving measures	Costs rise : ++ Revenue increase: +	Costs rise : ++ Revenue increase : +	Replacing outdated equipment with energy-saving equipment	
	Use of new technology	Costs rise : +++ Revenue increase: : ++	Costs rise : ++ Revenue increase: ++	Climate change increases the demand for low-carbon products. Keeping up with the times requires investment in R&D to develop new technologies to meet market demands	

*Impact level: +++ High impact, ++ Medium impact, + Low impact

From the above analysis, it is evident that under both NDC and 1.5° C transition risks, CoreMax will inevitably need to develop more and faster low-carbon products and services and increase the recycling and reuse rates.

Risk Identification and Assessment Process and Indicators TCFD3(a) TCFD4(a)

To evaluate climate-related risks, CoreMax refers to TCFD guidelines, global risk assessment reports, and climate change research reports for the Taiwan region, projecting the situation for 2050. Considering the actual conditions of the operational market, we assess the 13 transition risks and 4 physical risks listed in the TCFD guidelines. Each risk is evaluated based on its urgency (short-term, medium to long-term), probability (using a 5-point scale to describe high, medium, and low levels), and potential negative impact (using a 5-point scale to describe high, medium, and low levels).

Through this process, CoreMax considers the actual customer situation to identify climate-related risks and opportunities. Additionally, we have set specific indicators and targets for each identified risk to mitigate the environmental impact on CoreMax.

	Risks	Risks and Their Indicators and Targets
1	Raw Material Cost Increase	<ol style="list-style-type: none"> 1. Number of competitive new suppliers introduced 2. Proportion of recycled plastic pallets \geq total usage 3. Development of alternative raw materials 4. Number of processes successfully developed and implemented to reduce raw material loss
2	Changes in Customer Behavior	<ol style="list-style-type: none"> 1. Increased recycling efficiency 2. Improvement in yield rate 3. Reduction in electricity consumption 4. Acquisition of certification
3	Rise in Average Temperature	<ol style="list-style-type: none"> 1. Technology research and development 2. Improvements in water consumption
4	Increased Severity of Extreme Weather Events	<ol style="list-style-type: none"> 1. 100% achievement rate in regular disaster drills 2. Establishment of emergency response systems and procedures 3. Annual dissemination and training, conducted twice a year
5	Market Information Uncertainty	<ol style="list-style-type: none"> 1. Increased R&D investment 2. Timely trend monitoring and analysis

Risk Management Process TCFD3(b) TCFD3(c) TCFD4(c)

We consider climate-related risk management policies, actual assessment practices, and preventive measures to mitigate the impact of climate risks on operations. Starting in 2023, we have engaged in discussions with various departments to quantify indicators and implement specific measures for managing risks across all departments. We plan to hold regular annual meetings to ensure a thorough understanding and control of risk changes, allowing us to timely develop and implement relevant mitigation measures and management methods.

4.2 Environmental Management Policies and Investments

CoreMax Group conducts the ISO 14001 Environmental Management System to establish and implement environmental management policies that align with international standards for environmental, safety, and health management practices. Each plant undergoes environmental assessments and audits based on the "PDCA management cycle" and government-issued standards. When any non-compliance risks are identified, immediate corrective and preventive measures are taken.

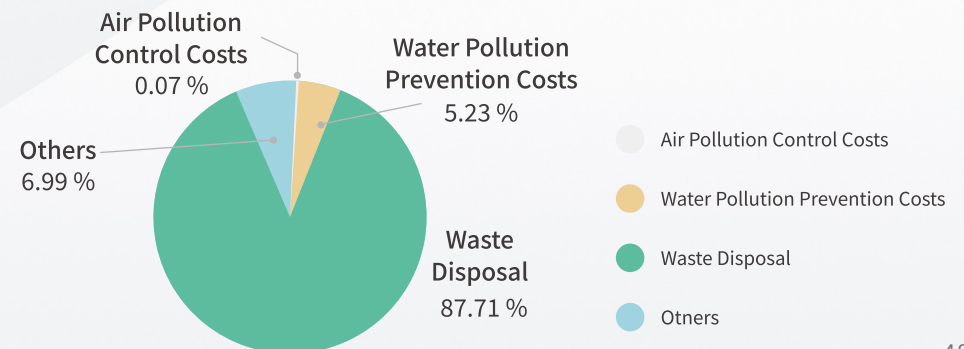
Given that production processes significantly impact energy and resource consumption and have environmental effects, CoreMax is committed to pollution prevention and continuous improvement to achieve sustainable business operations. The Group pledges that all employees will adhere to the following principles to collectively maintain and improve environmental quality:

Environmental Management Policy

Strict Compliance with Regulations and Thorough Environmental Improvement
 Promotion of Environmental Awareness through Education and Training
 Enhancing Production Efficiency and Implementing Pollution Prevention
 Fulfilling Corporate Responsibility for Economic and Environmental Win-Win

Environmental Cost Investment

CoreMax Group's environmental cost investments include projects such as operational environment monitoring, the operation and maintenance of pollution prevention equipment, and other related activities. In 2023, the total investment amounted to approximately NTD 13,921,000.



2023 CoreMax Group Environmental Investments in Each Plant

Item (NTD Thousands)	CoreMax Hsinchu	CoreMax Toufen	Uranus Hsinchu I	Uranus Hsinchu II	Uranus Toufen	Uranus Taichung	Heng-I	Group	Group Share
Air Pollution Control Costs	0.00	1.67	0.00	0.00	0.00	0.45	7.62	9.74	0.07%
Water Pollution Prevention Costs	428.96	0.00	45.94	248.21	0.00	0.00	5.15	728.25	5.23%
General Waste Disposal Costs	600.24	100.49	60.67	288.60	114.20	317.80	213.06	1,695.05	12.18%
Hazardous Sludge Disposal Costs	0.00	0.00	0.00	0.00	1,219.92	0.00	0.00	1,219.92	8.76%
Inorganic Sludge Disposal Costs	5,237.50	141.34	0.00	78.03	3,336.04	0.00	0.00	8,792.92	63.16%
Non-hazardous Mixed Waste Liquid Disposal Costs	502.60	0.00	0.00	0.00	0.00	0.00	0.00	502.60	3.61%
Soil and groundwater pollution prevention costs	11.40	940.03	0.00	0.00	21.90	0.00	0.00	973.33	6.99%
Total	6,780.69	1,183.53	106.61	614.84	4,692.06	318.25	225.83	13,921.81	100.00%

Impact Assessment and Response Measures on the Local Community and Environment

- **Pollution Emission Management:** All pollutants emitted from each plant is treated effectively according to local regulatory requirements before discharge. As a result, there have been no negative impacts on the local community or environment.
- **Waste Management:** Waste is effectively sorted and properly treated, with qualified processing companies contracted for waste removal. Records of waste declaration and treatment volumes are well maintained to ensure all industrial waste is properly managed and treated.
- **Chemical Management:** Production facilities have implemented rigorous chemical safety management protocols. All regulated chemicals used and transported are handled with appropriate response equipment on standby. Annual hazard prevention and response drills are conducted to enhance employees' emergency response capabilities, thereby reducing the likelihood and impact of environmental hazards. (For detailed information on chemical management, see Chapter 5.5 Chemical Management).

4.3 Water Resource Management

Impact Assessment and Water Resource Risks (GRI 303-1)

Based on the "Water Risk Assessment Tool" from the World Resources Institute, CoreMax Group has evaluated the water resource risks at its various plant locations. The assessment indicates that the water resource pressure at our operational sites is low to medium risk (1-2), with no sites located in "high" or "extremely high" water-stressed areas. CoreMax also does not extract water from ecological conservation areas or regions of biodiversity value, nor from protected or rehabilitated habitats. Additionally, we conducted a financial assessment of climate change-related risks. Among CoreMax's products, those with high water consumption, such as sulfuric acid and other electronic-grade chemicals, could face significant financial impacts if physical risks lead to water supply interruptions or the initiation of water restriction policies. In scenarios where water supply is halted for more than a week, there would be substantial effects on the group's revenue and manufacturing costs.

Plants	Water Sources	Recycled Water Equipment
CoreMax Hsinchu/ Toufen	The water supply for both plants comes entirely from Taiwan Water Corporation.	Discharge water from pure water production is recycled for use in cooling towers.
Uranus Hsinchu I & II	The water supply for both plants comes entirely from Taiwan Water Corporation.	Discharge water from pure water production is recycled for use in cooling towers.
Uranus Toufen	The water usage entirely relies on the pure and soft/hard water provided by Heng-I Chemical, while the domestic water for employees is supplied by Heng-I Chemical reselling tap water.	Not installed.
Uranus Taichung	The water sources are from Taiwan Water Corporation and groundwater.	Discharge water from pure water production is recycled for use in cooling towers.
Heng-I	The water source is from Taiwan Water Corporation.	A wastewater recycling system is installed in the plant. The wastewater produced during the manufacturing process is filtered through the wastewater regeneration system and reused in the production process, reducing water resource consumption.

Water Discharge Management (GRI 303-2)

The industrial wastewater produced by CoreMax Group is treated based on the characteristics of the process wastewater sources. Wastewater treatment facilities are carefully planned to effectively reduce pollution at the source, classify wastewater, and use appropriate treatment equipment and technologies. This ensures that the wastewater treatment systems can efficiently degrade pollutants. We regularly test the quality of discharged wastewater according to legal and regulatory standards to ensure that the wastewater quality meets the required standards. This helps to prevent water pollution, ensure clean water resources, and protect the ecological environment.

Plants	Discharge Treatment Method	Discharge Standards	Discharge Location
CoreMax Hsinchu	Chemical Treatment	Hsinchu Industrial Park Sewage Plant Discharge Standard	Connected to - Hsinchu Industrial Park Sewage Plant
CoreMax Toufen	No process wastewater, only domestic sewage, treated and discharged into Zhonggang Creek		
Uranus Hsinchu I	Chemical Treatment	Hsinchu Industrial Park Wastewater Treatment Plant Discharge Standards	Connected to - Hsinchu Industrial Park Sewage Plant
Uranus Hsinchu II	Chemical Treatment	Hsinchu Industrial Park Wastewater Treatment Plant Discharge Standards	Connected to - Hsinchu Industrial Park Sewage Plant
Uranus Toufen	Specifically commissioned to Heng-I Chemical for processing and treatment.	After obtaining storage permits, process wastewater is transported through dedicated pipelines to Heng-I Chemical's wastewater treatment facility for treatment.	Discharge to Zhonggang Creek according to Surface water discharge standards
Uranus Taichung	According to Wastewater Discharge Permit	Each process wastewater is treated in the wastewater treatment plant according to the chemical industry effluent standards	Discharge to Wu River according to surface water discharge standards
Heng-I	According to Wastewater Discharge Permit	Each process wastewater is treated in the wastewater treatment plant according to the chemical industry effluent standards	Discharge to Zhonggang Creek according to surface water discharge standards

Wastewater Discharge Volume from 2021 to 2023 (Unit: Million Liters, ML)

Plants	2021	2022	2023	2024
CoreMax Hsinchu	21.07	17.73	17.09	10.04%
CoreMax Toufen	(Combined Statistics for Both Plants)		5.59	
Uranus Hsinchu I	4.01	2.60	4.25	31.2%
Uranus Hsinchu II	0	21.80	22.87	
Uranus Toufen	0	7.10	31.13	
Uranus Taichung	0.79	1.10	1.69	
Heng-I	72.64	104.76	112.11	58.4%
Total	98.51	160.68	192.05	100%

Note 1: The Uranus Toufen Plant officially commenced legal operations in October 2022; therefore, the discharge statistics for 2022 only include the period from October to December.
 Note 2: The Uranus Hsinchu Second Plant was activated in 2022.
 Note 3: Due to boundary expansion, the 2021 data has been updated to include Uranus and Heng-I, with the addition of the 2021 discharge volume for Uranus Hsinchu.

Water Resource Recycling and Reuse (GRI 303-5)

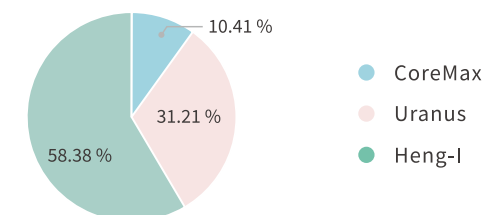
The Taichung plant of Uranus reuses the wastewater generated from the production of pure water in its cooling towers. In 2023, it recycled 2.18 million liters (calculated from pure water statistics, not flow meter statistics). The wastewater treatment plant of Heng-I Chemical currently recycles wastewater from the Acid Plant No. 8 through RO treatment, and the treated water is reused in the warm water pool of Acid Plant No. 8.

2023 CoreMax Group Total Water Resource Management

Items (Million Liters ML)	2021	2022	2023
Water Withdrawal	362.34	462.12	422.84
Water Discharge	98.51	160.68	192.05
Water Consumption	263.83	301.44	230.79
Combined Revenue (excluding Overseas Plants) (in million NTD)	6,725.66	8,438.07	4,745.11
Water Intensity (Water Withdrawal/Combined Revenue, excluding Overseas Plants)	0.039	0.036	0.046

1. Uranus Toufen Plant officially obtained its legal operation permit in October 2022, so the water usage statistics for 2022 only cover October to December.
 2. Water Consumption Formula Explanation:
 Water Consumption = Water Withdrawal - Water Discharge
 3. Due to boundary expansion, the data for 2021 has been updated to include Uranus and Heng-I.

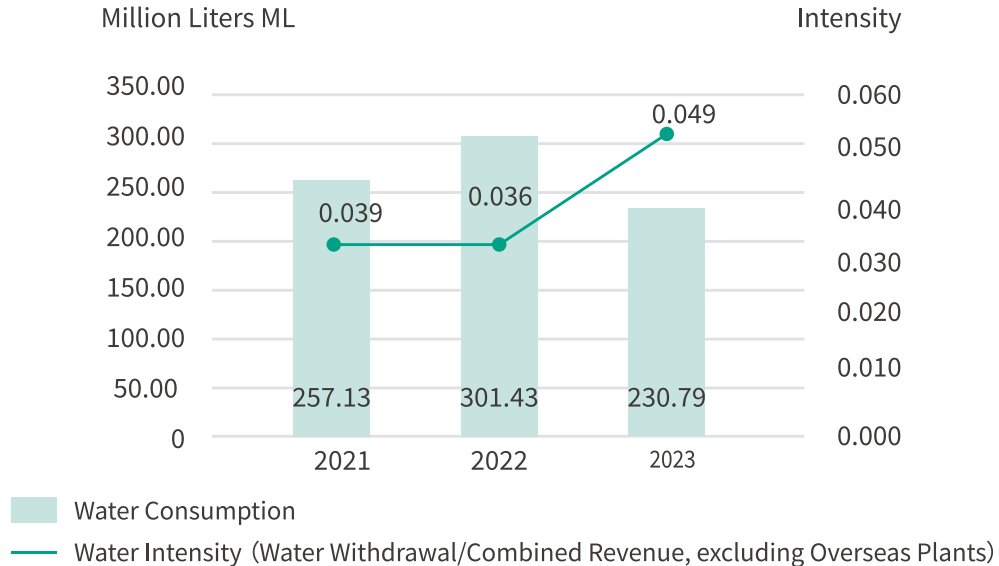
【Wastewater Discharge Volume】



Overview of Water Use at CoreMax Group Plants in 2023 (GRI 303-3, 303-4, 303-5)

Items (Million Liters ML)	Category	CoreMax Hsinchu	CoreMax Toufen	Uranus Hsinchu I	Uranus Hsinchu II	Uranus Toufen	Uranus Taichung	Heng-I
Water Withdrawal	Surface Water	21.36	21.36	47.85	35.49	38.61	9.69	243.02
	Groundwater	0	0	0	0	0	5.19	0
	Seawater	0	0	0	0	0	0	0
	Produced Water	0	0	0	0	0	0	0
	Others	0	0	0	0	0	0	0
Total Water Withdrawal		21.36	21.36	47.85	35.49	38.61	14.88	243.02
Water Discharge		17.09	2.91	4.25	22.87	31.13	1.69	112.11
Water Consumption		4.27	18.72	43.60	12.62	7.48	13.19	130.91

【Water Intensity Trend】



4.4 Air Pollution Control

Air Pollution Control Policy and Targets (GRI 305-6, 305-7)

The CoreMax Group utilizes the ISO 14001 Environmental Management System and adheres to the Plan-Do-Check-Act (PDCA) cycle to conduct air pollution control efforts. We comply with regulatory requirements to establish and implement relevant pollution control measures to prevent environmental pollution. In 2023, there was one violation which has been rectified.

The Group does not use materials that produce ozone-depleting substances (ODS). Facilities such as CoreMax Hsinchu Plant, Uranus Taichung Plant, and Heng-I Toufen Plant have installed fixed pollution control equipment to manage air pollution emissions properly. CoreMax Toufen Plant, Uranus Hsinchu Plant 2, and Uranus Toufen Plant are legally exempt from installing fixed pollution control equipment. For Uranus Hsinchu Plant 1, no production occurred in the related processes that involve fixed pollution sources in 2023, so there are no air pollution emission data.

CoreMax Groups Emission in 2023

Unit: Tons

	VOC	Particulate Matter	SOx	NOx	Total
CoreMax	0.269	0.087	0.077	2.878	1.608
Uranus	0.089	0.038	0	1.278	1.186
Heng-I	1.250	1.061	2.796	1.742	2.873
Total	1.608	1.186	2.873	5.898	5.898

Note: The statistical source is the reporting data from the "Stationary pollution sources of information disclosure management platform".

CoreMax Hsinchu Plant

Emission Point	Air Pollution Monitoring Items	2022			2023		
		Emission Standard (g/s)	Monitored Value (g/s)	Actual Emission (kg)	Emission Standard (g/s)	Monitored Value (g/s)	Actual Emission (kg)
P01	acetic acid	≤ 0.674	0.006	1,863.15	≤ 0.674	0.006	268.51
P02	acetic acid	≤ 0.387	0.007		≤ 0.387	0.007	
	hydrobromic acid	≤ 0.153	0.035		≤ 0.153	0.035	
P03	acetic acid	≤ 0.25	0.008		≤ 0.25	0.008	
	hydrobromic acid	≤ 0.099	0.016		≤ 0.099	0.016	

Notes1: Emissions are of volatile organic compounds (VOC).

Notes2: The emission data is based on the "Air Pollution Control Fee and Emission Reporting Integrated Management System" submissions. For 2022, the measurement method used was the emission factor of mass balance, and for 2023, it was calculated using the announced coefficient.

Notes3: According to the "Management Regulations for the Permits of Installation, Operation, and Fuel Use of Stationary Pollution Sources," the monitoring frequency is tied to the renewal of the stationary pollution source operation permit, requiring the most recent monitoring report within the last year.

Uranus Taichung Plant

Oxalic Acid Process - Air Pollution Control Operation Permit Application Submitted to the Regulatory Authority

Emission Point	Air Pollution Monitoring Items	2022			2023		
		Emission Standard	Monitored Value	Actual Emission (kg)	Emission Standard	Monitored Value	Actual Emission (kg)
P04.	SOX	15 ppm	0.1-1.4 ppm	0	15 ppm	0.1-1.4 ppm	0
P05.	NOX	150ppm	25-65 ppm	1,710.76	150ppm	25-65 ppm	975.95
P06.	Particulate matter	10mg/Nm3	0.1-0.4 mg/Nm3	51.24	10mg/Nm3	0.1-0.4 mg/Nm3	29.25
P07.							
P08							
P02	VOC	-	0.023 kg/hr	46.8	-	0.023 kg/hr	18.94

Notes1: In 2023, P08 emission outlet was newly added.

Notes2: The emission standard is the single control amount, and the actual emission amount is the sum of 5 outlets. The monitoring value is the range between the minimum and maximum values from 5 chimneys.

Notes3: The emission amount is based on the data reported in the "Air Pollution Control Fee and Emission Quantity Integrated Management System" and calculated using the announced coefficient.

Notes4: According to the "Regulations on the Management of Operation and Fuel Use Permits for Stationary Pollution Sources," the monitoring frequency is once a year, with the most recent test report submitted for the extension/change of the operation permit for stationary pollution sources.

Heng-I

Emission Point	Air Pollution Monitoring Items	2022			2023		
		Emission Standard (g/s)	Monitored Value (g/s)	Actual Emission (kg)	Emission Standard (g/s)	Emission Standard (g/s)	Monitored Value (g/s)
P901	SOx	11.66 g/s	0.10 g/s	1,187.22	11.66 g/s	0.04 g/s	1,236.93
	NOx	250ppm	4ppm	970.41	250ppm	2 ppm	848.66
	Particulate matter	100mg/Nm ³	5mg/Nm ³	270.73	100mg/Nm ³	3 mg/Nm ³	312.44
	Sulfuric Acid Droplets	0.58 g/s	0.01 g/s	-	0.58 g/s	-	-
P161	SOx	650ppm	62ppm	968.81	650ppm	2ppm	695.85
	Sulfuric Acid Droplets	100mg/Nm ³	<1mg/Nm ³	-	100mg/Nm ³	3 mg/Nm	-
P181	SOx	650ppm	93ppm	202.09	650ppm	31.8 ppm	125.76
	Sulfuric Acid Droplets	100mg/Nm ³	8mg/Nm ³	-	100mg/Nm ³	3 mg/Nm ³	-
PA02	SOx	300 ppm	1.8ppm	453.21	300 ppm	2.5 ppm	507.95
	NOx	250 ppm	6.2ppm	810.18	250 ppm	2.5 ppm	802.83
	Particulate matter	100mg/Nm ³	4.5mg/Nm ³	1,224.12	100mg/Nm ³	3.3 mg/Nm ³	700.76
	VOC	-	-	1,153.91	-	-	1,250.5

Notes1: The emission amount is based on the data reported in the "Air Pollution Control Fee and Emission Quantity Integrated Management System."

Notes2: In 2023, P901 sulfuric acid droplets were not monitored as there was no reporting item for this pollutant in the air pollution fee system, resulting in no monitoring data.

2023 Air Pollution Violations

Uranus Construction delayed the reporting of expansion and renovation projects, resulting in fines of NT\$100,000 under the Air Pollution Control Act and NT\$783,337 under the Building Act. The Taichung plant has now completed the construction registration and is expected to obtain the permit in 2024. Future related project cases will be regularly monitored by responsible personnel to ensure timely compliance with relevant regulations.



4.5 Waste Management (Material Topic)

(GRI 3-3, 306-1)

CoreMax Group conducts waste management activities in accordance with the indicators required by the ISO 14001 environmental management system. All plant sites follow these procedures for management.

Impact Assessment

Positive: Through the implementation of the ISO 14001 environmental management system, waste is managed properly, reducing the generation of hazardous waste. Disposal is carried out in accordance with regulatory requirements, and suppliers are also required to comply with relevant regulations.

Potential Negative: If not properly managed, waste generated during the production process can have negative impacts on both people and the environment.

Policies and Commitments

CoreMax Group adopts the ISO 14001 certified environmental management system for environmental management.

Responsible Units

Safety Department, Environmental Protection Department

Indicators and Goals.

CoreMax has set specific targets for waste treatment costs.

	2023 Performance	2025 Goal	2030 Goal
Waste Treatment Costs (in NTD)	12.21049 million	YoY-5%	YoY-5%

Ensuring Effective Actions

Management is conducted using the PDCA cycle, in line with the ISO 14001 environmental management system.

Stakeholder Engagement

Relevant stakeholders include employees, shareholders/investors, customers (corporates), suppliers, government/regulatory agencies, and distributors. Various forms of communication are held regularly or irregularly to ensure effective stakeholder engagement.

In 2023, the total waste generated by CoreMax Group amounted to 1,467.91 metric tons. This total comprised 1,398.35 metric tons of general waste (accounting for 95.26%) and 69.56 metric tons of hazardous waste (accounting for 4.74%). Directly disposed waste totaled 1,330.50 metric tons, with the largest proportion being inorganic sludge waste, approximately 1,171.74 metric tons. Additionally, there was an on-site temporary storage fluctuation of 77.26 metric tons.

CoreMax Group did not violate any of the Basel Convention Annexes I, II, III, and VIII, and no waste was transported abroad. Furthermore, there were no significant spill incidents in 2023.

Waste Management (GRI 360-2)

CoreMax Group handles industrial waste through outsourced transportation and self-recycling, entering into contracts with certified waste removal and processing companies. We use a GPS vehicle tracking system to monitor the transportation routes and final disposal locations of the waste by these contractors. Additionally, we arrange for Environmental Safety Office personnel to periodically accompany or follow the transport (at least once a year) to ensure that the contractors properly handle all types of waste according to legal requirements. If issues arise during the handling process, meetings are convened promptly to discuss and mitigate potential penalties and risks.

After waste generation, CoreMax ensures proper classification and storage at designated locations, managing subsequent processing through computer operations. We comply with regulations for waste acceptance and processing declarations and confirm within 96 hours that the processing plants have indeed received and processed the waste. Furthermore, we maintain all necessary documentation for record-keeping purposes.

Trend Chart of Annual Intensity

In 2023, the total amount of waste from the CoreMax Group increased by 288% compared to 2022. This increase was due to process adjustments made by CoreMax Corporation in 2023 and a significant increase in production at the Uranus Toufen Plant. These factors led to a doubling of the waste produced by CoreMax.

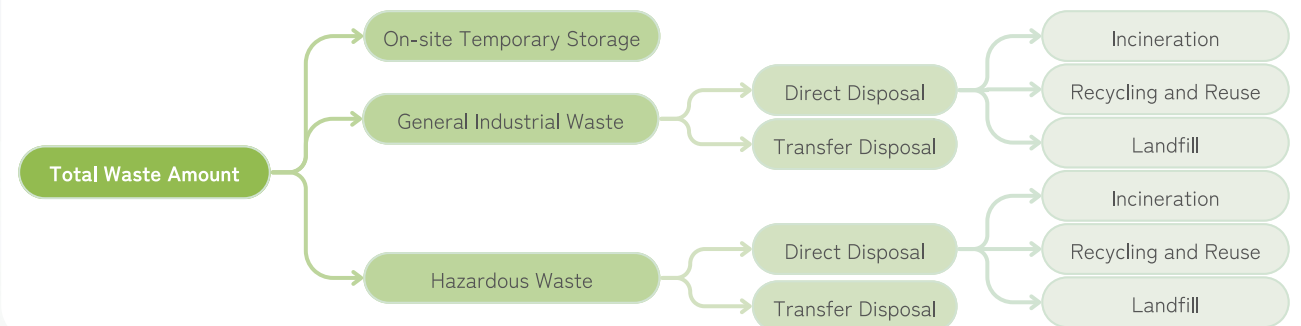
	2021	2022	2023
A - Total Waste (metric tons)	358.35	480.65	1,383.91
B - Consolidated Revenue (excluding overseas plants) (million NTD)	6,725.66	8,438.07	4,745.11
Waste Intensity (A/B)	0.05	0.06	0.292

2023 Waste Disposal Methods (GRI 306-3, 306-4, 306-5)

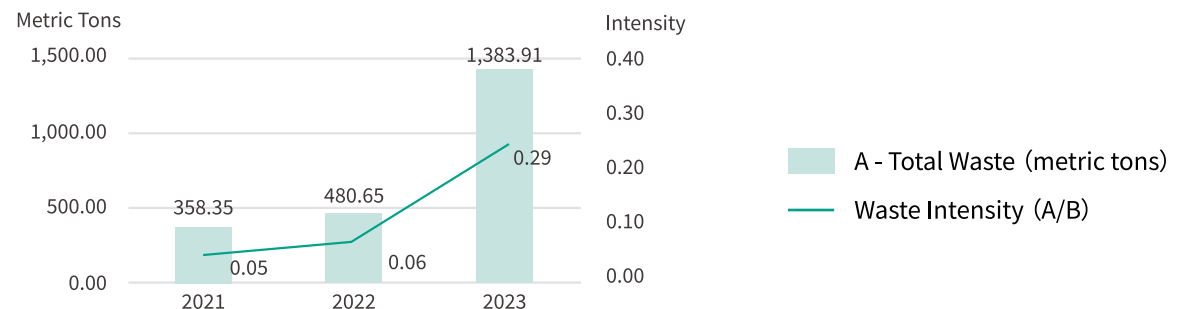
Unit: Metric Tons

Plants	Category	Disposal method							
		Reuse and Recycling	Incineration	Landfill	Physical Disposal	On-site Temporary Storage	Solidification	Others	Total
CoreMax Corporation	Hazardous	0	0	0	0	0	0	0	0
	Non-hazardous	0	40.87	0	651.58	53.57	0	0	746.02
Uranus Chemicals	Hazardous	0	0	0	0	0	35.88	0	35.88
	Non-hazardous	0	36.48	0	520.16	22.69	0	0	579.33
Heng-I Chemical	Hazardous	0	0	33.68	0	0	0	0	33.68
	Non-hazardous	60.16	11.85	0	0	1	0	0	73.01
Total		60.16	89.20	33.68	1,171.74	77.26	35.88	0	1,467.92

【Waste Management Flow Chart】



【Waste Intensity Trend】



2023 Waste Catalyst and Waste Sulfuric Acid Recovery

CoreMax places great importance on the circular economy. In 2023, we recovered 368.4 metric tons of waste catalysts and 10,257.27 metric tons of waste sulfuric acid from our customers. Additionally, we also recycled waste heat steam for secondary use.

Category	Recycling volume in 2022	Recycling volume in 2023
Waste Catalyst	334,386 kilogram	368,434 kilogram
Waste Sulfuric Acid	11,778.6 metric ton	10,257.27 metric ton

4.6 Energy Policy and Greenhouse Gas Inventory

Energy Management (GRI302-1)

The primary types of energy used by CoreMax Group are natural gas and electricity, accounting for approximately 30.97% and 42.36% of the total energy consumption, respectively. In 2023, the total energy consumption was 279,116 gigajoules (GJ). The energy intensity in 2023 increased by 64.21% compared to the previous year.

2023 Waste Disposal Violations and Improvements

Heng-I Chemical

Based on an inspection by the Environmental Protection Administration of the Executive Yuan on July 24, 2023, the Miaoli County Environmental Protection Bureau discovered discrepancies in the pH values (equal to or less than 2.0) of waste liquid C-0202 reported for September to November 2022 and February 2023, indicating a mass imbalance. This was found to be in violation of Article 31, Paragraph 1, Item 2 of the Waste Disposal Act, resulting in a fine of NT\$60,000 and a mandatory 2-hour environmental lecture.

Follow-up Improvement Measures

To prevent the recurrence of such incidents, Heng-I Chemical will ensure that all values are accurately verified before uploading data to the Industrial Waste and Management Information System website in the future.

CoreMax Group Energy Policy

Strictly comply with regulations and fulfill social responsibilities.

Support green procurement and enhance energy efficiency.

Continuously improve for sustainable green operations.

2023		CoreMax Hsinchu	CoreMax Toufen	Uranus Hsinchu I	Uranus Hsinchu II	Uranus Toufen	Uranus Taichung	Heng-I	Total	Percentage
Non-renewable Fuels	Imported Natural Gas (GJ)	0	43,491	0	19,165	0	23,780	0	86,436	30.97%
	Liquefied Petroleum Gas (GJ)	12,763	0	0	12,010	0	0	0	24,773	8.88 %
	Diesel (GJ)	169	248	28	155	172	129	4,506	5,407	1.94%
	Gasoline (GJ)	138	54	53	8	0	16	63	332	0.12 %
	Heavy Oil (GJ)	0	0	0	0	0	0	16,388	16,388	5.87 %
	Other Petroleum Products: Hydraulic Oil (liters)	0	0	0	0	0	0	0	0	0%
Purchased Electricity	Purchased Electricity(GJ)	14,423	15,336	1,659	18,133	4,379	3,222	61,070	118,220	42.36%
	Purchased Renewable Electricity (GJ)	0	0	0	0	0	0	0	0	0%
Self-generated Renewable Electricity (GJ)	Self-generated Renewable Electricity (GJ)	0	0	0	0	0	0	0	0	0%
Purchased Steam (GJ)	Purchased Steam (GJ)	6,688	16,373	325	0	4,176	0	0	27,560	9.87 %
Total Energy Consumption of Each Plant (GJ)		34,179	75,502	2,065	49,471	8,727	27,147	82,027	279,116	100%
Total Energy Consumption (GJ)		279,116								

Historical Energy Intensity Information (GRI 302-3, 302-4)

The energy usage in 2023 is shown in the following table:

Year	2021	2022	2023
Total Energy Consumption (GJ)	126,868.48	302,262.43	279,116.00
Consolidated Revenue (excluding overseas plants) (10,000 NTD)	672,566.00	843,807.00	474,511.00
Energy Intensity (GJ/10,000 NTD Revenue)	0.19	0.36	0.59

Note 1: Starting from 2022, the total energy consumption includes Uranus Chemicals and Heng-I Chemical.
Note 2: The 2021 data was originally individual data, modified to reflect consolidated group revenue (excluding overseas plants).

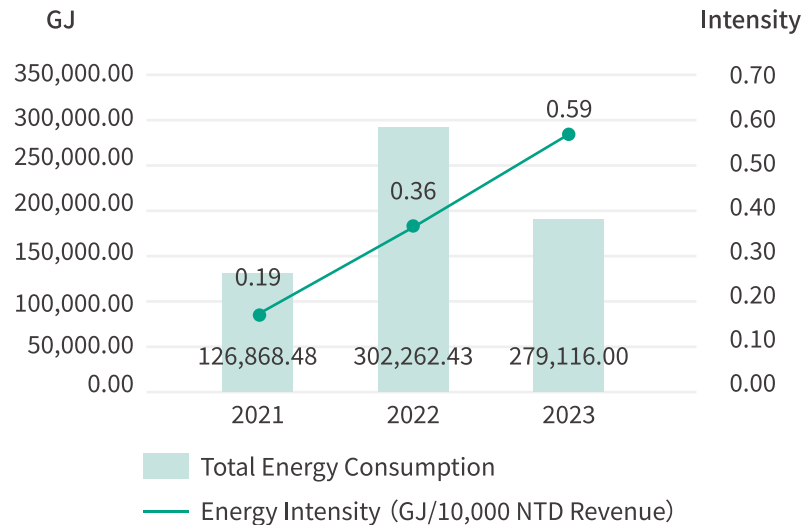
Greenhouse Gas Management (GRI 305-1, 305-2, 305-4, 305-5)

Greenhouse Gas Emission Information from 2021 to 2023 (GRI 305-4)

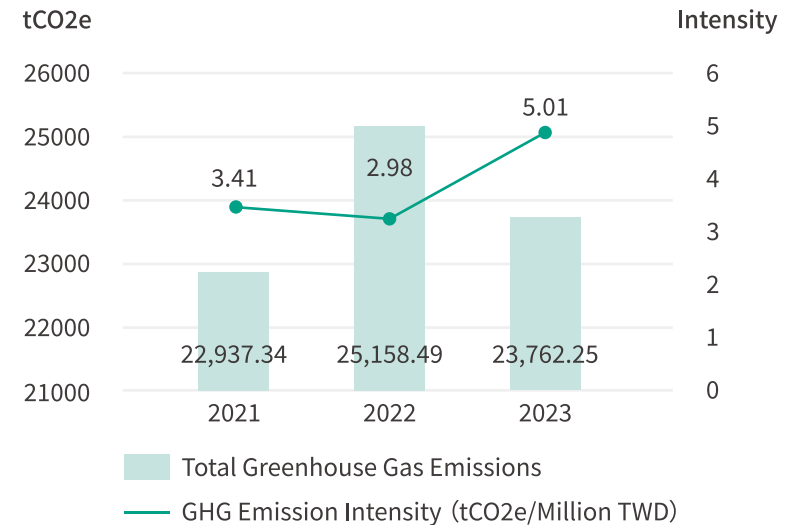
CoreMax Group (Unit: tCO2e)	2021	2022	2023
Scope 1: Direct GHG Emissions	6,948.7	6,525.56	6,866.95
Scope 2: Energy Indirect GHG Emissions	15,988.64	18,632.93	16,895.3
Total GHG Emissions	22,937.34	25,158.49	23,762.25
Consolidated Revenue (excluding overseas plants) (Million NTD)	6,725.66	8,438.07	4,745.11
GHG Emission Intensity (tCO2e/Million NTD)	3.41	2.98	5.01

Note 1: CoreMax Group has not included Scope 3 emissions.
Note 2: The steam used by CoreMax and Uranus Toufen plant is surplus waste steam generated from the Heng-I process. The carbon emissions for this steam have already been accounted for in Heng-I's carbon emissions.

【Energy Intensity Trend】



【Greenhouse Gas Emission Trends】



2023 Energy Efficiency and Carbon Reduction Achievements (GRI 305-5)

In 2023, Uranus Hsinchu Plant 1 implemented energy-saving improvements in the operation management of air compressors. Originally, two air compressors were used, but after integrating a joint control system, only one compressor was needed. As a result of this system's implementation in 2023, Uranus saved a total of NTD 257,251, approximately 309.3 GJ of energy, which is equivalent to 42.49 tCO2e. At the end of 2023, Heng-I introduced cogeneration equipment to utilize the energy from steam pressure drops in the process, generating electricity for use within the plant. The energy savings for the year reached 1.4%.

05 Blissful Workplace

CoreMax Group regards all employees as one of the most important assets for the company's sustainable development. We implement a comprehensive talent selection, utilization, and retention mechanism, and plan diverse employee welfare policies. Additionally, we provide a comprehensive labor system and a high-quality workplace environment. We adhere to the principles of matching employees to suitable roles based on their skills, characteristics, and aptitudes, allowing them to maximize their potential. Maintaining good communication and open channels with employees, and listening to their voices, has always been a priority for CoreMax. We strive to create a Blissful workplace and promote the company's long-term sustainable development.

- 5.1 Human Rights Policy and Commitment
- 5.2 Labor Relations
- 5.3 Employee Benefits
- 5.4 Talent Development and Training (Material Topic)
- 5.5 Occupational Health and Safety (Material Topic)

5.1 Human Rights Policy and Commitment

(GRI 406-1, 407-1, 408-1, 409-1, 411-1)

CoreMax Group is committed to safeguarding personal freedom and prohibiting discriminatory behavior. We aim to provide employees with excellent job opportunities and to employ disadvantaged groups and people with disabilities. Our management of labor relations, including employee transfers, complies with labor safety regulations in Taiwan, Mainland China, and other locations. We strictly adhere to company and government regulations, incorporating principles of employment equality, respect for human rights, employee diversity, freedom of association, prohibition of child labor, and prohibition of forced labor into our recruitment policies to provide equal employment opportunities. CoreMax's core philosophy for treating employees is "equality and anti-discrimination." We provide employees with equal job opportunities and promote diversity to develop their talents. To achieve equality, CoreMax's human rights policy clearly states that the employment of employees should not be based on race, class, language, ideology, religion, political affiliation, place of origin, gender, sexual orientation, age, marital status, appearance, disability, zodiac sign, blood type, or previous union membership, ensuring no differential treatment in language, attitude, and behavior. CoreMax strives to treat every employee equally, allowing each one to comfortably integrate into the workplace environment and fully utilize their abilities.

In 2023, there were no risks of forced or compulsory labor, no occurrences of human rights violations, degradation of dignity, infringements on indigenous rights, or any complaints of such incidents within the group's operational activities. We have established measures for preventing sexual harassment, as well as complaint and reporting procedures. If a complaint is found valid, we will conduct an investigation and take appropriate action according to the law, develop improvement plans, and continuously monitor them. Additionally, our internal documents and policies, including the "Work Rules," "Measures for Prevention, Complaint, and Punishment of Workplace Sexual Harassment," and "Human Rights Policy," clearly state the protection of employee human rights, covering basic legal requirements, employment freedom, humane treatment, and prohibition of inappropriate discrimination and sexual harassment. We have also established diverse and effective communication mechanisms, robust salary and welfare systems, and opportunities for training and development.

Human Rights Training

CoreMax Group respects employee rights and requires all operational sites to strictly adhere to local regulations by implementing human rights policies and preventing violations. The Group mandates that employees participate in human rights-related education and training. A total of 427 employees participated in these trainings, achieving a 100% participation rate, with an average of 1 hour of human rights education per person. The detailed number of employees trained and training hours per facility are as follows:

Item	Number of Employees Trained			Training Participation Rate			Training Hours		
Year	2021	2022	2023	2021	2022	2023	2021	2022	2023
Total	145	185	427	38%	40%	100%	185	145	427

Item	Number of Employees Trained			Training Participation Rate (%)			Training Hours		
Year	2021	2022	2023	2021	2022	2023	2021	2022	2023
CoreMax	87	91	181	52%	45%	100%	87	91	181
Uranus	44	79	130	55%	66%	100%	44	79	130
Heng-I	14	15	116	10%	11%	100%	14	15	116
Total	145	185	427	38%	40%	100%	145	185	427

Prevention of Sexual Harassment

CoreMax Group takes effective corrective and remedial measures to prevent sexual harassment and provide necessary protection. The "Workplace Sexual Harassment Complaint and Disciplinary Measures" policy has been established, which includes defining the scope of sexual harassment, setting up a Sexual Harassment Complaint Handling Committee, establishing complaint and relief mechanisms, evaluation procedures, and confidentiality responsibilities. For sexual harassment complaints, we have set up a dedicated phone line, fax number, and email address, with relevant information prominently displayed in the workplace. Employees who encounter sexual harassment at work can file a complaint through these dedicated channels. Additionally, during quarterly labor-management meetings, we promote awareness of sexual harassment prevention and share meeting records with all employees to establish correct prevention concepts and eliminate incidents of sexual harassment. When needed, we provide professional counseling or medical referral services to employees. As of the end of 2023, there have been no sexual harassment complaints reported.

5.2. Labor Relations

(GRI2-7, 2-8)

CoreMax Group operates across various locations in Asia, with each facility adhering to the Group's policies and hiring local individuals as work partners to supply products to customers quickly and fairly. All employees in the company are directly hired, with no contract or dispatched workers. As of the end of 2023, CoreMax Group had 431 full-time employees, comprising 357 males and 74 females. The male-to-female ratio is 83% to 17%. Although the nature of the chemical industry results in a higher proportion of male employees, we maintain an equal and non-discriminatory attitude towards all employees. This approach also extends to foreign employees and disadvantaged groups. In 2023, CoreMax Group employed 63 foreign workers and 4 employees with disabilities. Additionally, there were 13 security personnel and 12 contractor employees working within the Group.

Compensation Policy

(GRI 2-19) (GRI 2-20)(GRI 202-1) (GRI 405-2)

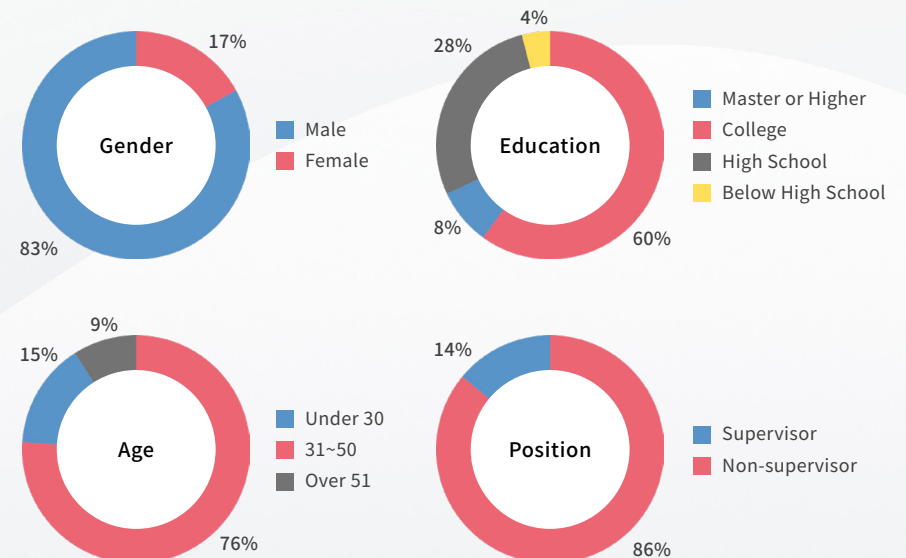
The Group determines compensation based on education and relevant professional experience, ensuring that there are no differences in salary due to gender. From this year onwards, we have participated in salary surveys. By comparing the results of company and industry surveys, we assess market salary levels and overall economic indicators to make appropriate adjustments and plans for employee salaries. Employee salaries within the Group are set based on local salary survey levels and organizational hierarchical structures, with no differences due to gender, age, marital status, political affiliation, or race, adhering to the principle of equal pay for equal work. The basic salary ratio for male and female employees in the same position and rank is 1:1. For example, the starting salary for operators, engineers, administrative staff, and executives is determined based on relevant work experience, professional skills, and education. For operators, the starting salary is set at a minimum of 35,000 NTD, which is 1.33 times higher than the minimum wage of 26,400 NTD stipulated by Taiwan's "Labor Standards Act" in 2023.

In 2023, the compensation of the highest-paid individual at CoreMax was approximately 8.75 : 1 compared to the median total compensation of employees (excluding pensions and benefits). The percentage increase in the annual total compensation of the highest-paid individual compared to the median percentage increase in the annual average total compensation was about 26.86 : 1.

Employee Composition and Workforce Structure

(GRI 405-1)

Item	Company	CoreMax		Uranus		Heng-I		Total	
	Employee Type	Male	Female	Male	Female	Male	Female	Male	Female
Position	Supervisor	24	5	11	3	15	1	50	9
	Non-supervisor	102	28	105	22	100	15	307	65
	Total	126	33	116	25	115	16	357	74
Age Group	Under 30	13	6	30	5	9	4	52	15
	31~50	103	27	80	19	87	11	270	57
	Over 51	10	0	6	1	19	1	35	2
	Total	126	33	116	25	115	16	357	74
Education Level	Master or Higher	16	3	8	2	4	0	28	5
	College	70	29	71	22	54	15	195	66
	High School	35	1	32	1	49	1	116	3
	Below High School	5	0	5	0	8	0	18	0
	Total	126	33	116	25	115	16	357	74
Employment Type	Non-permanent Employees	126	33	116	25	115	16	357	74
	Permanent Employees	0	0	0	0	0	0	0	0
	Total	126	33	116	25	115	16	357	74
Diversity Indicators	Disabled/Vulnerable Groups	1	1	1	0	1	0	3	1
	Indigenous People	1	0	0	0	0	0	1	0
	Foreign Employees	22	0	26	0	13	2	61	2
Non-employee Workers	Security Personnel	3	0	4	0	6	0	13	0
	Contractors	4	1	1	3	0	3	5	7
	Others	0	0	0	0	0	0	0	0



2023 New Hires and Employee Turnover (GRI 401-1)

To meet the operational development needs of the organization, CoreMax's Taiwan facilities recruited a total of 104 new employees in 2023, consisting of 91 males and 13 females. The overall new hire rate for 2023 was 24.13%. During the same year, there were 125 employees who left the company, including internal transfers within the Group, resulting in a turnover rate of 29%.

Number of New Hires

	CoreMax	Uranus	Heng-I	Total	New Hire Rate
Under 30 years old	4	23	1	28	6.50%
31-50 years old	14	51	6	71	16.47%
Over 51 years old	2	2	1	5	1.16%
Total	20	76	8	104	24.13%
Male	17	68	6	91	21.11%
Female	3	8	2	13	3.02%
Total	20	76	8	104	24.13%

Note: New hire employee rate in this category = number of new employees in this category in 2023 / Total number of employees in 2023

Number of Employee Turnover

	CoreMax	Uranus	Heng-I	Total	Turnover Rate
Under 30 years old	10	16	1	27	6.26%
31-50 years old	33	44	10	87	20.19%
Over 51 years old	4	2	5	11	2.55%
Total	47	62	16	125	29.00%
Male	38	57	12	107	24.82%
Female	9	5	4	18	4.18%
Total	47	62	16	125	29.00%

Note: The employee turnover rate in this category = number of employees who left in this category in 2023 / Total number of employees in 2023

Notice Period for Operational Changes (GRI 402-1)

CoreMax Group places significant importance on understanding the reasons for employee departures. To address this, supervisors or HR personnel conduct exit interviews to gather reasons and implement necessary improvements, aiming to provide a better workplace environment and system, thereby enhancing employee stability. CoreMax Group follows the legal notification procedures for terminating labor contracts, specifying the notice periods as follows:

1. For employees who have worked for more than three months but less than one year, a ten-day notice is required.
2. For employees who have worked for more than one year but less than three years, a twenty-day notice is required.
3. For employees who have worked for more than three years, a thirty-day notice is required.

Before any position changes, the direct supervisor consults with the employee several weeks in advance. The position change is only announced after the employee agrees to the change.

Labor-Management Communication and Employee Committees (GRI 2-30)

CoreMax Group firmly believes that harmonious labor-management relations are the foundation of high productivity and performance. Therefore, CoreMax Group values communication with employees and encourages open communication to boost employee morale and create a harmonious working environment. Maintaining good employee relations and ensuring effective two-way communication channels are priorities. The Group respects employees' legally granted freedom of assembly and association rights and strives to provide smooth labor-management communication channels. These include labor-management meetings and annual employee communication meetings to integrate all resources and work together towards common goals. Although CoreMax does not have a labor union, we highly value employee feedback. Regular company labor-management meetings are held, and although no collective agreements are signed, we held four labor-management meetings in 2023. Labor and management representatives each accounted for 50%, in compliance with relevant regulations. The meetings invited participation from all employees and encouraged them to provide valuable suggestions. These suggestions help understand employees' views on company management and welfare systems, serving as a reference for future policy and system improvements.

Thanks to effective communication, CoreMax has not experienced any labor disputes or litigation, nor has there been any need for coordination in labor management relations.

Salaries of Full-Time Employees Not in Supervisory Positions (GRI2-21)

Category(Unit: Thousands NTD)	2021		2022		2023	
	Male	Female	Male	Female	Male	Female
Number of Full-Time Employees Not in Supervisory Positions (persons)	102	27	141	38	134	37
Average Salary of Full-Time Employees Not in Supervisory Positions (thousands NTD/person)	761	774	788	775	798	754
Median Salary of Full-Time Employees Not in Supervisory Positions (thousands NTD/person)	691	642	676	679	674	689

Note 1: The salary data disclosed pertains only to CoreMax Corporation.

2023 Average Salary for Full-Time Male Employees Not in Supervisory Positions: 798,000 NTD.
 2023 Median Salary for Full-Time Male Employees Not in Supervisory Positions: 674,000 NTD.
 2023 Average Salary for Full-Time Female Employees Not in Supervisory Positions: 754,000 NTD.
 2023 Median Salary for Full-Time Female Employees Not in Supervisory Positions: 689,000 NTD.
 2023 Ratio of Average Salary for Full-Time Male Employees Not in Supervisory Positions to Local Minimum Wage (26,400 NTD): 2.52:1.
 2023 Ratio of Average Salary for Full-Time Female Employees Not in Supervisory Positions to Local Minimum Wage (26,400 NTD): 2.38:1.
 2023 Ratio of Female Employees' Salary to Male Employees' Salary: 1:1.06.

5.3. Employee Benefits

Employee Benefits (GRI 401-2)

Benefits Provided to Full-Time Employees (Excluding Temporary or Part-Time Employees)

All employees of CoreMax Group are protected under the government's Labor Standards Act and are safeguarded through mutual agreements between labor and management. They enjoy the following benefits:

- ▶ Domestic and International Employee Travel for Relaxation and Rejuvenation
- ▶ Free regular health check-ups and additional health check-up subsidies for supervisors)
- ▶ Maternity allowances: NT\$30,000 for the first child, NT\$60,000 for the second child, and NT\$100,000 for the third child
- ▶ Comprehensive insurance (labor insurance, health insurance, group insurance, cancer insurance, travel accident insurance, commercial insurance)
- ▶ Employee profit sharing and stock ownership
- ▶ Holiday gift vouchers, Labor Day gift vouchers, and birthday gift vouchers
- ▶ New labor pension scheme with a 6% monthly contribution and full contribution to the old labor pension reserve
- ▶ Industrial accident hospitalization subsidies, hospitalization consolation payments, and funeral allowances
- ▶ Club activities such as badminton club and yoga club
- ▶ Full subsidies for educational training courses
- ▶ Marriage allowances
- ▶ Comfortable and modern employee dormitories

Employee Welfare Policy (GRI 201-3)

Welfare System

CoreMax Group values talent retention by ensuring equal job opportunities and a fair performance evaluation system for employees. The Group offers a salary and bonus system that is superior to industry standards and emphasizes local employment responsibilities. We provide comprehensive insurance and retirement plans in accordance with the law. In addition to striving for a safe work environment that promotes physical health, CoreMax also prioritizes the psychological well-being of employees. We organize domestic and international leisure activities and trips to help employees maintain their mental health and relieve stress. Each subsidiary of CoreMax has additional related benefits, all of which comply with or exceed local government regulations and labor laws. This ensures that CoreMax employees, both domestic and international, can enjoy a secure and supportive work environment. CoreMax regularly convenes an Employee Welfare Committee, where employees can fully express their needs and report them to the company's management for improvement. Together, they work to maintain and create a good working environment. The Committee organizes various activities, including cultural and recreational events, quarterly gatherings, travel activities, maternity subsidies, holiday gift vouchers and gifts, and emergency relief funds.

We also have an employee stock ownership plan. When the company issues new shares, 10% of the total new shares are reserved for employee purchase. This initiative aims to retain talent, motivate employees, and enhance their loyalty and productivity. In addition to providing a robust personnel system, CoreMax insists on offering employees a diverse and comprehensive range of benefits and leisure facilities. These allow employees to relax appropriately outside of work, relieve stress, and promote mental and physical well-being. Various activities also enhance interactions and camaraderie among colleagues, creating a happy and harmonious workplace. Long-serving employees are awarded service awards as a token of the company's gratitude and encouragement. Beyond statutory labor and health insurance systems, we provide group insurance (life insurance, accident insurance, and medical insurance). We offer affordable premiums that can be extended to family members, ensuring a comprehensive insurance system that allows employees to work without worries. We also provide company dormitories for employees living outside the city, ensuring a good and convenient living environment.

Retirement System

CoreMax Group's facilities comply with the statutory retirement systems in each location, contributing to retirement funds for every employee. The participation rate in retirement plans is 100%. According to the Labor Standards Act and the Labor Pension Act, employees hired on or before June 30, 2005, are entitled to the old pension system. Employees can choose to switch to the new pension system, after which they are entitled to benefits under the new system. For the old pension system, 2% of the monthly salary of each eligible employee is fully deposited into a retirement reserve account at the Bank of Taiwan. For the new pension system, 6% of the monthly salary is contributed to each employee's individual pension account. In addition to the employer's fixed 6% contribution, employees can voluntarily choose to contribute between 0% and 6% of their salary to their individual pension accounts.

As of the end of 2023, the details of employees' retirement plan selections are as follows:

	CoreMax	Uranus	Heng-I
Old Pension System	0	1	3
Old + New Pension System	13	2	8
New Pension System	124	125	104

Employee Assistance Programs (GRI 404-2)

In 2023, the Group introduced the Employee Assistance Program (EAP). This program provides employees with access to 24-hour toll-free consultation hotlines and email support provided by Focus & Forecast Consulting Company. Employees can seek advice on psychological, legal, health, management, or financial issues. The EAP is designed to help employees address and resolve personal problems, fostering harmony between work and personal life. In 2023, a total of six employees utilized the EAP counseling services via telephone consultation.

Parental Leave (GRI 401-3)

CoreMax Group complies with the Labor Standards Act by providing various types of leave. Employees with childcare needs can apply for parental leave without pay, and upon the end of the leave period, they can apply for reinstatement. During the reporting period, five employees utilized parental leave without pay.

In accordance with the "Act of Gender Equality in Employment" and the "Regulations for Implementing Unpaid Parental Leave for Raising Children," CoreMax offers maternity leave, paternity leave, prenatal check-up leave, and parental leave. The company ensures proper procedures for applying for and returning from parental leave. In 2023, a total of four female employees and one male employee utilized parental leave without pay.

2023 Parental Leave Reinstatement and Retention Statistics

Item	CoreMax		Uranus		Heng-I		Total	
	Male	Female	Male	Female	Male	Female	Male	Female
Number of employees eligible for parental leave in 2023	8	4	5	4	6	0	19	8
Number of Parental Leave Applications in 2023	1	3	0	1	0	0	1	4
Number of employees expected to return to work in 2023 (A)	1	1	0	2	0	0	1	3
Number of employees who returned to work in 2023 (B)	0	0	0	2	0	0	0	2
Return rate (B/A) (%)	0%	0%	0%	100%	0%	0%	0%	66.7%
Number of employees who returned to work in 2022 (C)	1	1	1	0	0	0	1	2
Number of employees still employed 12 months after returning in 2022 (D)	1	1	0	0	0	0	1	1
Retention rate (D/C) (%)	100%	100%	0%	0%	0%	0%	100%	50%

5.4 Talent Development and Training (Material Topic)

CoreMax Group values employees as key assets, making talent development essential. To address external changes, industry competition, and global trends, we foster a learning culture and strategically cultivate talent. New hires undergo immediate training on rights, occupational safety, and labor laws, with a focus on human rights. We combine internal and external resources to provide diverse training tailored to industry needs and future trends, ensuring our workforce is well-prepared to meet market challenges and enhance the company's competitive edge.

Impact Assessment

Positive: Offers equal job opportunities, fosters workforce diversity, and nurtures employee talent. Recognizes talent as a core value, creating a supportive environment for employee growth.

Negative: Faces challenges with talent loss, high turnover, and difficulties in knowledge and skills transfer.

Policies and Commitments

1. Based on core values, follow recruitment, employment, and training management procedures.
2. Create a safe and friendly workplace and build a diverse talent team.

Responsible Unit

Human Resources Unit

Indicators and Goals

	2023 Performance	2025 Goal	2030 Goal
Retention rate within six months	68.3%	>=85%	>=90%
Talent Development Plans	In planning	Establish Talent Development Plan	Continuously improve the Talent Development Plan

Ensuring Effectiveness of Actions

"Target Management and Performance Appraisal" process identifies and develops talent through three stages: "initial goal setting," "mid-term review," and "year-end appraisal."

Stakeholder Engagement

1. Conduct labor-management meetings for two-way communication with employees.
2. Implement an annual employee interview system to gather and address employees' opinions.
3. Enhance workforce quality by executing various training programs and strengthening employees' professional skills.

We offer a range of training courses, including OHS, professional skills, general knowledge, and management training for supervisors. These programs support employees' career development and enhance the skills needed for company growth. Training is planned based on organizational goals, departmental needs, and individual competency growth. This includes orientation for new hires, on-the-job training, professional and technical skills development, and general education. Our comprehensive approach strengthens team competitiveness and aligns with company objectives.

Training and Career Development Opportunities (GRI 404-1)

Training Category	CoreMax				Uranus				Heng-I				Total			
	No. of People		Hours		No. of People		Hours		No. of People		Hours		No. of People		Hours	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
On-the-Job Training	153	42	261	68	659	35	3,001	99	121	29	1,195	370	933	106	4,457	537
Professional Competency Training	93	43	422	181	96	49	401	202	65	6	571	28	254	98	1,394	411
Hierarchical Management Training	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Supervisor Management Training	18	1	108	6	18	2	108	12	0	0	0	0	36	3	216	18
Technical Staff Training	49	0	613	0	58	0	763	0	254	37	554	500	361	37	1,930	500
General Education Training	1,023	174	1,676	397	1,783	173	2,791	342	167	38	475	80	2,973	385	4,942	819
Self-Development Training	42	37	145	164	47	24	130	81	0	0	0	0	89	61	275	254
Total	1,378	297	3,225	816	2,661	283	7,194	736	607	110	2,795	978	4,646	690	13,214	2,530

CoreMax Group 2023 Employee Training Hours Statistics

Hours	CoreMax				Uranus				Heng-I				Total	
	Male Total Hours	Female Total Hours	Male Average	Female Average	Male Total Hours	Female Total Hours	Male Average	Female Average	Male Total Hours	Female Total Hours	Male Average	Female Average	Male Total Hours	Female Total Hours
Supervisor	645	107	27	21	464	60	42	20	245	65	13	24	1,354	232
Non-supervisor	2,580	708	25	25	6,730	676	58	29	2,550	913	28	28	11,859	2,297
Total	3,225	815	-	-	7,194	736	-	-	2,795	978	-	-	13,213	2,529
<30 years	575	212	44	35	2,249	120	68	24	159	210	23	17	2,983	542
31-50 years	2,454	603	24	22	4,844	590	54	29	2,390	756	30	13	9,688	1,949
>51 years	195	0	20	0	101	26	17	26	246	12	14	12	542	38
Total	3,224	815	-	-	7,194	736	-	-	2,795	978	-	-	13,213	2,529

Note: The average training hours = total training hours/total number of people

Education and Training System

New Employee Training

Company introduction, management systems, and Occupational Health and Safety training to help newcomers quickly integrate into CoreMax.

Technical Staff Training

Courses for technical personnel to learn the knowledge, skills, and attitudes required for the job, including professional skills certification and obtaining operational permits.

General Education Training

Courses to develop soft skills beyond professional capabilities, promoting balanced development.

Hierarchical Training

Training programs focused on the skills and management leadership abilities required for different levels within the organization.

Professional Competency Training

Competency development plans guided by organizational goals, job skills, and individual growth needs.

On-the-Job Training

Includes work guidance, job assignments, and project implementation to enhance practical skills and knowledge.

2023 Employee Training Hours Statistics by Training Type

Hours	CoreMax				Uranus				Heng-I			
Employee Category	Male Participants	Female Participants	Male Hours	Female Hours	Male Participants	Female Participants	Male Hours	Female Hours	Male Participants	Female Participants	Male Hours	Female Hours
Supervisors	189	30	645	107	144	30	464	60	154	10	650	40
Professionals	346	68	996	184	344	62	997	198	180	9	450	40
Administrative Personnel	67	172	152	461	16	148	67	345	40	60	120	288
Technical Personnel	776	27	1,432	64	2,157	43	5,666	133	816	22	1,575	610
Total	1,378	297	3,225	815	2,661	283	7,194	736	1,190	101	2,795	978

Employee Training Satisfaction Survey

After the completion of training courses, CoreMax Group conducts a training feedback survey focusing on the course content structure, the overall performance of the instructors, and self-evaluation by the participants. The collected feedback is used as a reference for planning the training programs for the following year.

Pre-Employment Training

To maintain and communicate employment relationships, we not only sign labor contracts that clearly stipulate the rights and obligations of both labor and management, but also arrange a 12-hour pre-employment training program for new employees on their first day. The training includes the following topics: Company's business philosophy, development history, and organizational structure, explanation of company organization and personnel systems, promotion of human rights policies and employees' rights, measures for preventing sexual harassment, overview of the Labor Standards Act, professional ethics and company discipline, Occupational Health and Safety, and environmental awareness training and quality system and quality awareness courses. Additionally, based on job descriptions, we develop comprehensive job knowledge and skills training courses for each new employee to help them quickly adapt to the work environment and utilize their strengths. In 2023, we recruited 104 new employees, all of whom completed the pre-employment training program. Through this system, we aim for every new employee to understand the company's philosophy and culture, quickly integrate into the CoreMax family, and effectively apply their skills.

Security Education and Training (GRI 410-1)

The Group's security personnel are managed by a professional security company, which is responsible for the security duties at our facilities. All personnel must complete duty training before being assigned to their posts. Additionally, they are required to undergo 2 hours of security education training each month. The training courses include: Traffic control training, sharing and prevention of actual security incident cases within their duty areas, company regulations and labor laws, promotion of human rights-related laws to prevent the violation of basic human rights while on duty, adherence to relevant social behavior standards. This training ensures that security personnel are well-prepared and knowledgeable about their duties, company policies, and legal requirements, thereby maintaining a high standard of professionalism and respect for human rights in their daily operations.

Performance Appraisal (GRI 404-3)

The purpose of the Group's performance management and development system is to enhance individual and organizational performance, facilitate two-way communication, and support employee development planning through a fair and reasonable performance appraisal process. All employees participate in the annual goal management system, with a review of work execution every six months. This includes assessing past personal goals and performance outcomes, envisioning future work directions, and identifying high-potential employees for promotions, salary adjustments, bonuses, and development and training needs. The annual performance bonus, employee remuneration, total amount, and distribution method are proposed to the board of directors based on the company's operational results to ensure that the distribution standards are closely linked to the company's financial and operational performance. Individual bonuses are then determined based on the employee's job responsibilities, contributions, and performance appraisal results. Employee salaries and performance bonuses are distributed based on fairness principles. The "Target Management and Performance Appraisal" process consists of three main cycles: "Initial Goal Setting," "Mid-Year Goal Review," and "Year-End Performance Appraisal," aimed at identifying and developing talent. All employees, except those who have been employed for less than three months, are subject to performance appraisals. The company's performance appraisals are conducted twice a year. In the first half of the year, employees input their individual KPIs online, and supervisors conduct performance interviews to review the progress of the first half-year work goals and confirm the second half-year work goals. In the second half of the year, employees complete their annual performance appraisal, and supervisors conduct performance interviews to review the annual performance and set goals for the following year. In 2023, all 411 employees (71 females, 340 males), except for 25 who had been employed for less than three months, participated in the performance appraisal process, resulting in a 100% participation rate. This demonstrates that the company does not discriminate based on gender and provides equal opportunities for promotion and development for all employees.

5.5 Occupational Health and Safety (Material Topic)

CoreMax Group is committed to a robust occupational health and safety management system, requiring all facilities to implement strict occupational safety controls and conduct educational training to enhance the safety awareness and knowledge of workers within the Group. This ensures that every employee enjoys optimal working conditions, health, and well-being. Additionally, we have established an occupational health and safety policy:

Prevention

Thoroughly anticipate hazards and prevent injuries and illnesses.

Compliance

Adhere to legal regulations and fulfill social responsibilities.

System Implementation

Through education, training, and full employee consultation and participation.

Continuous Improvement

Reduce the risk of occupational accidents and ensure the safety of personnel.

Impact Assessment

Positive:

1. Improved Workplace Safety: Identifying and addressing safety hazards in the workplace to enhance employee safety.
2. Enhanced Employee Health: Improving occupational health and safety helps reduce work-related injuries and illnesses, thereby enhancing employee health.
3. Enhanced Corporate Reputation: A strong focus on occupational health and safety can improve the company's reputation, attracting more investors and customers.

Negative:

1. Increased Costs: Implementing safety and health measures may require significant financial investment, placing financial pressure on the company.
2. Reduced Production Efficiency: Some safety measures might impact production processes, potentially leading to decreased production efficiency.
3. Legal Risks: Failure to comply with relevant safety and health regulations can result in legal risks, fines, or legal liabilities.

Policies and Commitments

Follow ISO 45001 and occupational health and safety management policies.
Select management indicators and set target values.
Reduce health and safety incidents.
Promote process safety protection.
Continuously improve occupational health and safety performance.

Responsible Unit

Environmental, Health, and Safety Department

Indicators and Goals

Indicator	2023 Performance	2025 Goal	2030 Goal
Number of Occupational Accidents	12	0	0
Audit Completion Rate	100%	100%	100%
Audit Deficiency Improvement Rate	100%	100%	100%

Ensuring Effectiveness of Actions

1. Ensure the effective implementation of ISO 45001 through internal and external audits.
2. Implement safety through procedural document control and the PDCA (Plan-Do-Check-Act) cycle for continuous verification.

Stakeholder Engagement

Labor-management consultation meetings, employee satisfaction surveys.

Occupational Health and Safety Management System: ISO 45001:2018 (GRI 403-1)

CoreMax Group places a high priority on the safety of its employees. In addition to establishing an environmental, health, and safety policy, each plant has developed relevant procedural documents to strictly control every detail of the workplace. Besides CoreMax Corporation and Heng-I Chemical, which have been certified under ISO 45001:2018, other plants are also required to manage according to the occupational health and safety policy and ISO 45001:2018 standards.

Number of Employees Covered by the ISO 45001 System in 2023

CoreMax Group has established procedural documents related to "Occupational Health and Safety Management" at all its plants. These documents comprehensively regulate occupational hazard identification, emergency response, contractor management, and more. Through the control of these procedural documents and repeated verification using the PDCA (Plan-Do-Check-Act) cycle, employee safety is effectively maintained. The Group's occupational health and safety management system applies to all personnel working at the plants (including on-site staff). Each year, both internal and external audits are conducted to review the occupational health and safety management system. The facilities certified under ISO 45001 include: CoreMax Hsinchu, CoreMax Toufen, Heng-I. Currently, the following facilities are in the process of implementing ISO 45001: Uranus Hsinchu Plant, Uranus Hsinchu Plant 2, Uranus Toufen Plant.

Persons	Certified under ISO 45001			In Process of Implementing ISO 45001		
	CoreMax Hsinchu	CoreMax Toufen	Heng-I	Uranus Hsinchu I	Uranus Hsinchu II	Uranus Toufen
Employees	113	46	131	51	41	31
Non-employees	4	0	9	0	0	0
Coverage Rate	100%	100%	100%	100%	100%	100%

Actions to Ensure Policy Effectiveness

We ensure the effective implementation of ISO 45001 through both internal and external audits.

Internal Audits: Each year, a team of trained and qualified auditors conducts internal audits according to the internal audit plan. The results of the 2023 internal audits for each plant are as follows:

plants	CoreMax Hsinchu	CoreMax Toufen	Uranus Hsinchu I	Uranus Hsinchu II	Uranus Toufen	Uranus Taichung	Heng-I
Date	8/16	8/16	3/8-3/10	3/8-3/10	3/8-3/10	3/8-3/10	10/30
Result	1 non-conformance	1 non-conformance	All compliant	All compliant	All compliant	All compliant	2 non-conformances
Corrective Actions	Improvement executed as per "Corrective and Preventive Measures Control Procedure" and completed within the deadline.	Improvement executed as per "Corrective and Preventive Measures Control Procedure" and completed within the deadline.	No action required.	No action required.	No action required.	No action required.	Improvement executed as per "Occupational Health and Safety Abnormalities Correction and Preventive Measures Management Procedure" and completed within the deadline.

External Audits: Each year, an external verification company conducts an annual audit on the facilities that have obtained ISO 45001 certification. In 2023, DNV GL conducted the external audits on the following dates:

plants	CoreMax Hsinchu	CoreMax Toufen	Heng-I	Uranus Hsinchu I	Uranus Hsinchu II	Uranus Toufen	Uranus Taichung
Date	10/31~11/6	10/31~11/6	12/12	Not applicable			
Result	5 minor non-conformances	2 minor non-conformances	1 strength identified, 6 non-conformances				
Corrective Actions	Improvement executed as per "Corrective and Preventive Measures Control Procedure" and completed within the deadline.	Improvement executed as per "Corrective and Preventive Measures Control Procedure" and completed within the deadline.	Improvement executed as per "Corrective and Preventive Measures Control Procedure" and completed within the deadline.				

Permit Management: High-risk operations must obtain permits and complete relevant protective measures before work can commence. In 2023, CoreMax Group issued a total of 354 permits for high-risk operations, as detailed in the table below.

Facility	Fire Work	Elevated Work	Confined Space	Temporary Electrical Work	Roof Work	Other	Total
CoreMax Hsinchu	64	42	4	0	0	0	110
CoreMax Toufen	10	5	1	0	0	0	16
Uranus Hsinchu I	0	2	0	0	0	0	2
Uranus Hsinchu II	0	3	1	0	0	0	4
Uranus Toufen	5	1	0	0	0	0	6
Uranus Taichung	17	10	4	0	0	0	31
Heng-I	85	74	26	0	0	0	185
Total	181	137	36	0	0	0	354

Machinery Management: Dangerous machinery and equipment (such as boilers and high-pressure gas equipment) are managed with qualification certificates and type certifications (such as forklifts and explosion-proof electrical equipment). We implement automatic inspections, key inspections, and operational checks to ensure machinery performance and safety protections are normal.

Contractor Management: CoreMax has established a "Contractor Operation Management Procedure." All contracting projects must comply with relevant regulations and control risks that could cause damage to the plant. To ensure the safety, health, and facility maintenance of contractors and employees, all contractors entering the facility must adhere to the Group's Occupational Health and Safety regulations. Before starting any project, relevant units hold a pre-construction safety meeting with contractors, and controlled contractors are required to sign a safety compliance agreement. Contractors must complete safety and health education training before performing any activities within the facility. Additionally, daily meetings and hazard notifications are conducted before any work activities. In 2023, CoreMax reported no contractor-related work injury accidents or absences due to loss of labor capacity.

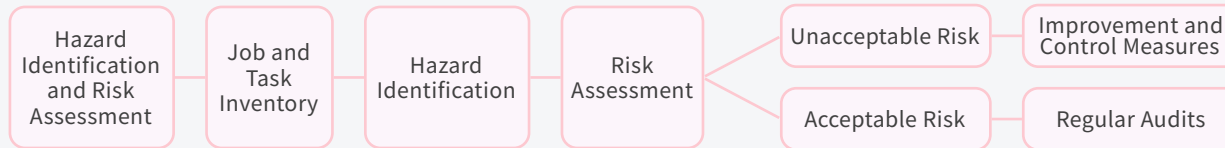
Chemical Management: CoreMax regularly conducts workplace environment measurements in accordance with legal requirements. The results of these measurements comply with the legal permissible standards. The annual implementation items and frequency for each facility are listed in the table below:

	General Chemicals	Toxic and Concerned Substances	Other	Frequency
CoreMax Hsinchu	—	Tetrachloroethylene, Cobalt Chloride, Hydrogen Bromide, Hydrochloric Acid, Sulfuric Acid, Ammonia, Potassium Cyanide, Acetic Acid, Acetic Anhydride	Dust, Noise, Carbon Dioxide, Illumination	2 times/year
CoreMax Toufen	—	Sulfuric Acid, Nickel, Ammonia	Dust, Noise, Carbon Dioxide	2 times/year
Uranus Hsinchu I	Cobalt Nitrate Hexahydrate	Nitric Acid, Hydrochloric Acid, Sodium Hydroxide, Potassium Hydroxide, Ammonia, Nickel	Carbon Dioxide, Dust, Illumination	2 times/year
Uranus Hsinchu II	Various Oils	Sulfuric Acid, Ammonia Solution, Hydrogen Peroxide	Noise, Dust, Illumination, CO2	2 times/year
Uranus Toufen	—	Sulfuric Acid, Hydrochloric Acid	Noise, Dust, Nickel, Illumination	2 times/year
Uranus Taichung	Oxalic Acid	Sodium Hydroxide	Dust	1 time/year
Heng-I	—	Sulfuric Acid, Mercury, Formaldehyde	Dust, Noise	2 times/year

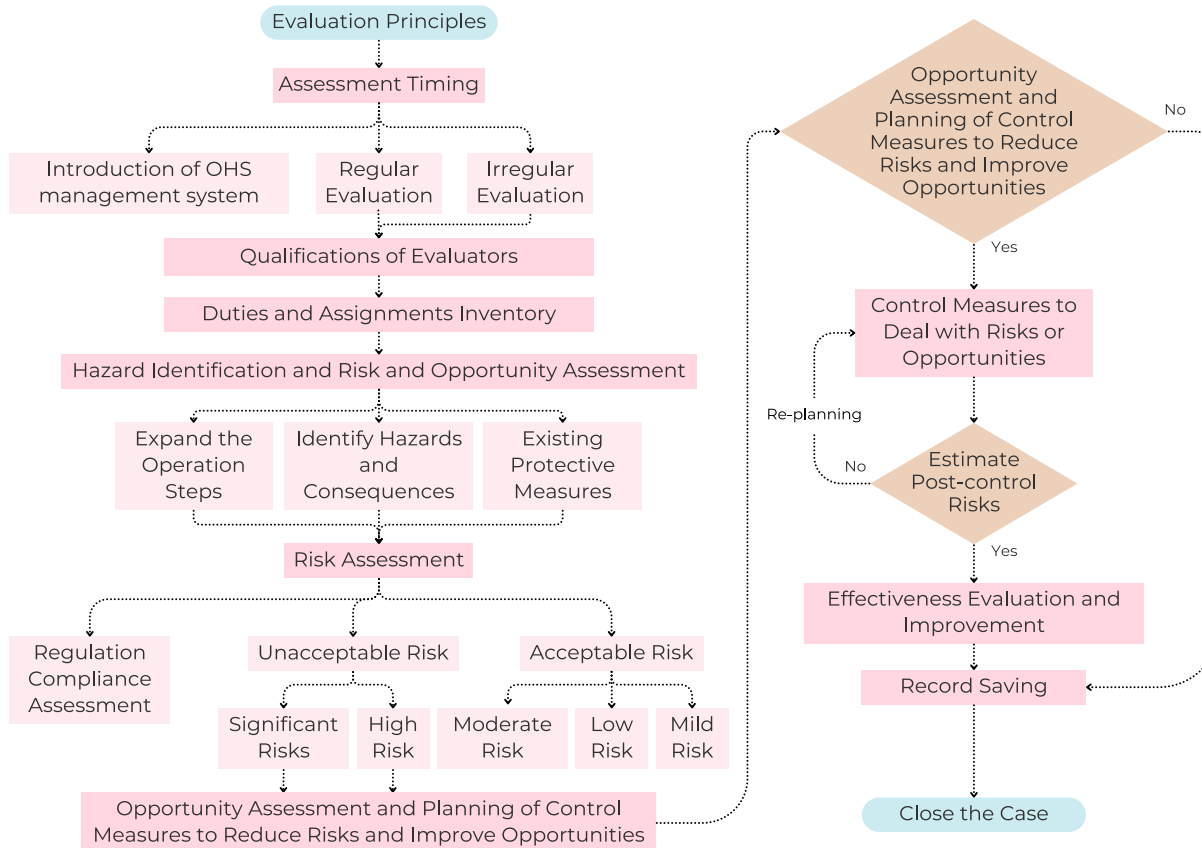
Change Management: When facing temporary changes, permanent changes, regulatory compliance changes, or activities that may pose Occupational Health and Safety risks in products, services, and processes, relevant documentation must be submitted for these changes. The changes can only proceed after review and approval by the audit team members. In 2023, the Group had a total of 41 cases related to Occupational Health and Safety changes.

	Raw Material/ Supplier Changes	Machinery and Equipment Changes	Fire Protection Zoning	Addition of Environmental Wastewater Operation Units	Workplace Safety Improvements	Total
CoreMax	6	9	2	1	0	18
Uranus	7	13	1	0	1	22
Heng-I	0	1	0	0	0	1
Total	13	23	3	1	1	41

CoreMax Group Hazard Risk Assessment Process (GRI 403-2)



【Hazard Identification and Risk and Opportunity Assessment Procedure】



The president of CoreMax Group serves as the highest supervisory and review authority, responsible for approving hazard identification and risk assessment activities. Once approved, department heads are tasked with implementing detailed risk identification tasks. We hold regular management review meetings with the Occupational Health and Safety management unit and department heads to discuss, revise, and approve newly identified risks. These meetings also address modifications to existing identified risks and adjust risk levels and controls based on corporate needs.

If there are changes in plant equipment, operational procedures, accident occurrences, or the need to implement corrective measures for non-conformances, hazard identification and risk assessment activities are revisited. Through this risk assessment process, we aim to identify and strictly control medium to high-risk factors, working the goal of achieving zero workplace accidents.

In addition to the Group's policies, we also follow the "Occupational Health and Safety Hazard Identification and Risk and Opportunity Assessment Management Procedure" to conduct both qualitative and quantitative analyses of potential hazards in operational procedures. This process assesses the severity of various potential hazards to workers. For combinations of hazard events or exposure possibilities that may cause harm or health issues, the impact of uncertainty is considered. Based on the "Risk Assessment Criteria Comparison Table," the risk level of the operational hazards is determined. The results serve as a basis for planning, designing, and formulating monitoring systems and emergency response plans within the occupational safety and health improvement objectives.



2023 Occupational Health and Safety Risk Management and Program Implementation Results

High and Moderate Risk Assessment Results				Occupational Health and Safety (OHS) Program Execution Outcomes		
	Type of Risk	Risk Level	Type of Hazards	Project	Set	Achieved
CoreMax	High	0	None	Target	1	1
	Moderate	1	Falls	Program	1	1
		4	Musculoskeletal injuries, Oxygen deficiency, Rolling	Program	4	4
Uranus	High	0	None	Target	1	0
	Moderate	1	Falls	Program	1	1
Heng-I	High	3	None	Target	3	3
	Moderate	0	Fire, Falling Objects	Target	3	3
				Program	3	3

Items Reviewed by the Occupational Safety Committee :

- Recommendations for Occupational Health and Safety policies
- Occupational Health and Safety management plans
- Implementation plans for safety and health education and training
- Monitoring plans for working environments, monitoring results, and corrective measures (plans will involve labor representatives and monitoring results will be announced)
- Health management, prevention of occupational diseases, and health promotion
- Safety and health proposals
- Automated inspection and safety and health audit matters
- Hazard prevention measures for machinery, equipment, or raw materials
- Occupational accident investigation reports
- On-site safety and health management performance
- Safety and health management of contracted operations
- Other matters related to Occupational Health and Safety management

Consultation and Communication (GRI 403-4)

CoreMax Group holds quarterly Occupational Safety Committee meetings as required by law. In 2023, the committee had a total of 34 members, with 17 labor representatives, accounting for 50% of the membership.

	Number of Meetings	Total Committee Members	Labor Representatives
CoreMax	4	9	7
Uranus	4	9	4
Heng-I	4	16	6

Other Communication Channels Related to Occupational Health and Safety

Communication Channel/Frequency		External Communication Methods
Labor-Management Consultation Meetings	4 times/year	To ensure consensus on safety, health, and environmental management systems within the company, responsibilities of each unit and member are clearly defined through the "Communication Management Procedure." "Members participate in the formulation of safety and health policies, development, and review of related procedures, and attend quarterly Safety Committee meetings. These meetings review, coordinate, and advise on labor safety and health matters, discuss environmental, safety, and health issues, and evaluate management performance. Additionally, an annual "Management Review Meeting" led by management representatives assesses the year's environmental, safety, and health activities and performance. The meeting focuses on safety management, accident prevention, energy and resource conservation, and workplace health promotion, setting annual goals and performance indicators, proposing feasible improvement plans, and implementing them to reduce potential risks.
	Communications are handled by the EHS department.	
Safety and Health Committee	4 times/year	
Safety and Health Management Group	During change management	
Year-end Employee Forums	At least 1 time/year	
Environmental Satisfaction Survey	1 time/3 years	
Safety and Health Feedback Forms	1 time/3 years	
Non-conformance Review Meetings	At least 1 time/year	
Incident Investigation Review Meetings	At least 1 time/year	

Health Promotion (GRI 403-6)

CoreMax Group values the health rights of its employees, recognizing the importance of physical and mental well-being even outside of work. In addition to regular health check-ups and special protections that exceed legal requirements, we also regularly organize a variety of rich and diverse health promotion activities. This fosters a work environment and company culture focused on the holistic health of our employees. CoreMax Group's development strategy for workplace health promotion is based on the principle that "employees are the company's most important asset." We strive to create a healthy and safe working environment and encourage employees to embrace healthy living through active participation. The management team also supports and participates in various health promotion activities, leading by example.

Occupational Health Services

CoreMax Group prioritizes the health and well-being of its employees by providing comprehensive occupational health services. We ensure the quality of these services to facilitate workers' access to necessary health support.

Plant	Occupational Health Service Categories	How to Ensure Quality and Effectiveness
CoreMax Hsinchu	<ol style="list-style-type: none"> Employee Health Management Health Promotion Safety and Health Management and Training On-Site Medical Services Workplace Environment Measurement 	<ol style="list-style-type: none"> Health Guidance/Care Consultation Record Form. Workplace Environment Measurement Reports.
CoreMax Toufen		
Uranus Hsinchu I		
Uranus Hsinchu II		
Uranus Toufen		
Uranus Taichung		
Heng-I	<ol style="list-style-type: none"> Health Examinations Abnormal Workload Questionnaire Musculoskeletal Hazard Prevention Questionnaire Maternity Protection Case Management Prevention and Hazard Identification for Unlawful Acts During Duty Respiratory Protection Program - Physiological and Medical Evaluation Health Seminars and Employee Health Consultations Occupational Injury and High-Risk Worker Evaluations and Case Management Consultations On-Site Visits and Observations by Contracted Doctors/Nurses 	At the end of the year, a performance evaluation is conducted to confirm whether the goals have been met as scheduled. The results are compiled into a presentation and reported to the Safety and Health Committee.

Physical Examination and Health Check-up Results Form (GRI 403-3)

Type	Target Employees	Frequency	Items	Number of Examinees	Male	Female	Total Male	Total Female
General Physical Examination	New hires or transferred employees	Before starting work	Items as per "Labor Health Protection Rules"	CoreMax	12	2	44	11
				Uranus	30	3		
				Heng-I	2	6		
Special Physical Examination	New hires or transferred employees in special hazardous operations	Before starting work or job transfer	Items as per "Labor Health Protection Rules"	CoreMax	4	0	39	1
				Uranus	30	0		
				Heng-I	5	1		
General Health Check-up	All employees	Regardless of age, once every two years	Items as per "Labor Health Protection Rules" and additional tests (abdominal ultrasound, lung function, bone density, cancer screening). Employees over 40 also receive ECG	CoreMax	104	29	294	66
				Uranus	77	19		
				Heng-I	113	18		
Special Health Check-up	Employees in special hazardous operations	Annually	Items as per "Labor Health Protection Rules"	CoreMax	80	7	236	21
				Uranus	109	11		
				Heng-I	47	3		
Executives Health Check-up	Assistant Manager level and above	45 years old and above, implemented annually	Executives health check-up items, an additional coronary artery examination is included.	CoreMax	10	2	13	2
				Uranus	2	0		
				Heng-I	1	0		

To provide comprehensive health care services for our employees, CoreMax Group offers biennial health check-ups that exceed legal requirements. These include general health examinations and executive health check-ups. Additionally, for employees engaged in high-risk occupations with a high incidence of occupational diseases, we arrange specialized occupational health examinations.

For employees with abnormal test results, we implement follow-up management and provide necessary individual health consultations, care, and guidance to help them understand their health status. After the health check results are generated, the management department undertakes case management and conducts one-on-one consultations with employees. These consultations include a comprehensive assessment of their job nature, lifestyle habits, and family history, providing improvement recommendations for both the employee and the company. The management department also includes employees identified as high-risk due to overburden in a special care list. CoreMax encourages employees to participate in health promotion activities, such as health education courses like "I Am My Own Nutritionist," to reduce the incidence of abnormal conditions. Employees meeting the criteria for disease case management receive follow-up care and support every three months.

The 2023 Implementation Results of the Four Major Health Protection Plans are as follows

To care for the physical and mental health of our employees, CoreMax addresses physical hazards, chemical hazards, and ergonomic hazards in the workplace. We also place significant emphasis on the health protection of maternity employees, establishing health protection plans and developing environmental monitoring plans. In addition, in response to government policies on maternal and child health and safety, the CoreMax Group does not employ underage workers and does not assign pregnant or breastfeeding female employees to tasks that may harm their babies. For breastfeeding mothers from the beginning of pregnancy until one year after delivery, we conduct hazard assessments, including physical, ergonomic hazards, work stress, and personal health risks, to prevent factors that may cause maternal harm. If necessary, we seek the assistance of physicians to adjust work conditions and set up breastfeeding rooms. Moreover, we provide health education on pregnancy and breastfeeding and offer free parking spaces for pregnant employees. To prevent employees from developing illnesses due to shift work, night shifts, long working hours, and other abnormal workloads, we have established a "Prevention of Illness Induced by Abnormal Workloads" plan, which includes risk assessments and graded management measures for one-on-one tracking and management to prevent cerebrovascular diseases.

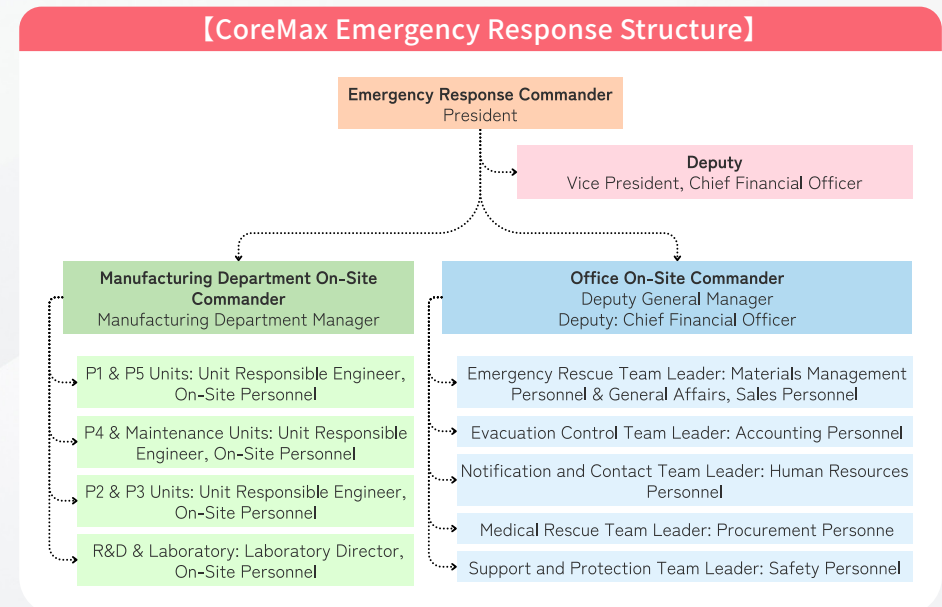
Plants	CoreMax Hsinchu	CoreMax Toufen	Uranus Hsinchu I	Uranus Hsinchu II	Uranus Toufen	Uranus Taichung	Heng-I
Maternity Health Protection	Pregnant : 1 Postpartum within 1 year : 2 Breastfeeding post 1 year : 0	Pregnant : 0 Postpartum within 1 year : 0 Breastfeeding post 1 year : 0	Pregnant : 1 Postpartum within 1 year : 0 Breastfeeding post 1 year : 0	Pregnant : 0 Postpartum within 1 year : 0 Breastfeeding post 1 year : 0	Pregnant : 0 Postpartum within 1 year : 0 Breastfeeding post 1 year : 0	Pregnant : 0 Postpartum within 1 year : 0 Breastfeeding post 1 year : 0	Pregnant : 0 Postpartum within 1 year : 0 Breastfeeding post 1 year : 0
Abnormal Workload Reports	0	0	0	0	0	0	0
Ergonomic Improvements	5	0	0	0	0	0	0
Workplace Violence Complaints	0	0	0	0	0	0	0

2023 On-Site Services Implementation Frequency Table (GRI 403-3)

	CoreMax Hsinchu	CoreMax Toufen	Uranus Hsinchu I	Uranus Hsinchu II	Uranus Toufen	Uranus Taichung	Heng-I	Total
Number of On-Site Physician Services	4	3	1	1	1	1	4	15
Frequency of On-Site Nursing Services	26	12	11	11	11	11	48	130
Total Number of Employees Participating in Health Education Activities	11	46	30-39	40-49	30-39	20-29	131	308~343
Total Number of Employees Receiving Counseling and Guidance	173	54	26	37	28	31	18	367

Emergency Handling and Response

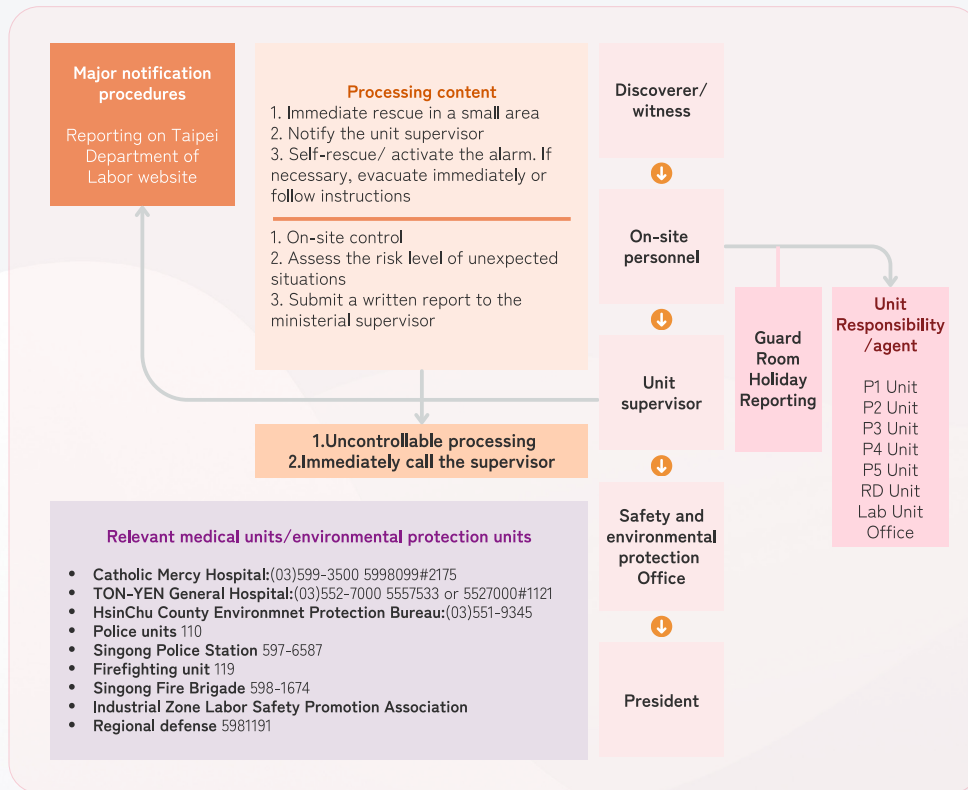
Our group employs various systematic, regular, and continuous management measures to effectively prevent disasters and minimize potential risks and losses.



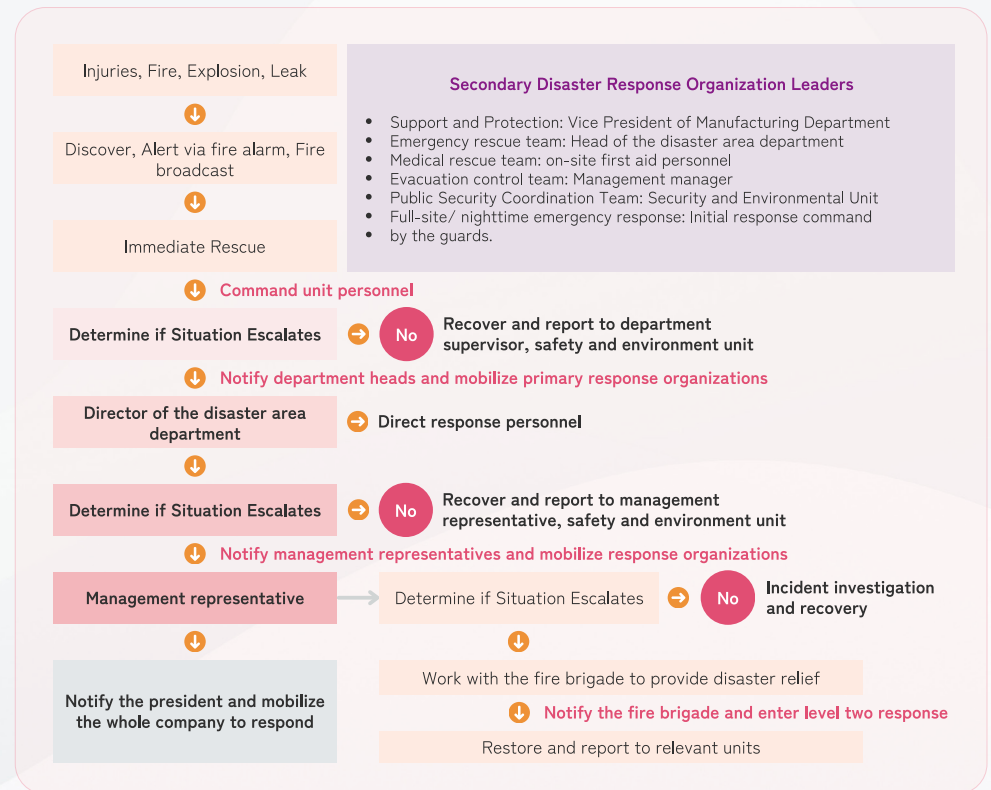
Internal Management of Plants

To achieve the environmental policies, goals, and targets of environmental management, the CoreMax Group must implement and maintain appropriate education and training. This ensures that all personnel within the organization are familiar with laws and regulations and possess the skills necessary to carry out environmental management tasks. Furthermore, they should be aware of the significant environmental impacts they may cause, their roles and responsibilities within the environmental management system, and the potential consequences of abnormal operations.

Plant Emergency Notification Procedures



Emergency Response Procedure



Customer Complaint Handling Procedure

An "Emergency Response Measures" plan is established internally to regulate the organization structure, communication, and emergency handling methods during incidents. An emergency response team is set up to mobilize and integrate existing manpower, equipment, and external support in the quickest and most effective manner during disasters, leveraging group mutual assistance.

Administrative System Reporting

Reporting through the administrative system is required to enhance the organization's operational and emergency response capabilities in urgent situations. This enables management to fully understand the situation, issue correct directives, minimize the impact and losses caused by the incident to the environment, personnel, equipment, and production activities, and quickly complete the cleanup and production arrangements in the incident area.

Emergency Response Training and Drills

To equip department personnel and relevant staff with the knowledge and skills required to respond to abnormal incidents and to mobilize manpower and mitigate disasters quickly, each executing unit must provide necessary emergency response training and simulation drills to the operational staff. All personnel involved in emergency response and handling emergency materials within the unit should participate in the training. Regular emergency response education and training should be conducted. After completing education and training, each department should hold separate emergency response drills.

Establish Drill Schedule

A drill schedule should be established seven days before the emergency response drill, including the drill items, content, and process for review. The disaster prevention department should be contacted two days before the drill.

Drill Photography

Photos should be taken during the drill and a review meeting should be held after the drill, with meeting records kept for future reference.

Timely Review and Revision

After drills or actual incidents, the emergency response plan should be reviewed and revised promptly to increase employees' crisis response awareness.

Full Participation Drills

The "Emergency Response Plan" includes the organizational structure and process for responding to various types of disasters, action plans, equipment preparation, and education and training. Practical drills are conducted every June and December to ensure all personnel in the plant participate and are equipped with crisis emergency response capabilities, ensuring the safety of individual lives and company property, and maintaining normal company operations.

External Management of Facilities

The headquarters of the CoreMax Group, CoreMax Corporation, is located in the Hsinchu Industrial Park. The management center aims to establish a cooperative relationship among the various business units in the Hsinchu Industrial Park to ensure labor safety and health, jointly prevent disasters, and reduce the severity of incidents. This ensures the protection of company property and the safety and health of workers, promoting labor-management harmony. For sustainable corporate development, the Hsinchu Industrial Park Labor Safety and Health Promotion Association was established. Manufacturers within the industrial park utilize task groups and regional joint defense mechanisms to establish information related to the manufacturing, handling, storage, and transportation of factory materials. They collect disaster preparedness information within the industrial park and coordinate with nearby manufacturers, civil organizations, government agencies, medical institutions, and other disaster relief resources, helping park manufacturers promptly grasp sources of danger and response resources. When an incident occurs, they can quickly report it and assist the affected factory and contact disaster relief units for effective response. Additionally, the Hsinchu Industrial Park Labor Safety and Health Promotion Association holds a semi-annual external emergency response seminar. These meetings include sharing relevant cases from around the country and promoting various emergency response measures. CoreMax Company also attends and participates, cooperating with the industrial park's various external emergency response procedures.

Occupational Safety Education and Training Promotion

Formulate safety and health work rules, which are divided into the following items:

Responsibilities at Various Levels of Safety and Health Management	Maintenance and Inspection of Equipment	Work Safety and Health Standards	Education and Training	Other Safety and Health-Related Matters	Preparation, Maintenance, and Use of Protective Equipment	Incident Reporting and Notification	Health Guidance and Management Measures	First Aid and Rescue
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Tanker Truck Filling Safety Management

Formulate operational regulations for liquid tanker trucks, detailing standard operating procedures to ensure the safety of operators.

Contractor Safety Management

Establish regulations for the management of external contractors' access, particularly managing personnel, vehicles, and materials. Prior to construction, conduct safety education and training for the construction area, and require external contractors' personnel to sign a safety discipline commitment to ensure the prevention of accidents and disasters.

Safety Inspections

To ensure that all operations and facilities within the plant are properly and effectively managed, the safety and environmental unit and on-site supervisors conduct irregular safety inspections focusing on safety, health, environmental protection, and fire safety. We emphasize 6S management and chemical management, regularly inspect lifting tools, enforce the wearing of personal protective equipment, proactively observe the suitability of mechanical safeguards, and collaborate with relevant units to develop appropriate response plans to achieve preventive measures. For safety inspection deficiencies, the safety and environmental unit immediately informs the relevant units for verification and improvement. We also hold regular meetings to review deficiency cases, discuss plant-wide consistent preventive measures, and avoid the recurrence of similar deficiencies. Through this process, we establish standard regulatory documents and conduct periodic supervision and assessment to track the progress of improvements.

Fire Emergency Response Plan

To enhance employees' ability to respond to emergencies and crisis management, the group conducts regular emergency response drills every six months. CoreMax employees are divided into a command center, reporting team, firefighting team, evacuation guidance team, safety protection team, and rescue team. In the event of a fire, these teams can collaborate to minimize the disaster. Through drills, employees are taught how to use emergency response equipment, familiarize themselves with the plant environment and fire escape routes, and improve their self-rescue capabilities. In compliance with regulations, CoreMax also conducts regular fire safety training to educate all employees on fire safety knowledge, familiarize them with the location and performance of fire equipment and tools, and integrate internal fire safety equipment for self-rescue activities to reduce the hazards during a fire.

Participation and Hours of Workplace Safety and Health Education and Training (GRI 403-5)

In 2023, the CoreMax Group conducted occupational safety-related education and training.

	Type	Pre-employment Training	Legal Certification Training		On-the-job Training
	Audience	New and Transferred Personnel	Initial Certification Training	Certification Renewal Training	Specific or General Personnel
CoreMax	Total Participants	16	10	9	258
	Total Hours	96	199	30	782
Uranus	Total Participants	33	25	16	282
	Total Hours	198	517	76	846
Heng-I	Total Participants	19	19	40	114
	Total Hours	61	340	173	1,838

Response Drills

To enhance employees' ability to respond to emergencies and handle crises, our group conducts response drills for different incidents. In 2023, a total of 41 drills were held across various facilities. The details of the drills conducted at each facility are as follows:

	CoreMax Hsinchu	CoreMax Toufen	Uranus Hsinchu I	Uranus Hsinchu II	Uranus Toufen	Uranus Taichung	Heng-I	Total
Fire	2	2	2	2	2	2	2	14
Toxic Chemicals	3	0	0	0	0	1	0	4
Specific Chemicals	1	1	1	1	1	0	1	6
Evacuation and Escape	2	2	2	2	2	2	1	13
Liquid/Powder Leakage	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	4	4

False Alarms and Safety Incidents

A total of 6 false alarm incidents and 13 safety incidents occurred within the group's various plants; 1 safety incident occurred outside the plants.

	Plants	False Alarms		Safety Incidents	
		Inside	Outside	Inside	Outside
Number of Cases	CoreMax Hsinchu	1	0	1	1
	CoreMax Toufen	0	0	1	0
	Uranus Hsinchu I	0	0	1	0
	Uranus Hsinchu II	0	0	4	0
	Uranus Toufen	0	0	1	0
	Uranus Taichung	1	0	2	0
	Heng-I	4	0	3	0
	Total	6	0	13	1

Note 1: Non-Process False Alarms

1. Incidents causing personnel alarm but no injuries or property loss, unrelated to the process.

2. Minor personnel injuries (referred to as red iodine incidents), no lost work time, and no medical treatment required.

Note 2: Process False Alarms Incidents involving the activation or failure of process safety systems, or deviations in process operating parameters, but no injuries.

Note 3: Non-Process Safety Incidents Incidents that do not fall under the categories of non-process false alarms, process false alarms, or process safety incidents.

Note 4: Incident Investigation and Management Both false alarms and safety incidents are handled according to incident investigation management regulations, with relevant personnel convened to investigate causes and review

To reduce the occurrence of occupational accidents, if a safety incident occurs, safety personnel and relevant personnel from the unit where the incident occurred will conduct an accident investigation, analyze the causes, and propose improvement policies to ensure the recurrence rate is minimized and continuously improved.

Our group strictly adheres to Occupational Health and Safety management regulations, striving to achieve the goals of "zero" injury incidents and "zero" environmental incidents, and to establish a healthy and safe friendly workplace. In 2023, the CoreMax Group experienced 12 work-related injury incidents. Following review and evaluation, relevant SOPs were revised to prevent similar situations from happening again.

Item	Number of Injuries	Cause and Type of Injury	Type of Damage and Days Lost	Improvement Measures
CoreMax	2	Exposure to hazardous materials	Minor injury, 0 days lost	Established safety operating standards, conducted training, and improved equipment issues
Uranus	3	Exposure to hazardous materials	Temporary total disability, 12 days lost	Implemented change management and post-incident compensation; reassessed machinery operation processes and provided training
Uranus	2	Pinched or entangled	Temporary total disability, 3.5 days lost	Developed jigs to replace direct hazardous operations; provided personnel training and protective equipment usage
Uranus	2	Cuts and abrasions	Temporary total disability, 3 days lost	Improved equipment engineering to eliminate hazards; provided personnel training and protective equipment usage
Heng-I	1	Fall	Temporary total disability, 14 days lost	Conducted hazard identification and risk assessment for the incident operations
Heng-I	1	Improper actions	Temporary total disability, 16 days lost	Established safety operating standards and provided training to relevant personnel
Heng-I	1	Falling objects	Temporary total disability, 1 day lost	Revised personal protective equipment regulations, conducted training, and performed hazard identification and risk assessment for the incident operations
Total	12			

CoreMax Group Incident Statistics (GRI 403-9, 403-10)

Item	Definitions	2023
Absentee Rate (AR)	Definition: $(\text{Total Absentee Days} / \text{Total Working Days}) \times 100\%$, rounded down to the third decimal place. Absentee Days: Refers to days employees are absent due to loss of working capacity, including: sick leave (general, hospitalization, menstrual), personal leave (personal, family care), work injury leave, occupational disease leave; excluding: approved leave (e.g., vacation), maternity leave, paternity leave, bereavement leave, etc.	1.29%
Occupational Injury Fatality Rate	Fatality Rate: $(\text{Number of Deaths from Occupational Injuries} / \text{Total Hours Worked}) \times 1,000,000$, rounded down to the third decimal place. Fatality: Loss of life due to occupational injury, regardless of the time between injury and death.	0
Occupational Disease Rate (ODR)	ODR : $(\text{Total Number of Occupational Disease Cases} / \text{Total Hours Worked}) \times 1,000,000$, rounded down to the third decimal place. Occupational Disease: Includes (1) musculoskeletal disorders from repetitive tasks, (2) diseases from abnormal workloads such as shift work, night work, or long hours, (3) physical or mental harm due to others' actions during duty, (4) diseases caused by raw materials, gases, vapors, dust, solvents, chemicals, toxic substances, or lack of oxygen.	0
Injury Rate / Incident Rate (IR)	Severe Occupational Injury Rate: $(\text{Number of Severe Occupational Injury Cases} / \text{Total Hours Worked}) \times 1,000,000$, rounded down to the third decimal place. Severe Occupational Injury Cases: Total number of permanent total disability and permanent partial disability incidents.	0
	Recordable Occupational Injury Rate: $(\text{Number of Recordable Occupational Injury Cases} / \text{Total Hours Worked}) \times 1,000,000$, rounded down to the third decimal place. Recordable Occupational Injury Cases: Total number of temporary total disability cases and incidents with loss of work days within one day.	14.81
Lost Day Rate (LDR) / Lost Time Rate	Definition: Lost Day Rate (LDR) = $(\text{Total Lost Days from Disabilities} / \text{Total Hours Worked}) \times 1,000,000$, rounded down to the third decimal place. Lost Days: Total number of lost days due to temporary total disability, permanent partial disability, permanent total disability, and death.	61.12
Process Safety Incident Rate (PSTIR)	PSTIR: $[(\text{Total Number of Process Safety Incidents} \times 200,000) / \text{Total Hours Worked}]$, rounded down to the third decimal place. Process Safety Incidents: Must meet the following criteria: (1) directly involves chemical substances or chemical processes, (2) occurs in production, distribution, storage, utilities, or laboratory facilities within the plant, (3) involves leaks, fires, explosions, or implosions related to chemical process units, (4) meets any of the following: (a) leads to recordable injury, lost time, death, or hospitalization of plant or non-plant personnel, (b) causes direct costs over NT\$75,000 for fire, explosion, or necessary clean-up operations to avoid or mitigate environmental damage, (c) triggers official shelter-in-place or evacuation (inside or outside the plant), preventive evacuation or shelter-in-place outside the plant, (d) exceeds API 754 Tier II threshold for chemical leaks.	0

2023 CoreMax Group Occupational Injury Statistics

Disability Injury Type	Definition of Disability Injury Type		Number of Cases	Lost Days
Fatality	Loss of life due to occupational disaster, regardless of the time between injury and death. Calculated as 6,000 lost days.	CoreMax	0	0
		Uranus	0	0
		Heng-I	0	0
Permanent Total Disability	Any permanent total disability, excluding death, causing permanent loss of function or loss of any of the following in a single incident: 1. Both eyes. 2. One eye and one hand, arm, leg, or foot. 3. Any two of the following from different limbs: hand, arm, foot, or leg. Calculated as 6,000 lost days.	CoreMax	0	0
		Uranus	0	0
		Heng-I	0	0
Permanent Partial Disability	Any permanent partial disability causing the complete loss of or loss of function of any part of a limb, excluding death and permanent total disability. Regardless of any prior disability.	CoreMax	0	0
		Uranus	0	0
		Heng-I	0	0
Temporary Total Disability	The injured person does not die or suffer permanent disability but is unable to continue normal work, requiring leave from work for at least one day (including national holidays, rest days, or days off) and cannot resume work temporarily.	CoreMax	2	0
		Uranus	7	18.5
		Heng-I	3	31

06 Social Engagement

Over the years, CoreMax has collaborated with social welfare organizations by purchasing charity gift boxes for employee holiday gifts. During the pandemic, the company also bought fruit gift boxes, which faced export difficulties, and donated them to low-income families, supporting both Taiwanese farmers and vulnerable groups. Additionally, CoreMax donated emergency relief funds to the Hukou Township Office and provided educational magazines to local schools, fulfilling its corporate social responsibility and maintaining positive relations with the community.

- 6.1 Community Maintenance and Public Participation
- 6.2 Participation in External Associations and Organizations

6.1 Community Maintenance and Public Participation

(GRI 413-1)

Every year, during festive seasons, the CoreMax Group purchases employee welfare gift boxes through collaboration with social welfare groups, procuring public welfare gift boxes from social welfare organizations to support disadvantaged groups through practical actions. Additionally, CoreMax donates emergency relief funds to the Hukou Township Office, basketball supplies to Xinhua Junior High School, and provides magazines to nearby elementary and junior high schools for children to read, encouraging students to study diligently. In 2023, the CoreMax Group sponsored a total of NT\$1,403,797. The detailed expenditures are listed below with a total sum added.

No.	Date	Activity	Recipient	Amount (NT\$)
1	112/01	Adoption of Toufen City Street Lamps	Pedestrians and drivers on Zhonghua Road	50,000
2	112/01	Winter Aid and Emergency Relief	Hukou Township residents	100,000
3	112/02	Books for Rural Elementary Schools	Elementary school students in Toufen area	400,000
4	112/03	Toufen Volunteer Fire Brigade	Toufen City residents	12,000
5	112/03	Miaoli County Volunteer Fire Brigade	Miaoli County residents	200,000
6	112/09	Purchase of Public Welfare Gift Boxes from Social Welfare Organizations as Employee Gift Boxes	Down Syndrome Foundation	141,797
7	112/10	Collaboration with professional basketball team, Lions, for Xinhua Junior High School Basketball Team Activities	Provide better training equipment to help children improve their skills	100,000
8	112/02 112/10	Outstanding Sports Teams	Jienshan Elementary School soccer team members	400,000
Total				1,403,797

Support for Rural Education Project - Planting the Seeds of Reading: Giving Children a Great Future

Since 2018, the CoreMax Group has continuously supported the "Planting the Seeds of Reading—Giving Children a Great Future" project initiated by the Global Views and Commonwealth Education Foundation. This project involves donating copies of "Future Kids" and "Future Youth" magazines to rural junior high and elementary schools in Miaoli County. Actively fulfilling corporate social responsibility and fostering a love for lifelong learning, Chairman Ho of the CoreMax Group believes that reading enhances one's comprehension and judgment, allowing for a thorough and comprehensive understanding of matters. He hopes that through long-term cultivation, children will gradually develop an interest in reading, leading to a habit of lifelong learning. By upholding a kind heart, their future lives can be more fulfilling. As of the end of 2023, the CoreMax Group has donated a total of 179 subscriptions, comprising 8,387 magazine copies, to 54 junior high and elementary schools in Miaoli County. The group will continue to focus on supporting educational resources in rural areas and backing rural education projects in the future.



Social Assistance Donations - Winter Aid Donation to Hukou Township Office

For the sixth consecutive year, the CoreMax Group has donated NT\$100,000 in emergency relief funds to the Hukou Township Office. This donation helps Hukou Township residents receive timely assistance in case of emergencies, demonstrating the group's commitment to corporate social responsibility. As of the end of 2023, the total donations amount to NT\$600,000.

Charitable Mid-Autumn Festival Gift Boxes

For the ninth consecutive year, the CoreMax Group has collaborated with social welfare organizations to purchase products for employee holiday gift boxes, prioritizing products that support disadvantaged groups. This action not only supports the income of these groups but also helps them operate more smoothly. While employees enjoy the festive treats, they also contribute to a good cause.

2015: 220 Mid-Autumn Festival gift boxes from Hukou Hsiangyuan Care Home

2016: 230 Mid-Autumn Festival gift boxes from Hukou Hsiangyuan Care Home

2017: 240 Mid-Autumn Festival gift boxes from Hukou Hsiangyuan Care Home; 240 Mid-Autumn Festival gift boxes from the Child Welfare League Foundation

2018: 361 Mid-Autumn Festival gift boxes from the Down Syndrome Foundation

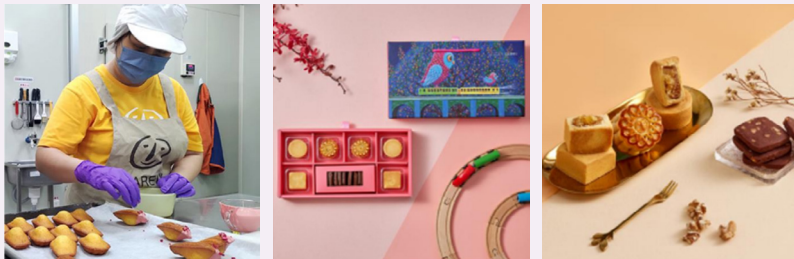
2019: 360 Mid-Autumn Festival gift boxes from Hukou Hsiangyuan Care Home

2020: 255 public welfare gift boxes from the Women's Rescue Social Welfare Foundation

2021: 300 Mid-Autumn Festival public welfare gift boxes from the Down Syndrome Foundation

2022: 300 Mid-Autumn Festival gift boxes from the Child Welfare League Foundation

2023: 323 "Magical Time" mooncake gift boxes from the Down Syndrome Foundation



Cultivating Local Athletes in Miaoli and Hsinchu



6.2 Participation in External Associations and Organizations

(GRI 2-28)

No.	Association Name	Participation Role
1	Taoyuan Youth Association	CEO
2	Taiwan Battery Association	Member
3	Cobalt Institute	Member
4	Hsinchu County Industrials' Association	Member
5	Hsinchu Industrial Association External Public Association	Member
6	Chinese Human Resource Management Association	Member
7	Hsinchu Industrial Park Manufacturers' Association	Director
8	Toufen Industrial Park Association	Member
9	Labor-Management Association	Member
10	Industrial Association	Member

Appendix

GRI Index

Disclaimer	Based on GRI Guideline Reporting for the Period January 1, 2023 to December 31, 2023
GRI 1 version	GRI 1 : Basic 2021
Applicable GRI Industry Standards	Disclose the content of specific topics identified through the material topics identification process, with reference to SASB chemical standards.

GRI Guidelines / Other Sources	Disclosure Items	Chapters	Page
General Disclosure			
GRI 2 : General Disclosures 2021	2-1 Organizational Details	Chapter 1: Overview of CoreMax Group - 1.1 Overview of CoreMax Group's Organization	06
	2-2 Entities Included in the Organization's Sustainability Report	Reporting Boundary	02
	2-3 Reporting Period, Frequency, and Contact Point	Reporting Period	02
	2-4 Restatements of Information	Information Recompiled	02
	2-5 External Assurance	External Assurance	02
	2-6 Activities, Value Chain and Other Business Relationships	Chapter 1: Overview of CoreMax Group - 1.2 Products and Value Chain	10
	2-7 Employees	Chapter 5: Blissful Workplace -5.2 Labor Relations	59
	2-8 Workers Who are not Employees	Chapter 5: Blissful Workplace -5.2 Labor Relations	59
	2-9 Governance Structure and Composition	Chapter3 Corporate Governance -3.1 Corporate Governance Structure	25
	2-10 Nomination and Selection of the Highest Governance Body	Chapter3 Corporate Governance -3.1 Corporate Governance Structure	24
	2-11 Chair of the Highest Governance Body	Chapter3 Corporate Governance -3.1 Corporate Governance Structure	24

GRI Guidelines / Other Sources	Disclosure Items	Chapters	Page
GRI 2 : General Disclosures 2021	2-12 Role of the Highest Governance Body in Oversight of Impact Management	Chapter 2: Sustainability Management - 2.2 Stakeholders and Material Topics	14
	2-13 Head of Impact Management	Chapter 2: Sustainability Management - 2.2 Stakeholders and Material Topics	14
	2-14 Role of the Highest Governance Body in Sustainability Reporting	Report Management Process	02
	2-15 Conflicts of Interest	Chapter3 Corporate Governance -3.1 Corporate Governance Structure	26
	2-16 Communication of Critical Concerns	Chapter 2: Sustainability Management - 2.3 Stakeholder Engagement	21
	2-17 Collective Knowledge of the Highest Governance Body	Chapter3 Corporate Governance -3.1 Corporate Governance Structure	26
	2-18 Evaluation of the Performance of the Highest Governance Body	Chapter3 Corporate Governance -3.1 Corporate Governance Structure	26
	2-19 Remuneration Policies	Chapter 1: Overview of CoreMax Group - 1.2 Products and Value Chain	59
	2-20 Process to Determine Remuneration	Chapter3 Corporate Governance -3.1 Corporate Governance Structure Chapter 5: Blissful Workplace -5.2 Labor Relations	28 59
	2-21 Annual Total Compensation Ratio	Chapter 5: Blissful Workplace -5.2 Labor Relations	59
	2-22 Statement on Sustainable Development Strategy	Statement from the CEO	03
	2-23 Policy Commitments	Chapter3 Corporate Governance -3.1 Corporate Governance Structure	29
	2-24 Embedding Policy Commitments	Chapter3 Corporate Governance -3.1 Corporate Governance Structure	29

GRI Guidelines / Other Sources	Disclosure Items	Chapters	Page
General Disclosure			
GRI 2 : General Disclosures 2021	2-25 Processes to Remediate Negative Impacts	Chapter3 Corporate Governance -3.2 Integrity Management and Insider Trading Prevention	30
		Chapter3 Corporate Governance -3.5 Customer Relationship Management	35
	2-26 Mechanisms for Seeking Advice and Raising Concerns	Chapter3 Corporate Governance - 3.2 Integrity Management and Insider Trading Prevention	30
	2-27 Compliance with Laws and Regulations	Chapter3 Corporate Governance -3.7 Regulatory Compliance	39
	2-28 Membership Associations	Chapter 6: Social Engagement - 6.2 Participation in External Associations and Organizations	79
	2-29 Approach to Stakeholder Engagement	Chapter 2: Sustainability Management - 2.2 Stakeholders and Material Topics	14
	2-30 Collective Bargaining Agreements	Chapter 5: Blissful Workplace -5.2 Labor Relations	60

GRI Guidelines / Other Sources	Disclosure Items	Chapters	Page
Material Topics			
GRI 3 : Material Topic 2021	3-1 Process to Determine Material Topics	Chapter 2: Sustainability Management - 2.2 Stakeholders and Material Topics	14
	3-2 List of Material Topics	Chapter 2: Sustainability Management - 2.2 Stakeholders and Material Topics	14
	3-3 Management of Material Topics	Chapter 2: Sustainability Management - 2.2 Stakeholders and Material Topics	14
Material Topic : Occupational Health and Safety			
GRI 3 : Material Topic 2021	3-3 Management of Material Topics	Chapter 2: Sustainability Management - 2.2 Stakeholders and Material Topics	14

GRI Guidelines / Other Sources	Disclosure Items	Chapters	Page
GRI 403 Occupational Health and Safety	GRI 403-1 Occupational Health and Safety Management System	Chapter 5: Blissful Workplace - 5.5 Occupational Health and Safety	66
	GRI 403-2 Hazard Identification, Risk Assessment, and Incident Investigation	Chapter 5: Blissful Workplace - 5.5 Occupational Health and Safety	68
	GRI 403-3 Occupational Health Services	Chapter 5: Blissful Workplace - 5.5 Occupational Health and Safety	72
	GRI 403-4 Worker Participation, Consultation, and Communication on Occupational Health and Safety	Chapter 5: Blissful Workplace - 5.5 Occupational Health and Safety	69
	GRI 403-5 Worker Training on Occupational Health and Safety	Chapter 5: Blissful Workplace - 5.5 Occupational Health and Safety	74
	GRI 403-6 Promotion of Worker Health	Chapter 5: Blissful Workplace - 5.5 Occupational Health and Safety	69
	GRI 403-8 Workers Covered by an Occupational Health and Safety Management System	Chapter 5: Blissful Workplace - 5.5 Occupational Health and Safety	66
	GRI 403-9 Work-Related Injuries	Chapter 5: Blissful Workplace - 5.5 Occupational Health and Safety	76
	GRI 403-10 Work-Related Ill Health	Chapter 5: Blissful Workplace - 5.5 Occupational Health and Safety	76
Material Topic: Talent Attraction and Development			
GRI 3 : Material Topic 2021	3-3 Management of Material Topics	Chapter 2: Sustainability Management - 2.2 Stakeholders and Material Topics	14
GRI404: Training and Education	GRI 404-1 Average Hours of Training per Year per Employee	Chapter 5: Blissful Workplace - 5.4 Talent Development and Training	63
	GRI 404-2 Programs for Upgrading Employee Skills and Transition Assistance Programs	Chapter 5: Blissful Workplace - 5.3 Employee Benefits	61

GRI Guidelines / Other Sources	Disclosure Items	Chapters	Page
GRI 403 Occupational Health and Safety	GRI 404-3 Percentage of Employees Receiving Regular Performance and Career Development Reviews	Chapter 5: Blissful Workplace - 5.4 Talent Development and Training	64
Material Topic: Waste Management			
GRI 3 : Material Topic 2021	3-3 Management of Material Topics	Chapter 2: Sustainability Management - 2.2 Stakeholders and Material Topics	14
GRI404: Training and Education	GRI 306-1 Waste Generation and Significant Waste-Related Impacts	Chapter 4: Sustainable Environment – 4.5 Waste Management	53
	GRI 306-2 Management of Significant Waste-Related Impacts	Chapter 4: Sustainable Environment – 4.5 Waste Management	54

GRI Guidelines / Other Sources	Disclosure Items	Chapters	Page
GRI404: Training and Education	GRI 306-3 Waste Generated	Chapter 4: Sustainable Environment – 4.5 Waste Management	54
	GRI 306-4 Waste Diverted from Disposal	Chapter 4: Sustainable Environment – 4.5 Waste Management	54
	GRI 306-5 Waste Directed to Disposal	Chapter 4: Sustainable Environment – 4.5 Waste Management	54
Custom Material Topic: Regulatory Compliance			
GRI 3 : Material Topic 2021	3-3 Management of Material Topics	Chapter 2: Sustainability Management - 2.2 Stakeholders and Material Topics	14
Custom Material Topic: Risk Management			
GRI 3 : Material Topic 2021	3-3 Management of Material Topics	Chapter 2: Sustainability Management - 2.2 Stakeholders and Material Topics	14

TCFD Guidelines Comparison Table

Elements	Code	TCFD Recommended Disclosures	Reference Sections/Notes	Page
Governance	TCFD 1 (a)	Describe the Board's Oversight of Climate-Related Risks and Opportunities	Chapter 4: Sustainable Environment - 4.1 Climate Change Adaptation	43
	TCFD 1 (b)	Describe Management's Role in Assessing and Managing Climate-Related Risks and Opportunities	Chapter 4: Sustainable Environment - 4.1 Climate Change Adaptation	43
Strategy	TCFD 2 (a)	Describe the Climate-Related Risks and Opportunities the Organization Has Identified Over the Short, Medium, and Long Term	Chapter 4: Sustainable Environment - 4.1 Climate Change Adaptation	44 45
	TCFD 2 (b)	Describe the Impact of Climate-Related Risks and Opportunities on the Organization's Businesses, Strategy, and Financial Planning	Chapter 4: Sustainable Environment - 4.1 Climate Change Adaptation	44 45
	TCFD 2 (c)	Describe the Resilience of the Organization's Strategy, Considering Different Climate-Related Scenarios, Including a 2° C or Lower Scenario	Chapter 4: Sustainable Environment - 4.1 Climate Change Adaptation	46
Risk Management	TCFD 3 (a)	Describe the Organization's Processes for Identifying and Assessing Climate-Related Risks	Chapter 4: Sustainable Environment - 4.1 Climate Change Adaptation	48
	TCFD 3 (b)	Describe the Organization's Processes for Managing Climate-Related Risks	Chapter 4: Sustainable Environment - 4.1 Climate Change Adaptation	48
	TCFD 3 (c)	Describe How Processes for Identifying, Assessing, and Managing Climate-Related Risks Are Integrated into the Organization's Overall Risk Management	Chapter 4: Sustainable Environment - 4.1 Climate Change Adaptation	48
Indicators and targets	TCFD 4 (a)	Disclose the Metrics Used by the Organization to Assess Climate-Related Risks and Opportunities in Line with its Strategy and Risk Management Process	Chapter 4: Sustainable Environment - 4.1 Climate Change Adaptation	48

Elements	Code	TCFD Recommended Disclosures	Reference Sections/Notes	Page
Indicators and targets	TCFD 4 (b)	Disclose Scope 1, Scope 2, and if appropriate, Scope 3 Greenhouse Gas Emissions and the Related Risks	Chapter 4: Sustainable Environment - 4.6 Energy Policy and Greenhouse Gas Inventory	56
	TCFD 4 (c)	Describe the Targets Used by the Organization to Manage Climate-Related Risks and Opportunities, and Performance Against These Targets	Chapter 4: Sustainable Environment - 4.1 Climate Change Adaptation	48

SASB Chemicals Industry Standard Reference Table

Theme	Indicator Code	Description	Content	Page
Greenhouse Gas	RT-CH-110a.1	<ul style="list-style-type: none"> Scope 1 Greenhouse Gas Emissions (tCO₂e) ; Percentage of Scope 1 Greenhouse Gas Emissions Subject to Emission Regulation (%) 	<ul style="list-style-type: none"> Scope 1 Greenhouse Gas Emissions: 6,866.95 tCO₂e Percentage of Scope 1 Greenhouse Gas Emissions Subject to Emission Regulation: CoreMax has no Scope 1 greenhouse gas emissions subject to regulatory limits. <p>Please refer to Chapter 4: Sustainable Environment - 4.6 Energy Policy and Greenhouse Gas Inventory</p>	56
	RT-CH-110a.2	Short-, Medium-, and Long-Term Management Strategies and Plans for Scope 1 Greenhouse Gas Emissions, Disclosing the Emissions of the Following Air Pollutants	The Group has not yet set short, medium, and long-term management strategies and emission reduction targets for Scope 1 greenhouse gas emissions.	
Air Quality	RT-CH-120a.1	Greenhouse Gas Emissions, Disclosing the Emissions of the Following Air Pollutants (1)Nitrogen Oxides (NO _x) (2)Sulfur Oxides (SO _x) (3)Volatile Organic Compounds (VOCs) (4)Hazardous Air Pollutants (HAPs)	For details, please refer to Chapter 4: Sustainable Environment - 4.4 Air Pollution Control	52
Energy Management	RT-CH-130a.1	Disclosure Requirements: (1)Total Energy Consumed (GJ) (2)Proportion of Grid Electricity Used (%) (3)Proportion of Renewable Energy Used (%) (4)Self-Produced Energy (GJ)	(1) Total Energy Consumed: 279,116 GJ (2) Proportion of Grid Electricity Used: 100% (3) Proportion of Renewable Energy Used: 0% (4) Self-Produced Energy: 916 GJ For details, please refer to Chapter 4: Sustainable Environment - 4.6 Energy Policy and Greenhouse Gas Inventory	56
Water Stewardship	RT-CH-140a.1	Disclosure Requirements: 1. Total Water Withdrawal 2. Total Water Consumption Proportion of Operational Sites Located in "High" or "Extremely High" Water Stress Areas and Their Share of (1) and (2)	1.Total Water Withdrawal: 422.84 million liters 2.Total Water Consumption: 230.79 million liters 3.Proportion of Operational Sites Located in "High" or "Extremely High" Water Stress Areas and Their Share of (1) and (2): After evaluation, none of the company's sites are located in high water stress areas. For details, please refer to Chapter 4: Sustainable Environment - 4.3 Water Resource Management.	51
	RT-CH-140a.2	Number of Incidents of Non-Compliance with Water Discharge Permits, Standards, and Regulations	CoreMax has no incidents of non-compliance. For details, please refer to Chapter 4: Sustainable Environment - 4.3 Water Resource Management.	
	RT-CH-140a.3	Describe Water Stewardship Risks and Strategies, and Risk Mitigation Practices	For details, please refer to Chapter 4: Sustainable Environment - 4.3 Water Resource Management.	50

Theme	Indicator Code	Description	Content	Page
Hazardous Waste Management	RT-CH-150a.1	Total Amount of Hazardous Waste Generated by the Company and Percentage Recycled	Percentage of Hazardous Waste: 4.74% For details, please refer to Chapter 4: Sustainable Environment - 4.5 Waste Management.	54
Community Relations	RT-CH-210a.1	Discuss the Process of Engaging and Managing Risks and Opportunities Related to Community Interests	For details, please refer to Chapter 6: Social Engagement - 6.1 Community Maintenance and Public Participation.	80
Labor Health and Safety	RT-CH-320a.1	For Employees and Non-Employees: 1.Total Recordable Incident Rate (TRIR) 2.Fatality Rate	1.Total Recordable Incident Rate (TRIR): 0.14% 2.Fatality Rate: 0% For details, please refer to Chapter 5: Blissful Workplace - 5.5 Occupational Health and Safety.	76
	RT-CH-320a.2	Describe the Assessment and Monitoring of Reducing Long-Term/Chronic Health Risk Exposure for Employees and Non-Employees	For details, please refer to Chapter 5: Blissful Workplace - 5.5 Occupational Health and Safety.	69
Improving Efficiency of Product Design During Usage Phase	RT-CH-410a.1	Revenue from Products that Enhance Resource Efficiency During the Usage Phase (Sustainable Products)	No related products.	
Chemical Safety and Environmental Management	RT-CH-410b.1	Percentage of Revenue from Products Containing Chemicals Classified as Health and Environmental Hazards (GHS Hazard Classes 1 and 2), and the Proportion of These Products Undergoing Hazard Analysis	No related products.	
	RT-CH-410b.2	Development Strategy for High-Concern Chemicals and the Development of Alternative Products to Reduce Human and Environmental Impact	No related products.	
Genetically Modified Organisms (GMOs)	RT-CH-410c.1	Proportion of Revenue from Genetically Modified Products	Our company has no such products.	
Legal and Regulatory Compliance	RT-CH-530a.1	The Company's Stance on Government Regulation and Policy Planning Regarding Environmental and Social Issues	No relevant information.	
Occupational Safety and Emergency Response	RT-CH-540a.1	Number of Process Safety Incidents (PSIC) and Process Safety Incident Rate (PSTIR) 、 Process Safety Incident Severity Rate (PSISR)	None.	
	RT-CH-540a.2	Number of Transportation Incidents	None.	

Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies

Chemical Industry Sustainability Disclosure Indicators

No	Indicators	Indicator Type	Annual Disclosure Status	Unit	Page
1	Total energy consumption, percentage of purchased electricity, utilization rate(renewable energy/total energy), and total self-generated and self-use energy (Note 1)	Quantitative	<ul style="list-style-type: none"> Total Energy Consumption: 279,116 GJ Percentage of Purchased Electricity: 42.4% Renewable Energy Usage Rate: 0% Total Self-Generated Energy: 0 GJ 	Gigajoules, Percentage (%)	56
2	Total water withdrawn, total water consumption, mandatorily or voluntarily disclosed total wastewater (sewage) discharged	Quantitative	<ul style="list-style-type: none"> Total Water Withdrawal: 422.84 thousand cubic meters Total Water Consumption: 230.79 thousand cubic meters Wastewater (Sewage) Discharge Volume: 192.05 thousand cubic meters Note: 1 thousand cubic meters = 1 million liters 	thousands cubic meters (m3) Percentage (%)	50
3	Total quantity of hazardous wastes generated during the production process of products required to be disclosed under the law or to be disclosed voluntarily.	Quantitative	<ul style="list-style-type: none"> Hazardous Waste: 69.56 tons Percentage of Hazardous Waste Recycled: 0% 	Metric Tons (t), Percentage (%)	54
4	Number of employees in and rate of occupational accidents	Quantitative	<ul style="list-style-type: none"> Number of Employees in Occupational Accidents:12 Rate of Occupational Accident: 2.78% 	Quantity, Percentage (%)	75
5	Operations with significant actual and potential negative impacts on local communities.	Qualitative Description	Operational Activities Impacting Local Communities Include the Following Aspects: <ul style="list-style-type: none"> Water Withdrawal at Plants Wastewater Discharge Management Waste Management Air Pollution Management Chemical Safety Management 	Not Applicable	50 50 53 51 67
6	Concrete valid mechanisms and actions implemented by the company itself and its suppliers to mitigate negative environmental or social impact	Qualitative Description	<ul style="list-style-type: none"> Water Withdrawal at Plants Wastewater Discharge Management Waste Management Air Pollution Management Chemical Safety Management Supplier Management 	Not Applicable	50 50 53 51 67 36
7	Production by product category	Quantitative	CoreMax Group Product Output for 2023: <ul style="list-style-type: none"> Oxidation Catalysts: 8,713 metric tons Battery Materials: 24,667 metric tons Chemical Fertilizers: 37,911 metric tons Specialty Chemical Material and Others: Various other product types with differing units of measurement, hence production volume is not calculated. 	Varies by Product Category	11

Note 1: The total self-generated and self-use energy is as defined by the “Renewable Energy Development Act” , “Implementation Regulations Governing Renewable Energy Certificates” , or related sub-laws.

Climate-related Information of Listed and OTC Companies

Risks and Opportunities of Climate Change for the Company and Relevant Mitigation Measures Taken

Item	Implementation Status
1. Board and Management Oversight of Climate Risks and Opportunities	The Board of Directors is the highest-level organization overseeing climate-related risks and opportunities within the company. The Board has established the Audit Committee and the Sustainability Development Committee to manage these aspects, including climate-related risks and opportunities. The Board has appointed and authorized the Chairman to serve as the Chairman of the ESG Committee, which coordinates the company's sustainable development direction and goal setting. Additionally, senior executives at the "division level" or above are appointed as leaders of each subcommittee.
2. Impact of Climate Risks on Business, Strategy, and Finances (Short, Medium, Long-term)	<p>Among the climate-related risks identified by our company, those with higher impact levels include (in order of priority): (1) Transition Risk: Rising raw material costs; (2) Physical Risk (Immediate): Extreme changes in rainfall (water) patterns and climate patterns leading to droughts; (3) Physical Risk (Immediate): Increased severity of extreme weather events such as typhoons and floods leading to flooding.</p> <p>We have also identified three transition opportunities, ranked by their impact levels: (1) Increased resource efficiency, (2) Research and innovation in developing new products and services, and (3) Entering new markets.</p> <p>The climate-related risks align with CoreMax Group's future development direction. The company will develop response strategies for these related risks, with a primary focus on seizing market opportunities within practical timelines, including enhancing resource efficiency and developing new products and services.</p>
3. Extreme Climate Events and Financial Impact of Transition Actions	Based on the location of CoreMax plants, we have conducted a preliminary assessment of the potential impact of extreme weather events, such as floods or droughts, on each plant. According to the IPCC AR6 Working Group conclusions, future sea level rise could affect plant operations. We plan to gradually implement financial assessments in the future.
4. Integrating Climate Risk Assessment into Overall Risk Management	Not planned for current phase; gradual implementation in the future
5. Scenario Analysis for Resilience to Climate Risks	Not planned for current phase; gradual implementation in the future
6. Transition Plan for Addressing Climate Risks and Targets	Not planned for current phase; gradual implementation in the future
7. Use of Internal Carbon Pricing for Planning	Not planned for current phase; gradual implementation in the future
8. Climate Targets, Carbon Offsetting, and RECs	Not planned for current phase; gradual implementation in the future
9. Greenhouse Gas Inventory and Assurance (Section 1-1)	All company plants completed inventory in 2024, and inspection reports are expected to be obtained by the end of 2024.

Third-party Verification Statement



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Independent Limited Assurance Report

To CoreMax Chemical Co., Ltd.:

We were engaged by CoreMax Chemical Co., Ltd. ("CoreMax") to provide limited assurance over the selected information attached as Appendix I ("the Subject Matter Information") on the 2023 Sustainability Report of CoreMax ("the Report") for the year ended December 31, 2023.

Applicable Criteria of the Subject Matter Information

CoreMax shall prepare the Subject Matter Information in accordance with applicable criteria required by Article 4 of Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies ("the Rules") and Global Reporting Initiative Standards ("GRI Standards") issued by Global Sustainability Standards Board as set forth in Appendix I.

Management's Responsibilities

CoreMax is responsible for determining its objectives with respect to sustainable development performance and reporting, including the identification of stakeholders and material aspects, and using the applicable criteria to fairly prepare and present the Subject Matter Information. CoreMax is also responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

Our Responsibilities

We performed our work in accordance with the Standard on Assurance Engagements TWSAE3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation in Taiwan and to issue a limited assurance conclusion on whether the Subject Matter Information is free from material misstatement. Also, we have considered appropriate limited assurance procedures according to the understanding of relevant internal controls in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the internal control over the design or implementation of the Report.

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Independence and Standards on Quality Management

We have complied with the independence and other ethical requirements of the Code of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. In addition, we applied Standards on Quality Management. Accordingly, we maintained a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements and professional standards as well as applicable legal and regulatory requirements.

Summary of Work Performed

As stated in applicable criteria of the Subject Matter Information paragraph, our main work on the selected information included:

- Reading the Report of CoreMax;
- Inquiries with responsible management level and non-management level personnel to understand the operational processes and information systems used to collect and process the Subject Matter Information.
- On the basis of the understanding obtained mentioned above, perform analytical procedures on the Subject Matter Information and if necessary, inspect related documents to gather sufficient and appropriate evidence in a limited assurance engagement.

The work described above is based on professional judgment and consideration of the level of assurance and our assessment of the risk of material misstatement of the Subject Matter Information, whether due to fraud or error. We believe that the work performed and evidence we have obtained are sufficient and appropriate to provide a basis of our conclusion. However, the work performed in a limited assurance engagement varies in nature and timing from, and is less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Inherent limitations

The Report for the year ended December 31, 2023 includes the disclosures of non-financial information that involved significant judgments, assumptions and interpretations by the management of CoreMax. Therefore, the different stakeholders may have different interpretations of such information.

Conclusion

Based on the work we have performed and the evidence we have obtained, as described above, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been properly prepared, in all material aspects, in accordance with the applicable criteria.

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Other Matters

We shall not be responsible for conducting any further assurance work for any change of the Subject Matter Information or the criteria applied after the issuance date of this report.

The engagement partners on the assurance resulting in this independent auditors' report is Yu, Chi-Lung.

KPMG

Taipei, Taiwan (Republic of China)
Aug 23, 2024

Notes

The limited assurance report and the accompanying selected information are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language limited assurance report and the selected information, the Chinese version shall prevail.



Appendix I : Summary of the Subject Matter Information

No.	Corresponding Section	Subject Matter Information	Applicable criteria
1	Appendix_Chemical Industry Sustainability Disclosure Indicators	<ul style="list-style-type: none"> Total Energy Consumption: 279,116 GJ Percentage of Purchased Electricity: 42.4% Renewable Energy Usage Rate and Total Self-Generated Energy: 0%; 0 GJ 	<p>The Rules Appendix 1-2 No.1</p> <p>Total energy consumption, percentage of purchased electricity, utilization rate (renewable energy/total energy), and total self-generated and self-use energy.</p>
2	Appendix_Chemical Industry Sustainability Disclosure Indicators	<ul style="list-style-type: none"> Total Water Withdrawal: 422.84 thousand cubic meters Total Water Consumption: 230.79 thousand cubic meters Wastewater (Sewage) Discharge Volume: 192.05 thousand cubic meters <p>• Note: 1 thousand cubic meters = 1 million liters</p>	<p>The Rules Appendix 1-2 No.2</p> <p>Total water withdrawn, total water consumption, mandatorily or voluntarily disclosed total wastewater (sewage) discharged.</p>



No.	Corresponding Section	Subject Matter Information	Applicable criteria
3	Appendix_Chemical Industry Sustainability Disclosure Indicators	<ul style="list-style-type: none"> ■ Hazardous Waste: 69.56 tons ■ Percentage of Hazardous Waste Recycled: 0% 	<p>The Rules Appendix 1-2 No.3</p> <p>Total quantity of hazardous wastes generated during the production process of products required to be disclosed under the law or to be disclosed voluntarily.</p>
4	Appendix_Chemical Industry Sustainability Disclosure Indicators	<ul style="list-style-type: none"> ■ Number of Employees in Occupational Accidents: 12 ■ Rate of Occupational Accident: 2.78% 	<p>The Rules Appendix 1-2 No.4</p> <p>Number of employees in and rate of occupational accidents.</p>
5	Chapter 4.2 Environmental Management Policies and Investments	<ul style="list-style-type: none"> ■ Pollution Emission Management All pollutants emitted from each plant is treated effectively according to local regulatory requirements before discharge. As a result, there have been no negative impacts on the local community or environment. ■ Waste Management Waste is effectively sorted and properly treated, with qualified processing companies contracted for waste removal. Records of waste declaration and treatment volumes are well maintained to ensure all industrial waste is properly managed and treated. ■ Chemical Management Production facilities have implemented rigorous chemical safety management protocols. All regulated chemicals used and transported are handled with appropriate response equipment on standby. Annual hazard prevention and response drills are conducted to enhance employees' emergency response capabilities, thereby reducing the likelihood and impact of environmental hazards. 	<p>The Rules Appendix 1-2 No.5</p> <p>Operations with significant actual and potential negative impacts on local communities.</p>

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No.	Corresponding Section	Subject Matter Information	Applicable criteria
6	Chapter 3.6 Supplier Management	<ul style="list-style-type: none"> ■ Supplier Assessment In addition to requiring suppliers to sign the "Supplier Social Responsibility and Code of Conduct," CoreMax has historically conducted quarterly assessments on suppliers that had transactions more than twice in that quarter for raw materials and packaging materials. Due to the stability of the conditions with suppliers, the assessment was changed to an annual basis starting in 2021. According to the group's established "Supplier Assessment Form," evaluations are conducted on quality, delivery time, price, service, and other criteria. In 2023, CoreMax assessed a total of 87 suppliers, with a 100% qualification rate. This statistical data is used as a basis for procurement allocation and subsequent cooperation decisions. CoreMax also periodically sends emails or conducts phone interviews with suppliers to understand their supply status and international market trends, allowing for real-time market information management. ■ Supplier Audits To reduce the environmental and social impact of the company and its suppliers, CoreMax not only evaluates suppliers using assessment forms but also sets an annual audit plan for raw material and packaging material suppliers. This involves on-site visits to audit suppliers primarily for quality and environmental aspects. In 2023, CoreMax continued to implement the supplier audit plan and conducted on-site audits for five suppliers. The onsite inspections did not reveal any non-compliance issues. 	<p>The Rules Appendix 1-2 No.6</p> <p>Concrete valid mechanisms and actions implemented by the company itself and its suppliers to mitigate negative environmental or social impact.</p>
7	Appendix_Chemical Industry Sustainability Disclosure Indicators	<ul style="list-style-type: none"> ■ CoreMax Group Product Output for 2023: <ul style="list-style-type: none"> - Oxidation Catalysts: 8,713 metric tons - Battery Materials: 24,667 metric tons - Chemical Fertilizers: 37,911 metric tons - Specialty Chemical Material and Others: Various other product types with differing units of measurement, hence production volume is not calculated. 	<p>The Rules Appendix 1-2 No.7</p> <p>Production by product category.</p>

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No.	Corresponding Section	Subject Matter Information	Applicable criteria																																													
8	Chapter 3.7 Regulatory Compliance	<div>■ The following did not occur violations in 2023:<ul style="list-style-type: none">- Corruption- Bribery- Antitrust violations- Child labor- Forced labor- Major violations (fines exceeding NT\$1 million are considered major violations)- Violations related to product and service information and labeling- Loss or leakage of customer data</div> <div>■ In 2023, CoreMax Group incurred a total of NT\$1.7893 million in fines f or violations. There were no penalties related to corporate governance. The detailed violations and fines are as follows</div> <table><tr><th>Unit: NTD</th><th colspan="3">Incidents Fined in 2023</th><th rowspan="3">Reason for Fines</th></tr><tr><th rowspan="2">Aspect</th><th>Item</th><th>2023 Violation</th><th>Previous Year Violation</th></tr><tr><th></th><th></th><th></th></tr><tr><td rowspan="2">Environment Related</td><td>Air Pollution Emissions</td><td>N/A</td><td>100,000</td><td>Penalty for Commencing Construction Prior to Obtaining a Permit for Taichung Plant Modification.</td></tr><tr><td>Waste Management</td><td>60,000</td><td>N/A</td><td>Discrepancies in Reported Data Quality.</td></tr><tr><td rowspan="2">Social Related</td><td>Occupational Health and Safety Related</td><td>360,000</td><td>N/A</td><td>1. The Heng-I hot air furnace fan's spindle and the electric motor's transmission chain lack protective covers, guards, and sleeves, posing a hazard to workers. 2. Uranus has not provided appropriate safety equipment for the working platform.</td></tr><tr><td>Building Law Related</td><td>225,000</td><td>939,337</td><td>1. Taichung Plant fined for starting construction without a permit. 2. Heng-I fined for starting construction without a permit.</td></tr><tr><td>Other</td><td></td><td>1,937</td><td>103,036</td><td>Fertilizer products failed to pass inspection.</td></tr><tr><td>Total Amount</td><td></td><td>646,937</td><td>1,142,373</td><td></td></tr><tr><td>Number of cases</td><td></td><td>7</td><td>8</td><td></td></tr></table>	Unit: NTD	Incidents Fined in 2023			Reason for Fines	Aspect	Item	2023 Violation	Previous Year Violation				Environment Related	Air Pollution Emissions	N/A	100,000	Penalty for Commencing Construction Prior to Obtaining a Permit for Taichung Plant Modification.	Waste Management	60,000	N/A	Discrepancies in Reported Data Quality.	Social Related	Occupational Health and Safety Related	360,000	N/A	1. The Heng-I hot air furnace fan's spindle and the electric motor's transmission chain lack protective covers, guards, and sleeves, posing a hazard to workers. 2. Uranus has not provided appropriate safety equipment for the working platform.	Building Law Related	225,000	939,337	1. Taichung Plant fined for starting construction without a permit. 2. Heng-I fined for starting construction without a permit.	Other		1,937	103,036	Fertilizer products failed to pass inspection.	Total Amount		646,937	1,142,373		Number of cases		7	8		GRI Standards 2-27 Compliance with laws and regulations.
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9	Chapter 4.4 Air Pollution Control	<div>■ CoreMax Groups Emission in 2023</div> <table><thead><tr><th>Company</th><th>VOC</th><th>Particulate matter</th><th>SOx</th><th>Unit: tons</th><th>NOx</th></tr></thead><tbody><tr><td>CoreMax</td><td>0.269</td><td>0.087</td><td>0.077</td><td>2.878</td><td></td></tr><tr><td>Uranus</td><td>0.089</td><td>0.038</td><td>0</td><td>1.278</td><td></td></tr><tr><td>Heng-I</td><td>1.250</td><td>1.061</td><td>2.796</td><td>1.742</td><td></td></tr><tr><td>Total</td><td>1.608</td><td>1.186</td><td>2.873</td><td>5.898</td><td></td></tr></tbody></table> <div>Note: The statistical source is the reporting data from the "Stationary pollution sources of information disclosure management platform".</div>	Company	VOC	Particulate matter	SOx	Unit: tons	NOx	CoreMax	0.269	0.087	0.077	2.878		Uranus	0.089	0.038	0	1.278		Heng-I	1.250	1.061	2.796	1.742		Total	1.608	1.186	2.873	5.898		<div>GRI Standards 305-7</div> <div>Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions.</div>																																																																		
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10	Chapter 5.2 Labor Relations	<div>■ Number of New Hires</div> <table><thead><tr><th></th><th>CoreMax</th><th>Uranus</th><th>Heng-I</th><th>Total</th><th>New Hire Rate</th></tr></thead><tbody><tr><td>Under 30 years old</td><td>4</td><td>23</td><td>1</td><td>28</td><td>6.50%</td></tr><tr><td>31-50 years old</td><td>14</td><td>51</td><td>6</td><td>71</td><td>16.47%</td></tr><tr><td>Over 51 years old</td><td>2</td><td>2</td><td>1</td><td>5</td><td>1.16%</td></tr><tr><td>Total</td><td>20</td><td>76</td><td>8</td><td>104</td><td>24.13%</td></tr><tr><td>Male</td><td>17</td><td>68</td><td>6</td><td>91</td><td>21.11%</td></tr><tr><td>Female</td><td>3</td><td>8</td><td>2</td><td>13</td><td>3.02%</td></tr><tr><td>Total</td><td>20</td><td>76</td><td>8</td><td>104</td><td>24.13%</td></tr></tbody></table> <div>Note: New hire employee rate in this category = number of new employees in this category in 2023/Total number of employees in 2023</div> <div>■ Number of Employee Turnover</div> <table><thead><tr><th></th><th>CoreMax</th><th>Uranus</th><th>Heng-I</th><th>Total</th><th>Turnover Rate</th></tr></thead><tbody><tr><td>Under 30 years old</td><td>10</td><td>16</td><td>1</td><td>27</td><td>6.26%</td></tr><tr><td>31-50 years old</td><td>33</td><td>44</td><td>10</td><td>87</td><td>20.19%</td></tr><tr><td>Over 51 years old</td><td>4</td><td>2</td><td>5</td><td>11</td><td>2.55%</td></tr><tr><td>Total</td><td>47</td><td>62</td><td>16</td><td>125</td><td>29.00%</td></tr><tr><td>Male</td><td>38</td><td>57</td><td>12</td><td>107</td><td>24.82%</td></tr><tr><td>Female</td><td>9</td><td>5</td><td>4</td><td>18</td><td>4.18%</td></tr><tr><td>Total</td><td>47</td><td>62</td><td>16</td><td>125</td><td>29.00%</td></tr></tbody></table> <div>Note: The employee turnover rate in this category = number of employees who left in this category in 2023/Total number of employees in 2023</div>		CoreMax	Uranus	Heng-I	Total	New Hire Rate	Under 30 years old	4	23	1	28	6.50%	31-50 years old	14	51	6	71	16.47%	Over 51 years old	2	2	1	5	1.16%	Total	20	76	8	104	24.13%	Male	17	68	6	91	21.11%	Female	3	8	2	13	3.02%	Total	20	76	8	104	24.13%		CoreMax	Uranus	Heng-I	Total	Turnover Rate	Under 30 years old	10	16	1	27	6.26%	31-50 years old	33	44	10	87	20.19%	Over 51 years old	4	2	5	11	2.55%	Total	47	62	16	125	29.00%	Male	38	57	12	107	24.82%	Female	9	5	4	18	4.18%	Total	47	62	16	125	29.00%	<div>GRI Standards 401-1</div> <div>New employee hires and employee turnover.</div>
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11	Chapter 3.5 Customer Relationship Management	<div>■ CoreMax Group places great importance on customer privacy and intellectual property rights. In addition to signing non-disclosure agreements with customers to protect their confidential information, the Group has also established internal standards to ensure the execution of business activities while preventing data leaks and protecting customer interests. Currently, the Group has implemented the "Personal Data Protection Management Measures" and the "Information System and Network Resources Usage Measures" to protect the Group's intellectual property, confidential information, and the personal data of customers and employees.</div> <div>■ In 2023, CoreMax Group did not receive any complaints regarding the violation of customer privacy or the loss of customer data.</div>	<div>GRI Standards 418-1</div> <div>Substantiated complaints concerning breaches of customer privacy and losses of customer data.</div>																																																																																																

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