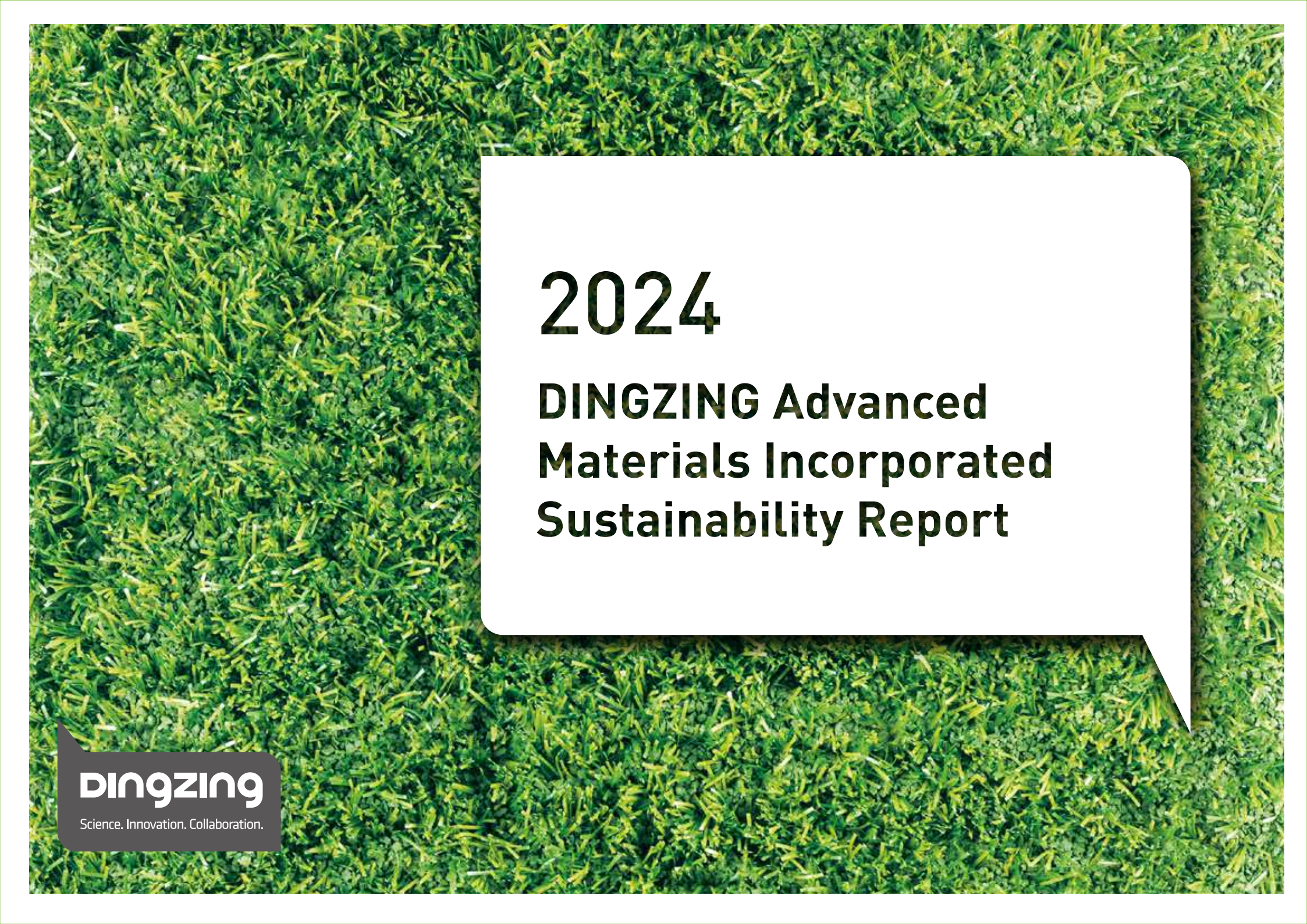




2024

DINGZING Advanced Materials Incorporated Sustainability Report

Dingzing

Science. Innovation. Collaboration.

00

Preface

About the Report	1
Message from the Chairman	2
Sustainability Performance Highlights	3

01

About DINGZING

1.1 Company Profile	5
1.2 Economic Performance	11

02

Corporate Sustainable Development

2.1 Sustainable Governance Framework	13
2.2 Material Topics Identification and Analysis	14
2.3 Stakeholder Identification and Communication	17

03

Responsible Corporate Governance

3.1 Corporate Governance	19
3.2 Compliance with Ethics, Integrity, and Anti-Corruption	25
3.3 Risk Management	28
3.4 Regulatory Compliance	33
3.5 Sustainable Supply Chain Management	34

CONTENTS



04 Product Research, Development and Innovation, and Customer Relationship Management

4.1	Product Safety	37
4.2	Sustainable Product Innovation	42
4.3	Customer Relationships	47

05 Environmentally Sustainable Operations

5.1	Climate Change Response	58
5.2	Energy and Greenhouse Gas Management	67
5.3	Air Pollution Prevention	71
5.4	Waste Management	72
5.5	Water Resources and Wastewater Management	74

06 Happy Workplace and Social Inclusion

6.1	Human Rights, Diverse and Inclusive Workplace	77
6.2	Talent Attraction and Retention	81
6.3	Career Development and Talent Cultivation	86
6.4	Occupational Health and Safety	90
6.5	Social Engagement	98

07 Appendix

Appendix 1	GRI Standards Index Table	85
Appendix 2	Disclosure of Climate-Related Information	91
Appendix 3	SASB Chemicals Industry Standards (Chemicals Sustainability Accounting Standard, Version 2023-12)	93
Appendix 4	DINGZING Advanced Materials Inc. Summary Table of Assurance Items in the 2024 Sustainability Report	96
Appendix 5	Independent Limited Assurance Report	97

About the Report

Editorial Principles

This Sustainability Report is published by DINGZING Advanced Materials Inc. (stock code: 6585) and has been prepared in accordance with the GRI Standards (2021) issued by the Global Reporting Initiative (GRI), as well as the Climate Related Information of TWSE Listed Companies and the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies.

Reporting Period	Scope of the Report	Report Assurance	Issue Time	Contact Information
The Report discloses the Company's sustainability performance for FY2024 (from January 1, 2024, to December 31, 2024). To ensure completeness and comparability of the information, certain data have been retrospectively included from 2023 or projected into 2025 to illustrate relevant trends and developments.	The financial data in the Report are consistent with the data boundary of DINGZING's parent company only financial statements for FY2024 and denominated in New Taiwan Dollars. The environmental and social performance covers the Company's Kaohsiung Office and the factories in Taiwan (Kaohsiung Plant and Pingtung Plant), and any inconsistency in the scope thereof is specifically explained within the Report. The data and information disclosed in the Report have been compiled by the relevant responsible units. The data and information have been collected, measured, and calculated in accordance with international or local laws and regulations, or by referencing industry standards and practices.	To ensure the quality of disclosed information, DINGZING engaged PwC Taiwan to perform limited assurance on selected key performance indicators in accordance with the ROC Accounting Research and Development Foundation's Assurance Standard No. 3000: Assurance Engagements Other than Audits or Reviews of Historical Financial Information. The independent assurance statement and summary of assured items are provided in the Appendix of the Report.	DINGZING will issue a sustainability report on a regular (annual) basis, and the report will be disclosed and made available for download on the Company's website. ◀◀ Previous issue date August 2024 ▶▶ Current issue date August 2025 ▶▶ Next scheduled issue date August 2026 (expected)	If you have any suggestions or questions about the Report, please feel free to contact us. Contact person Mr. Meng-Yang Chiu, Head of Corporate Governance Phone number 07-8070166 E-mail 6585@dingzing.com Official website www.dingzing.com

Message from the Chairman



Chairman Hsun-Tai Lin

In response to the global trend toward sustainable development, business operations can no longer be evaluated solely on the basis of financial performance—they must also consider long-term responsibilities to the environment, ecosystems, and society. As a dedicated TPU manufacturer, we at DINGZING recognize our critical role within the value chain and our environmental and social responsibilities. We are fully aligned with the goal of achieving net-zero carbon emissions by 2050. Therefore, guided by the principles of integrity and sound governance, we are steadily integrating ESG core values into our business operations to advance our sustainable development goals.

In terms of the environment, we continue to enhance energy efficiency and promote carbon reduction measures, including the implementation of activated carbon control equipment to mitigate operational impacts on air quality. Additionally, we have expanded the scope of our greenhouse gas inventory to cover our Taichung office, set carbon reduction targets, and formulated medium to long-term decarbonization plans. Looking ahead, we will continue to invest in new technologies, develop innovative materials, and introduce advanced manufacturing processes to proactively prepare for future transformation.

In terms of social responsibility, DINGZING prioritizes employee rights and workplace safety. We have established a human rights policy and grievance mechanisms, and we continue to maintain the validity of our ISO 45001 occupational health and safety management system. At the same time, we are actively strengthening communication and collaboration with suppliers, customers, and other stakeholders to promote shared growth across the value chain.

In terms of corporate governance, we uphold integrity as our core principle. We have reinforced our internal controls and risk management mechanisms and continuously enhance transparency and effective governance. This year, we commissioned PwC Taiwan to conduct limited assurance of our sustainability report for the first time. Through third-party review and verification, we aim to bolster the report's credibility and solidify stakeholders' trust in our sustainability efforts.

The Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. It adopts the disclosure topics recommended by the Sustainability Accounting Standards Board (SASB) and also references the Task Force on Climate-related Financial Disclosures (TCFD) framework. By aligning with international standards, we aim to enhance the quality and comprehensiveness of our disclosures and further align with global sustainability trends.

Looking ahead, DINGZING will continue to strengthen our ESG management system and deepen our sustainable governance practices. We will fulfill our commitments to environmental responsibility, social accountability, and transparent governance through tangible actions, and in doing so, we will progress steadily toward a new chapter in sustainable management.

Sustainability Performance Highlights



Governance

- A total of 5 board meetings were held in 2024, with the average actual attendance rate of directors reaching 95%.
- There were no confirmed or reported incidents of corruption or violations of ethical corporate management in 2024.
- There were 0 cases of material violations of laws and regulations resulting in payment of significant fines.
- The average number of training hours for directors met the statutory requirements.
- There were 0 cases of complaints regarding lost or leaked client information or infringement of privacy rights.
- Conducted third-party assurance of the sustainability report to enhance the quality of sustainability information.



Environment

- Continued to maintain the validity of the ISO 14001 environmental management system.
- Conducted the greenhouse gas inventory in accordance with ISO 14064-1:2018.
- Invested NT\$4,860,000 in replacing old equipment with energy-efficient units and diesel-powered forklifts with electric models.
- Installed solar power generation equipment with carbon reduction benefits equivalent to the annual carbon absorption of 2.04 Da'an Forest Parks.
- No violations of environmental regulations were recorded during the reporting year.



Employee / Social

- Continued to maintain the validity of the ISO 45001:2018 occupational safety and health management system.
- There were 0 cases of labor disputes arising from human rights or workplace diversity and inclusion issues.
- A total of 461 hours of employee training were conducted during the year.
- Employee turnover rate decreased by 1.38% compared to the previous year.
- A total of 851 hours of occupational health and safety training were conducted in 2024, with 213 total attendances recorded.



Products

- Sales of environmentally friendly materials accounted for 100% of sales.
- Continued to maintain the validity of the ISO 9001 certification, OEKO-TEX certification, and GRS certification to ensure that product quality meets international standards.
- Obtained IATF 16949 global automotive industry quality management system certification.
- Products are compliant with REACH and RoHS regulations.

Note: Based on the Ministry of Agriculture's calculation that each hectare of forest can absorb 15 metric tons of carbon per year, Da'an Forest Park (25.8 hectares) can absorb 384.6 metric tons of carbon per year.

01

About DINGZING

1.1	Company Profile	5
1.2	Economic Performance	11

1.1 Company Profile

1.1.1 Organizational Overview

DINGZING Advanced Materials Incorporated (hereinafter referred to as “DINGZING”, “the Company”, or “we”) was established in 1981 and listed on the Taiwan Stock Exchange in May 2022. The Company’s main business is the application development of TPU (Thermoplastic Polyurethane). Chairman Hsun-Tai Lin founded the Company in Kaohsiung, Taiwan, and by upholding the three core values of “Science, Innovation, and Collaboration” (S.I.C.) as well as the concept of environmental sustainability, he expanded the Company from a TPU oil seal production line to become Asia’s first manufacturer of environmentally friendly TPU materials.

TPU is an innovative material that can be naturally decomposed over time and has malleable and recyclable characteristics. The product is free of plasticizers and harmful solvents, so no pollution is generated during production, manufacturing, and usage. DINGZING maintains its commitment to product innovation and quality by stationing its corporate headquarters and production factories in Taiwan and establishing R&D centers and product testing laboratories within the factories to ensure that the highest levels of product quality are maintained. Additionally, the production environment has been certified by international systems such as ISO 9001, ISO 14001, ISO 45001, and ISO 14064, thereby establishing a continuously refined management mechanism for the Company’s business operations to strengthen corporate resilience and move toward sustainable management.

DINGZING’s overall operational strategy is to master the one-stop model of R&D and production so that it can swiftly respond to and satisfy demands for high levels of customization, which has greatly enhanced the Company’s competitive edge and product stability. Compared to polymer materials such as PVC, TPU is inherently more flexible and does not require additional plasticizers or other additives, thereby minimizing environmental impact and facilitating its use in wide-ranging applications across multiple industries. Influenced by the rising awareness of environmental sustainability and increased legal and regulatory restrictions on PVC and other materials, DINGZING’s main product TPU—a material with the advantages and characteristics of being environmentally friendly, non-toxic, and recyclable—has gradually been recognized by various businesses and industries. Well-known brands, manufacturers, and design companies around the world—all seeking opportunities for the development and application of new products—have maintained close cooperation with DINGZING, and the demand for TPU has been growing year by year. DINGZING expects to become the world’s largest TPU R&D and manufacturing company as well as the industry leader in the development of environmentally friendly material applications.



Video profile of DINGZING

🔍 Basic Company Information

Company's Full Name / DingZing Advanced Materials Incorporated

Company's Abbreviated Name / DingZing

Date of Establishment / 1981

Stock Code / 6585

Listing Date / May 20, 2022

Industry Sector / Other (TWSE)

Capital Amount / NT\$714 million (as of December 2024)

Corporate Headquarters / No. 8-1, Beilin Road, Xiaogang District, Kaohsiung, Taiwan

Chairman / Hsun-Tai Lin

President / Keng-Hsien Lin

Main Product Items / TPU film, TPU seals, TPU tubing and strips

🔍 Basic Company Information

Head Office / No. 8-1, Beilin Road, Xiaogang District, Kaohsiung, Taiwan

Pingtung Branch / No. 10, Yuandong Street, Pingtung City, Pingtung County

Kaohsiung Plant / No. 8-1, Beilin Road, Xiaogang District, Kaohsiung, Taiwan

Pingtung Plant / No. 10, Yuandong Street, Pingtung City, Pingtung County

Sales Offices / Guangdong and Shanghai, **China**

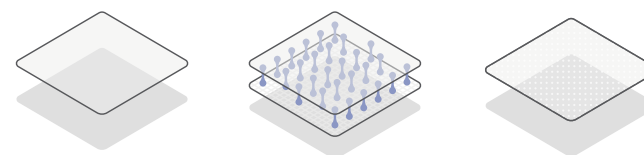
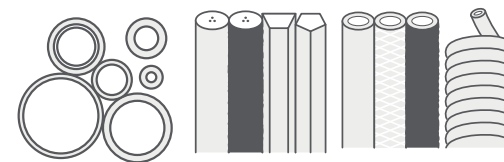
Ho Chi Minh City, **Vietnam**

New Jersey, **USA**

Düsseldorf, **Germany**

Corporate History

- 1981** |
- Established under the name “Ding Zing Chemical Industrial Co., Ltd.”
 - Began exporting sealing products to distributors and OEMs worldwide under the proprietary brand DING ZING DZ.
- 1982** | Launched production lines for pneumatic tubes and conveyor belts.
- 1984** | Began exporting pneumatic tubes and conveyor belts to Japan under our own brand, with applications in pneumatic tools, food processing, and medical logistics.
- 1989** | Established TPU film production line and expanded manufacturing operations.
- 1994** | Successfully developed the Company’s first TPU waterproof and breathable membrane.
- 2004** | Obtained ISO 14001 certification.
- 2008** | Obtained ISO 9001 certification.
- 2011** | Collaborated with a German automotive brand to jointly develop in-seat airbag systems that enhance driver comfort.
- 2012** |
- To strengthen the Company’s commitment to innovation, the 30-year-old corporate identity and logo were revamped, and the three core values (Science, Innovation, and Collaboration) were further embedded into DINGZING’s corporate culture.
 - Formally entered the medical sector and co-developed a breathable waterproof adhesive bandage with a well-known healthcare products company.
 - Initiated R&D of bio-based TPU films and applied for U.S. Food and Drug Administration (FDA) certification.
 - Established DING ZING POLYURETHANE EUROPE B.V. through investment.
- 2013** |
- Successfully developed in-house composite materials combining TPU with various substrates, which facilitated expansion into diverse application areas.
 - The Company’s bio-based TPU film was adopted by a globally renowned ski manufacturer for use in its products.
 - Acquired 100% equity in Shanghai Dingspecial Trading Co., Ltd. via LINDFORD & LINDFORD INVESTMENT INC.
 - Established DING ZING POLYURETHANE EUROPE B.V. through investment.



Corporate History

- | | |
|-------------|---|
| 2015 | <ul style="list-style-type: none"> Received the 3rd “Rising Star Award” from the Industrial Development Bureau, Ministry of Economic Affairs. Renamed the company “DINGZING Advanced Materials Inc.” |
| 2016 | <ul style="list-style-type: none"> Approved as a public company by the Taipei Exchange (TPEX). Established the Company’s Compensation Committee and Audit Committee. Listed on the TPEX Emerging Stock Board. |
| 2017 | <ul style="list-style-type: none"> The Company restructured its investment in the Mainland China companies Dongguan Dingli Polyurethane Trading Co., Ltd. and Shanghai Dingspecial Trading Co., Ltd. by replacing the original indirect investment arrangement (made via LINFORD & LINFORD INVESTMENT INC., a Brunei-based entity) with direct investment and ownership by the Company. Established the U.S. holding company DINGZING ADVANCED MATERIALS USA, INC. and the New Jersey-based subsidiary DINGZING ADVANCED MATERIALS USA LLC. |
| 2018 | Established the Vietnam subsidiary, DINGZING ADVANCED MATERIALS VIETNAM COMPANY LIMITED. |
| 2020 | Established the Pingtung Branch Office. |
| 2021 | <ul style="list-style-type: none"> Established the Pingtung Plant. Capital injection into the U.S. holding company DINGZING ADVANCED MATERIALS USA, INC. (DZ_DE) via 100%-owned Cayman holding company DINGZING ADVANCED MATERIALS INCORPORATED (KY), followed by indirect investment of US\$1 million into DINGZING ADVANCED MATERIALS USA LLC. |
| 2022 | <ul style="list-style-type: none"> Received TWSE listing approval on January 21. Listed on the Taiwan Stock Exchange on May 20. |
| 2023 | Established the German subsidiary DINGZING ADVANCED MATERIALS EUROPE GmbH. |
| 2024 | Established the Company’s Sustainable Development Committee. |



1.1.2 Products & Services

DINGZING is principally engaged in the research and development, production, and sale of TPU. The Company's main products include TPU films, TPU seals, and TPU hoses and tubes. Relevant products and applications are described in the table below.

DINGZING's Product Categories and Application Fields :

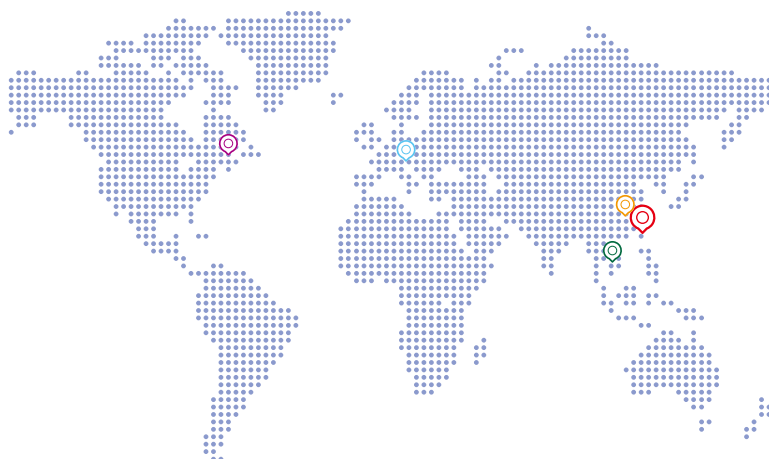
	TPU Films	TPU Seals	TPU Hoses and Tubes
Product Categories			
Product Characteristics	The production line uses various TPU granules to make products through extrusion, blowing, and other manufacturing processes. Due to their airtight and completely waterproof properties, TPU films are widely used in various airbag and water pack products; they can also be bonded to materials that require these properties (e.g., woven fabrics).	TPU seal products are made from TPU granules by using an injection molding process. These thermoplastic materials have rubber-like characteristics: demonstrating the high elasticity of rubber at room temperature and plasticizing into a high-polymer material at high temperatures.	TPU hoses and tubes are produced by extruding TPU granules. These polymer materials have a high elongation rate, good hydrolysis resistance, microbial resistance, and excellent mechanical properties of tensile strength and tear resistance.
Application Fields	Currently, these products are widely used in apparel, bedding, and accessories (ready-made clothes, footwear, home decorations); leisure and sporting goods (tents, balls and other outdoor products and equipment); the automotive industry (inflatable airbags for car seats, automotive paint protection film); consumer electronics (substrates for components or spare parts and components for devices, protective films); and other items (e.g., blood bags and other medical supplies).	These products are marketed globally under the Company's own brand name, DINGZING DZ®, and are mainly used in hydraulic cylinders for heavy-duty machinery and tooling machines.	These products are mainly used in industrial pneumatic systems, drinking tubes for outdoor hydration packs, etc.
Volume (metric tons)	727	7	34

In 2024, the percentage of annual product revenue by product category was : 91.37% for TPU films, 5.04% for TPU seals, 3.48% for TPU hoses and tubes, and 0.11% for other products. TPU film was the main product line, with primary applications in three major categories: automotive, medical, and outdoor products.

1.1.3 Principal Locations of Operation

DINGZING's production bases and R&D centers are located in Taiwan, with its headquarters located in Linhai Industrial Park in Siaogang District, Kaohsiung City, and two production plants in Kaohsiung and Pingtung. Sales offices are located in China, the United States, Europe, and Vietnam, enabling the Company to swiftly respond to market demands and provide clients with innovative and quality service solutions. DINGZING's products are commonly used in consumer, professional, and industrial products, with applications spanning the ready-made clothes and footwear, medical, large-scale industrial, consumer electronics, and environmental protection markets. Due to the wide range of product applications, the market for the Company's services continues to expand, reaching across the globe.

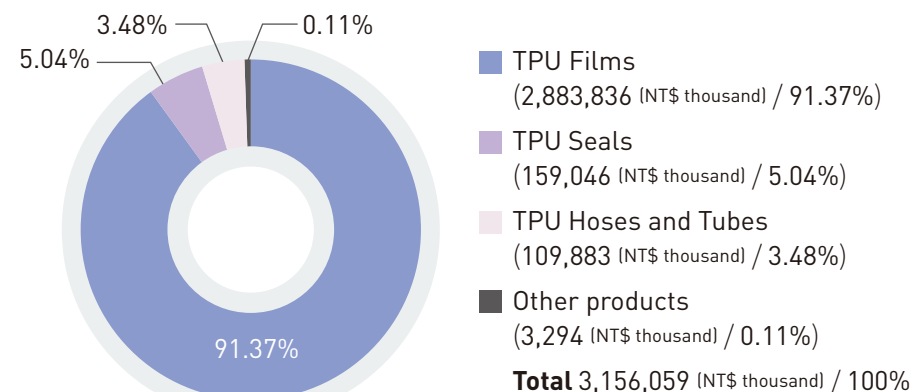
Map of DINGZING's Operating Locations :



📍 Taiwan (Headquarters and R&D / Manufacturing Base in Kaohsiung)

📍 China 📍 Vietnam 📍 United States 📍 Germany

Product Sales Percentages by Major Product Category :



Note : The total revenue for each product category represents revenue from contracts with customers (net of variable consideration), constituting the Company's operating revenue.

1.1.4 Membership in Guilds and Associations

DINGZING joins relevant industry guilds and associations to understand the latest international trends as well as the related risks and opportunities. In 2024, DINGZING participated in the following guilds and associations as a member :

Number	Name of the Guild or Association	Membership
1	Taiwan Rubber & Elastomer Industries Association	Member
2	Kaohsiung Linhai Industrial Park Manufacturers' Association	Member
3	Kaohsiung Chamber of Industry	Member
4	Taiwan Fluid Power Association	Member

1.2 Economic Performance

To facilitate the strategic development of the enterprise and enrich working capital, DINGZING was listed on the Taiwan Stock Exchange in May 2022, and the paid-in capital reached NT\$714 million in December 2024. The Company's revenue has shown steady growth over the past 3 years, reaching NT\$3.128 billion in 2024, with earnings per share (EPS) of NT\$10.44.

The Company is currently in the expansion phase and aims to effectively enhance its industrial competitiveness through improved vertical integration. From 2020 to 2022, DINGZING continuously expanded its production line facilities and operational scale, while carrying out vertical integration of its industry supply chain. As a result, retained economic value was negative in 2022, turned positive in 2023, and grew significantly in 2024.

Financial results for the past 3 years :

Item	2022	2023	2024
Direct Economic Value Generated	2,515,614	2,689,055	3,165,927
Operating income	2,473,159	2,646,550	3,127,884
Interest income	2,580	7,823	14,628
Operating income	14,734	14,102	20,498
Investment income	25,141	20,580	2,917
Direct Economic Value Distributed	2,943,294	2,581,204	2,946,936
Operating costs	1,688,673	1,566,292	1,623,193
Employee salaries and benefits	547,543	575,854	661,339
Payments to investors	229,140	234,065	300,009
Payments to the government	54,948	67,586	178,101
Community investments	443,432	137,407	184,294
Economic Value Retained	-427,680	107,851	218,991

Unit: NT\$1000

02

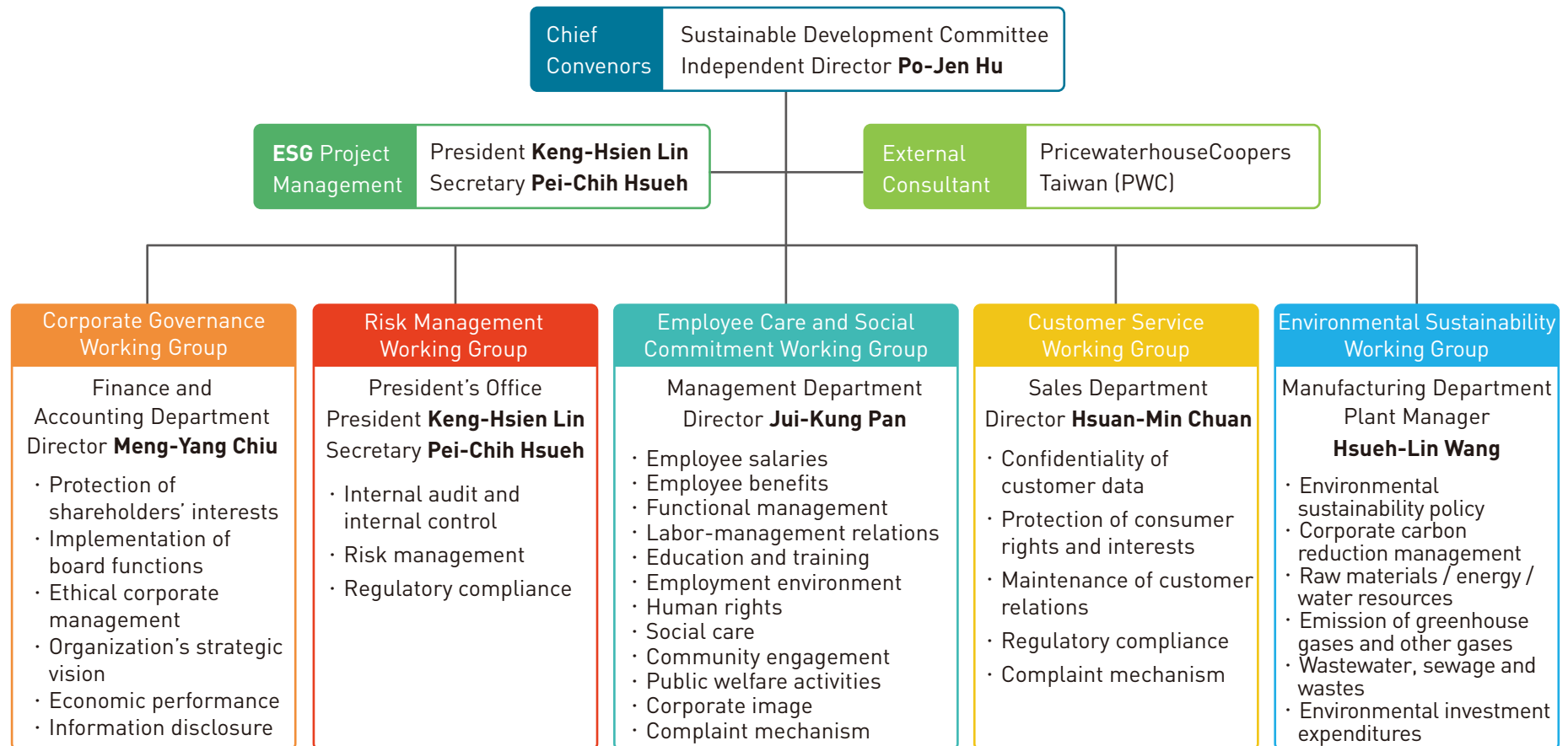
Corporate Sustainable Development

- 2.1 Sustainable Governance Framework 13
- 2.2 Material Topics Identification and Analysis 14
- 2.3 Stakeholder Identification and Communication 17

2.1 Sustainable Governance Framework

In December 2024, DINGZING established the Sustainable Development Committee as the top organization for promoting corporate sustainability, with Independent Director Po-Jen Hu serving as the chief convener. The Sustainable Development Committee has set up five working groups based on management issues and aspects, including corporate governance, risk management, employee care and social commitment, customer service, and environmental sustainability. Each working group convenes meetings regularly (every 6 months) to review the effectiveness of its implementation of sustainability projects, respond to the needs and expectations of stakeholders, and formulate sustainability strategies. The working groups report their sustainability performance and strategic goals to the Board of Directors on a quarterly basis to ensure the proper promotion of DINGZING's sustainability strategy.

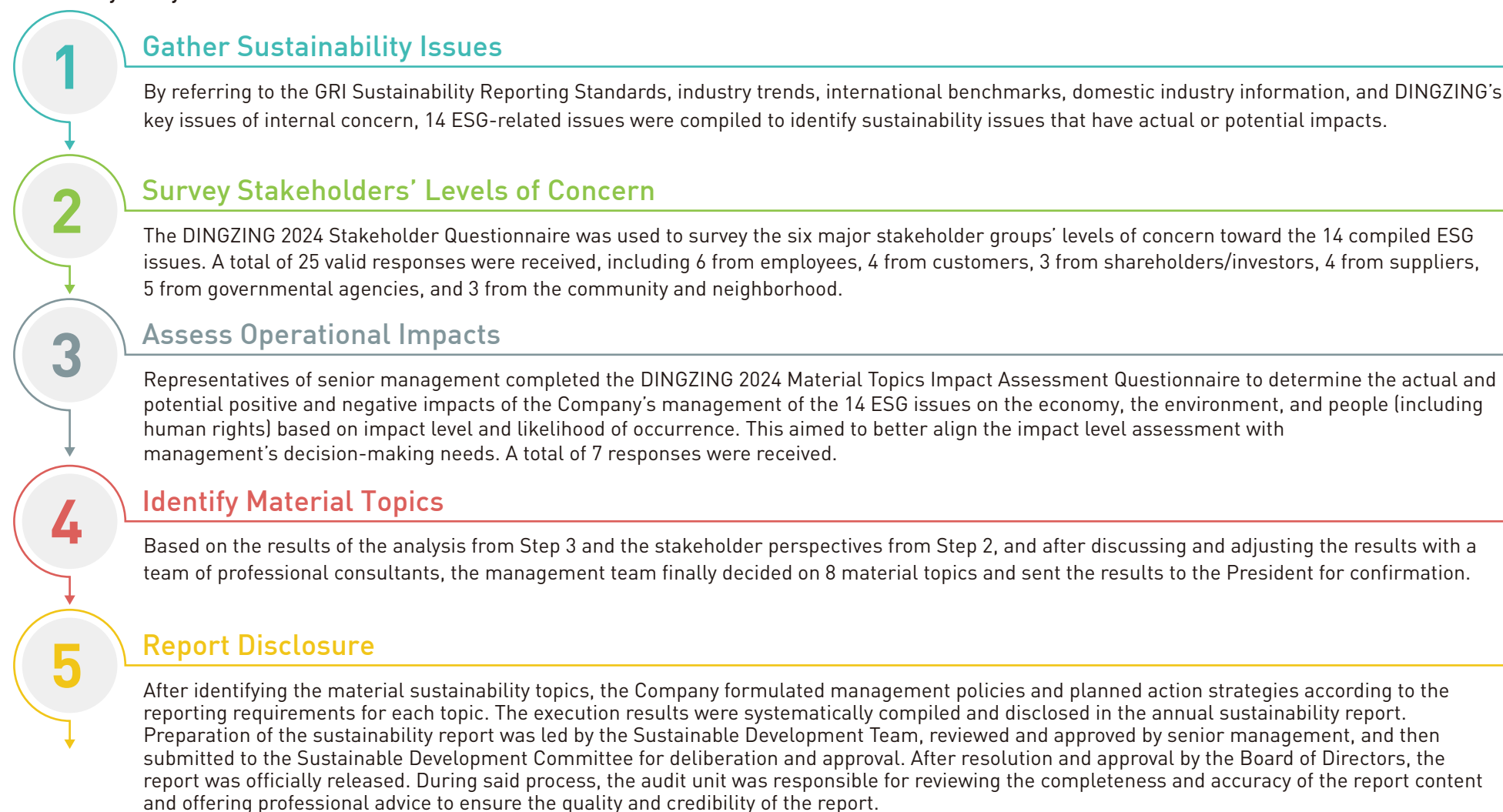
DINGZING's Sustainable Governance Framework :



2.2 Material Topics Identification and Analysis

DINGZING follows the GRI Sustainability Reporting Standards to assess and analyze relevant environmental, social, and governance (ESG) issues that have a material impact on the Company and determine which material topics the Company should focus on, while setting sustainability goals and communicating its sustainability progress to stakeholders. In light of regulatory developments and industry trends, DINGZING has conducted a renewed Material Topics Identification this year. The materiality analysis process and the list of material topics are presented in the table below.

Materiality Analysis Process :



Internal Impact Assessment Results

In this year's materiality assessment, the top five ESG issues identified through the internal impact assessment and the top five ESG issues identified through the stakeholder survey were selected as material topics. Considering the nature of the topics and DINGZING's internal management framework, Energy Management and Greenhouse Gas Management were consolidated, as were Diverse and Inclusive Workplace and Human Rights. Moreover, given the strategic importance of Sustainable and Innovative Products to the Company's business development, this topic was also included as a material topic for this year. In view of limited corporate time and resources, the discussion focused on the issues that DINGZING's current management system either emphasized or wished to strengthen, with the expectation that the process of compiling the sustainability report would refine relevant management procedures and guide future management strategy development.

Analysis results of DINGZING's material topics :

Priority	Material Topic
1	Product Quality and Safety
2	Energy and Greenhouse Gas Management
3	Climate Change Adaptation
4	Diversity, Inclusion, and Human Rights Protection
5	Occupational Health and Safety
6	Talent Attraction and Retention
7	Ethical Business Practices
8	Sustainable and Innovative Products

Priority	General Issue
9	Social Participation
10	Waste Management
11	Supply Chain Management
12	Water Resources, Wastewater and Sewage Management

2024 List of DINGZING's Material Topics :

Aspect	Material Issue	Impact of Issue	Corresponding Section
E	Climate Change Adaptation	Understanding the factors that may affect the Company's operations due to climate change, such as droughts, floods, increased customer demand for sustainable products, and rising raw material costs will facilitate proactive responses to ensure business continuity.	5.1 Climate Change Adaptation
E	Energy and Greenhouse Gas Management	Implementing measures to improve the energy structure or other carbon reduction actions to reduce greenhouse gas emissions will help mitigate the Company's negative impact on climate change.	5.2 Energy and Greenhouse Gas Management
S	Diversity, Inclusion, and Human Rights Protection	With ESG gaining global attention, human rights and workplace diversity have become unavoidable business topics. Comprehensive human rights management fosters a workplace culture of respect and equality, preventing further human rights violations.	6.1 Human Rights, Diversified and Inclusive Workplace
S	Talent Attraction and Retention	In view of Taiwan's labor shortage due to the declining birthrate, coupled with the magnetic effect of the technology industry on talent, talent attraction and retention has become increasingly important. The Company endeavors to avoid talent loss, which can lead to a knowledge gap within the Company, and it strives to enhance its competitiveness within the industry.	6.2 Talent Attraction and Retention
S	Occupational Health and Safety	Providing employees with a safe and healthy work environment strengthens health management for employees, which in turn maintains the Company's competitiveness.	6.4 Occupational Health and Safety
G	Ethical Business Practices	Ethical business practices and legal compliance are fundamental corporate social responsibilities. A strong ethical culture can enhance stakeholder trust, secure stakeholder support, and reduce the likelihood of illegal activities.	3.2 Ethical Conduct and Anti-Corruption
Product	Product Quality and Safety	To ensure that the Company's products continue to meet and exceed customers' expectations, DINGZING has established a sound quality management system to build customer trust, and it continuously controls the use of hazardous substances during the product life cycle to avoid causing harm to the environment and human rights.	4.1 Product Quality and Safety
Product	Sustainable and Innovative Products	With over 40 years of experience in the TPU industry, DINGZING continues to expand the application of TPU materials, introducing high-value products to meet core customer needs. This enhances the Company's competitiveness while helping clients achieve their environmental goals.	4.2 Sustainable and Innovative Products

2.3 Stakeholder Identification and Communication

In order to connect with issues of stakeholder concern and communicate with stakeholders more effectively, DINGZING identified stakeholders in accordance with the five principles of stakeholder engagement: Dependency, Responsibility, Influence, Diverse Perspectives, and Tension. On the basis of these principles, six categories of stakeholders were comprehensively identified: employees, customers, suppliers, shareholders/investors, government agencies, and community neighbors. Additionally, a questionnaire survey on stakeholder concerns was conducted for the aforementioned six categories of stakeholders to understand each stakeholder's level of concern toward various issues. The 25 questionnaires collected in 2024 were used for this year's analysis. Stakeholder engagement activities conducted in 2024 were reported to the Board of Directors on December 24, 2024.

Stakeholders	Material Topics of Concern	Communication Channels	Frequency of Communication
Employees	Diversity, Inclusion, and Human Rights Protection;	Employee satisfaction survey	Once a year
	Occupational Health and Safety;	Management director's mailbox and hotline	Year round
	Talent Attraction and Retention	The Company's internal social media platform and bulletin boards	Year round
Customers	Product Quality and Safety	Mail, phone calls, or visits from dedicated sales staff	Periodically
	Sustainable and Innovative Products	The Company's website	Year round
	Energy and Greenhouse Gas Management	Customer visits, certification, and audits	Periodically
Suppliers	Product Quality and Safety	Technical seminars	Periodically
	Supply Chain Management	Phone calls or mail from the dedicated purchasing agent	Year round
	Waste Management	Supplier visits, certification, and audits	Periodically
Shareholders / Investors	Ethical Business Practices	Annual reports and annual general shareholders meetings	Once a year
	Climate Change Adaptation	The Company's website and the Market Observation Post System	Year round
	Energy and Greenhouse Gas Management	Investors' hotline and mailbox	Year round
	Sustainable and Innovative Products	Visits to corporate shareholders	Periodically
Government Agencies	Ethical Business Practices	Supervision and audit mechanisms by various government agencies	Periodically
	Energy and Greenhouse Gas Management	Official correspondence	Periodically
	Waste Management		
	Water Resources, Wastewater and Sewage Management	Filing review and on-site inspections	Periodically
Communities and Neighborhoods	Energy and Greenhouse Gas Management	Various activities organized by community associations	Periodically
	Water Resources, Wastewater and Sewage Management		
	Waste Management		
	Social Participation	Visits from dedicated personnel	Periodically

03

Responsible Corporate Governance

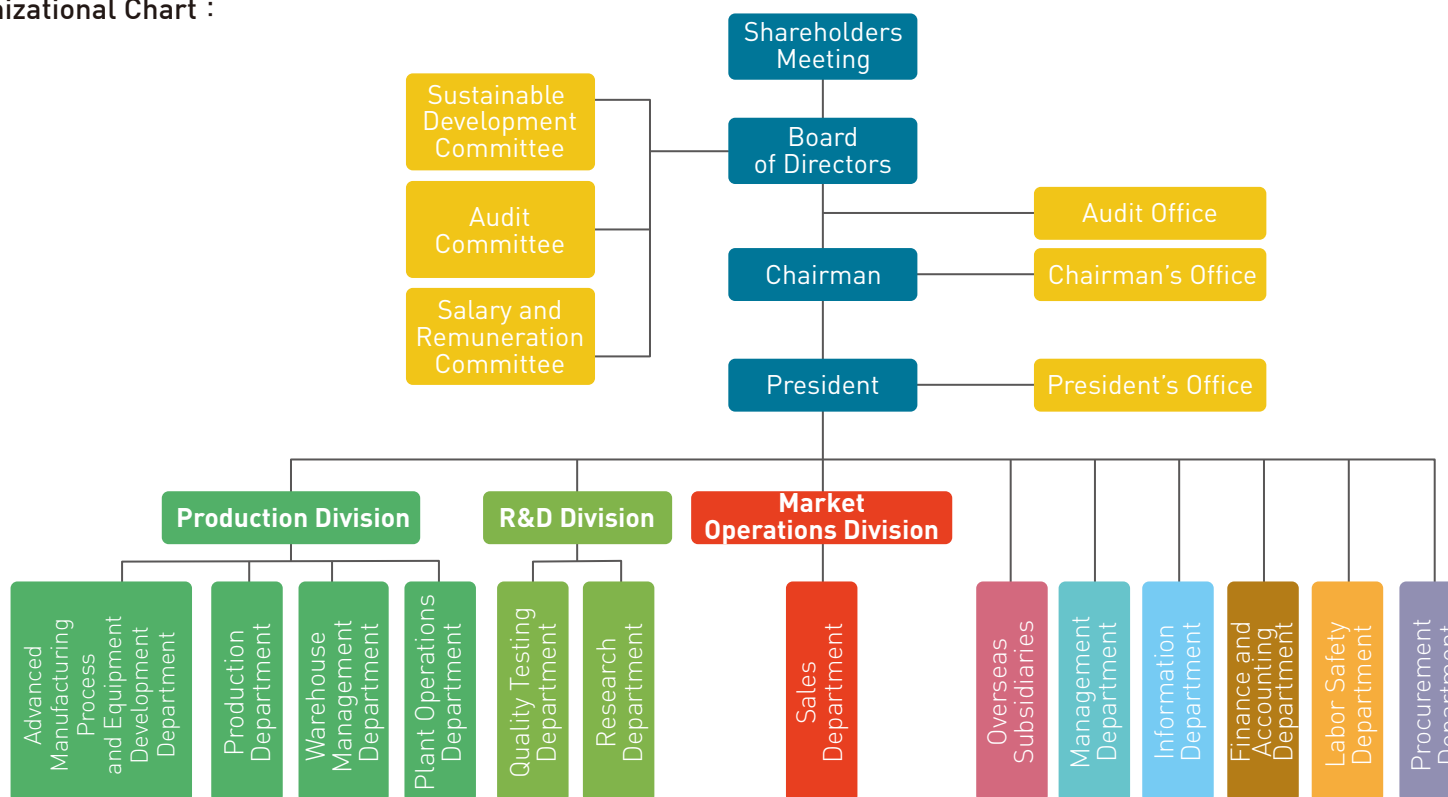
3.1	Corporate Governance	19
3.2	Compliance with Ethics, Integrity, and Anti-Corruption	25
3.3	Risk Management	28
3.4	Regulatory Compliance	33
3.5	Supply Chain Management	34

3.1 Corporate Governance

3.1.1 Corporate Governance Framework

DINGZING firmly believes that a sound and transparent governance framework is the foundation for sustainable business operations. To this end, DINGZING has established a rigorous and effective corporate governance framework, which includes: the shareholders meeting, the Board of Directors, the Salary and Remuneration Committee, the Audit Committee, and the Audit Office. Additionally, the Company established a Sustainable Development Committee at the end of 2024 to assist the Board of Directors in advancing the Company's sustainability agenda. The Board of Directors is the highest governance unit of the Company and the unit that makes major business decisions. The Board of Directors convenes meetings regularly in accordance with the Company Act and the Securities and Exchange Act, and it has formulated the Corporate Governance Best Practice Principles and related governance guidelines, such as the Code of Ethical Conduct, the Ethical Management Principles, the Procedural Rules for Board of Directors Meetings, and the Sustainable Development Best Practice Principles, in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies. The management team consists of the President, the Plant Manager, the Chief Inspector, the Division Heads, the Chief Financial Officer, and other relevant management units.

DINGZING's Organizational Chart :



3.1.2 Board of Directors Selection and Compositional Diversity

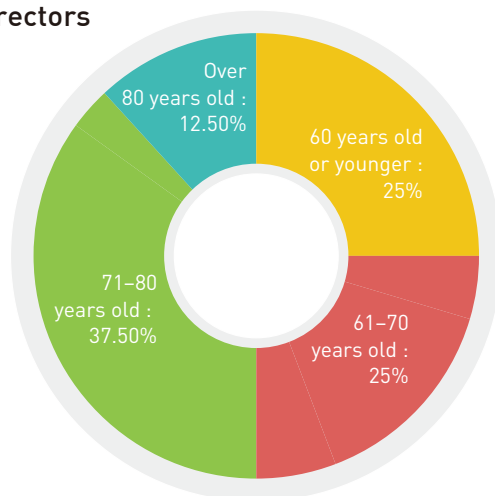
The Board of Directors is the highest governance and operational decision-making unit of the Company. Its main responsibilities are to formulate the Company's various management rules in accordance with the law, plan operational policies, and report to the shareholders meeting. To strengthen corporate governance and promote the sound development of the Board's composition and structure, DINGZING carefully considers the diversification of the Board of Directors based on industry characteristics and its future development strategy. The Company has adopted a candidate nomination system in accordance with the Regulations Governing the Election of Directors, whereby shareholders elect directors from a list of candidates. The qualifications and conditions of each candidate are reviewed beforehand to ensure that Board members possess multiple and complementary competencies across industry sectors, including basic conditions and value (e.g., age, nationality, and culture), professional knowledge and skills (e.g., accounting, industry, and finance), professional background and industry experience, as well as the ability to make business judgments, operate and manage businesses, make leadership decisions, deal with crises, etc.

In 2024, DINGZING had a total of eight directors (including four independent directors) and held five Board of Directors meetings, with an average actual attendance rate of 95%. Among the directors, Chairman Hsun-Tai Lin and Director Keng-Hsien Lin are father and son, Director Po-Jen Liang and Director Keng-Hsien Lin are father-in-law and son-in-law, and three directors are spouses or relatives within the second degree of consanguinity or affinity; therefore, one additional independent director has been elected to the Board. More than half of the directors do not concurrently have the status of employees or management personnel.

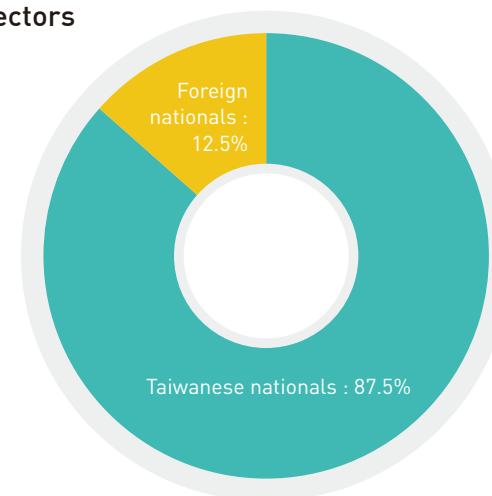
The Company's Procedural Rules for Board of Directors Meetings include stipulations to prevent conflicts of interest. A director who has a stake in any matter put before the Board of Directors, either personally or as the representative of a legal entity, shall explain the reasons for the conflict of interest at the Board meeting concerned; if there is any risk of harming the Company's interests, the director concerned shall recuse themselves from discussion and voting on the matter and shall not represent other directors in exercising their voting rights. For details of recusal from motions involving conflicts of interest in 2024, please refer to the Company's official website and annual report.

Diversity of DINGZING's Board of Directors in 2024 :

Age of Directors



Nationality of Directors



Discussion of Major Proposals in 2024

Category	Communication Method & Frequency	Discussion Topics	Number of Discussions for Major Events in 2024
Governance Aspect	Convene board meetings / At least once per year	1. Proposal for the assessment of the effectiveness of the Company's internal control system and the Statement on Internal Control. 2. Proposal to amend the Company's internal control system. 3. Proposal to amend the Company's Operational Procedures for Self-Assessment of the Internal Control System. 4. Proposal to amend the Company's Corporate Governance Best Practice Principles.	Total of 4 times during the year
Economic Aspect	Convene board meetings / At least once per year	1. Proposal for the Company's annual budget. 2. Proposal for cash dividend distribution. 3. Proposals for annual and quarterly financial statements, along with other finance-related matters.	Total of 4 times during the year
Environmental Aspect	Convene board meetings / At least once per year	1. Report on the scheduling plan for greenhouse gas inventory and verification. 2. Report on the progress of greenhouse gas inventory.	Total of 4 times during the year

3.1.3 Operation of Functional Committees**I. Audit Committee**

The Audit Committee was established on August 15, 2016. It consists of all the independent directors and convenes at least one meeting per quarter in accordance with the Audit Committee Charter. It is responsible for assisting the Board of Directors in fulfilling its responsibility of overseeing the quality and integrity of the Company's execution of relevant accounting, auditing, and financial reporting processes and controls. In 2024, the Audit Committee convened a total of five meetings, with the attendance rate of committee members reaching 95%.

II. Salary and Remuneration Committee

The Salary and Remuneration Committee was established by a resolution of the Board of Directors on August 15, 2016, and consists of all the independent directors in accordance with the Salary and Remuneration Committee Charter. It is primarily in charge of assisting the Board of Directors in the implementation and evaluation of overall salary, remuneration, and benefits, as well as remuneration of directors and managers. In 2024, the Salary and Remuneration Committee convened a total of three meetings, with the attendance rate of committee members reaching 92%.

III. Sustainable Development Committee

The Sustainable Development Committee was established by a resolution of the Board of Directors on December 24, 2024. Its members include independent directors Po-Jen Hu, Kuo-Bin Su, Shun-Tien Chen, and Ming-Feng Chang. The Sustainable Development Committee Charter was established to define the Committee's primary role in assisting the Board in promoting corporate sustainability. In 2024, the Sustainable Development Committee convened one meeting, with the attendance rate of committee members reaching 100%.

3.1.4 Continuing Education for Directors

In 2024, all directors of the Company achieved the goal of completing at least 6 hours of annual training in accordance with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies. The average number of training hours for directors in 2024 met the statutory requirements. The topics of the courses included "Business Management Mindset from CSR to ESG", "The Era of Digital Economy", and "How Can Companies Innovate and Break Through Profitability?". The status of continuing education for each director can be found in the 2024 Annual Report, which can be downloaded from DINGZING's official website (<http://www.dingzing.com>) or from the Market Observation Post System (mops.twse.com.tw).



DINGZING's 2024
Annual Report



DINGZING's
Corporate Governance
Information

3.1.5 Performance Evaluation of the Board of Directors and Functional Committees

In order to strengthen its corporate governance functions and the effectiveness of its Board of Directors, DINGZING has formulated the Management Guidelines for Performance Evaluation of the Board of Directors and Functional Committees in accordance with Article 37 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies. These guidelines establish a self-assessment mechanism for the Board of Directors and functional committees and require an internal performance evaluation of the Board of Directors at the end of each year. The evaluation covers the operation of the Board of Directors as a whole, as well as the performance of individual Board members and functional committees. The results of the Board of Directors' 2024 performance evaluation were reported to the Board of Directors on March 4, 2025; the overall operation of the Board of Directors was found to be satisfactory, and the evaluation results were all in line with the assessment criteria. The Company will continue to strengthen its evaluation mechanism to enhance the effectiveness of corporate governance and create diversified value for stakeholders.

Measurement Items for the Performance Evaluation of Board Members

- Mastery of the Company's objectives and missions.
- Recognition of director responsibilities.
- Level of participation in the Company's operations.
- Internal relationship management and communication.
- Professionalism and continuing education of directors.
- Internal controls.

Measurement Items for the Performance Evaluation of the Board of Directors as a Whole

- Level of participation in the Company's operations.
- Selection and continuing education of directors.
- Enhancing the quality of Board decision making.
- Internal controls.
- Board composition and structure.

Measurement Items for the Performance Evaluation of Functional Committees

- Level of participation in the Company's operations.
- Recognition of functional committee responsibilities.
- Enhancing the quality of decision making in functional committees.
- Internal Controls.
- Composition and selection of functional committee members.

3.1.6 Remuneration of Directors and Managers

The remuneration of each of DINGZING's directors is determined by the Salary and Remuneration Committee in accordance with the Company's Articles of Incorporation as well as the Management Guidelines for Remuneration of Employees, Directors, and Functional Committee Members passed by the Salary and Remuneration Committee. The Remuneration Committee evaluates each director's performance, takes into account prevailing industry standards, and then submits its recommendations to the Board of Directors for final resolution.

Board Remuneration Evaluation Criteria :

Item	Description	Percentage
Operational Performance	The annual performance evaluation results of individual directors are taken into account when determining their respective remuneration.	40%
Achievement and Contribution	In addition to overall operational performance, industry risks, and future development trends, the Company also considers each director's individual achievement rate and level of contribution to determine reasonable compensation.	40%
Industry Benchmark	Based on salary levels in peer companies within the same industry.	20%
Total		100%

The remuneration of the President and the Vice President is the reasonable compensation determined by mutual agreement between the employer and employee; it is based on a comprehensive evaluation of factors including the time invested, the responsibilities assumed, the achievement of individual goals, the future risks borne, the attainment of the Company's short-term and long-term business goals, the Company's financial condition, etc. Additionally, DINGZING reviews the remuneration system periodically depending on the Company's operating conditions as well as relevant laws and regulations to achieve a balance between sustainable operations and risk control.

Board Remuneration Evaluation Criteria :

Item	Description	Percentage
Financial Performance	Focuses on overall operational results and financial performance indicators, along with the Company's relative position in relation to industry trends and peer performance. The evaluation includes a comprehensive assessment of the organization's achievements in resource utilization and operational efficiency.	40%
Business Strategy	Emphasizes the implementation of mid- to long-term business strategies and policies, including the optimization of organization's corporate governance, advancement of sustainability commitments, and clear progress toward low-carbon transition. It also considers initiatives related to human resources and the development of organizational culture.	40%
ESG Performance	Focuses on integrity-based governance and the establishment of comprehensive risk management mechanisms. Emphasis is placed on the integration and advancement of ESG topics, including but not limited to environmental sustainability initiatives, social responsibility practices, and enhancement of governance structures. Continuous improvement in ESG-related disclosures and internal/external communication is also prioritized. ESG performance indicators include environmental aspects (e.g., environmental protection measures), social responsibility (e.g., participation in social welfare), and corporate governance (e.g., fair employment, employee development, ESG advocacy both internally and externally, and policy implementation), ensuring that the remuneration policy drives management's attention toward sustainability objectives	20%
Total		100%

3.2 Compliance with Ethics, Integrity, and Anti-Corruption

Management Policy

Issue Impact Statement	Integrity is the foundation of the Company's operations. Sound ethical practices can enhance stakeholder trust and support, reduce the likelihood of illegal conduct, and help uphold the Company's positive image as a law-abiding enterprise. If negative incidents such as corruption or other violations of ethical standards were to occur, they could undermine investor confidence, damage the corporate image, severely impact the Company's operations and shareholders' interests, and may even result in fines and penalties.	
Policy and Commitment	In line with the management principles of integrity, transparency, and accountability, the Company has established integrity-based policies approved by the Board of Directors to foster a business environment that supports sustainable development.	
Management Policy	To safeguard the interests of the Company and its stakeholders and to create long-term shareholder value, DINGZING has adopted the Ethical Management Principles, the Ethical Corporate Management Operating Procedures and Code of Conduct and the Code of Ethical Conduct to implement the principles of integrity and honesty and to achieve sound corporate governance.	
Responsible Unit	The President's Office is designated as the unit responsible for promoting ethical management.	
Resources Invested	To enhance the professional conduct and ethics of the management team and employees, the Company regularly conducts governance training for directors and periodically promotes corporate ethics. These efforts aim to strengthen awareness of ethical management-related policies and guidelines among all personnel, from the Board of Directors and senior executives to all staff members.	
Complaint Mechanism	To promote a corporate culture of ethical management, the Company has not only established whistleblowing channels and handling procedures, but has also adopted a reporting and reward system to encourage the reporting of dishonest or improper acts. An internal mailbox and hotline under the Director of the Management Department have been set up on the Company's internal website to provide employees with a direct channel for feedback. External stakeholders may submit suggestions or complaints via the "Contact Us" section of the official DINGZING website.	
Short-, Medium-, and Long-Term Goals	Short Term (2025) : · Continue to promote ethical management training for employees. · Maintain a record of zero violations/complaints or fines.	Medium to Long Term (2026–2030) : · Maintain a record of zero violations/complaints or fines.
2024 Action Plan and Performance	1. Handling of whistleblower and complaint cases: In 2024, the Company did not receive any reports or complaints involving dishonest or unethical acts. 2. The responsible person, managers, and accounting officers issue a quarterly statement affirming that the financial statements contain no falsification or concealment. 3. To ensure the legality and ethical conduct of agents, suppliers, customers, and other trading counterparties, the Company reserves the right to terminate or cancel contracts at any time should any counterparty engage in dishonest conduct. In 2024, no incidents of corruption, bribery, or dishonest conduct occurred. 4. To enforce internal regulations prohibiting insider trading, the Company has incorporated relevant provisions into its internal bylaws and conducts periodic legal awareness training to prevent such incidents.	
Effectiveness Evaluation	In accordance with the annual audit plan or special projects approved by the Board of Directors, the Company's internal audit unit conducts audits, prepares audit reports, and reports regularly to the Board to ensure the effective implementation of the Company's ethical management policy.	

3.2.1 Ethical Corporate Management and Ethical Code of Conduct

DINGZING operates under the principle of integrity and has formulated the Corporate Governance Best Practices Principles, the Ethical Management Principles, the Code of Ethical Conduct, the Ethical Corporate Management Operating Procedures and Code of Conduct, and other rules for compliance. The President's Office is the responsible unit for the formulation and supervision of ethical management policies and preventive measures. To enhance the behavioral literacy and professional ethics of managers and employees, the Company also holds regular education and training sessions on corporate governance for directors, periodically promotes corporate ethics, and has incorporated relevant guidelines for rewards and discipline into the Work Rules to raise awareness among the Board of Directors, senior management, and all employees of the relevant norms of ethical corporate management.

Moreover, to ensure the implementation of corporate integrity and ethical conduct, the Company has established an effective accounting system and internal control system. Based on the results of the risk assessment, internal auditors incorporate high-risk operations into the annual audit plan, periodically audit the compliance with the system, and report the status thereof to the Audit Committee and the Board of Directors on a regular basis; the most recent report was on December 24, 2024.

Looking ahead, DINGZING plans to introduce an anti-corruption risk assessment mechanism to identify potential corruption risks both inside and outside the organization. The Company will develop improvement and enhancement action plans based on the assessment results.

Key elements of the Ethical Management Principles	Applicable to: All employees, persons under substantive control of DINGZING, and stakeholders	Key Elements of the Code of Ethical Conduct	Applicable to: All employees
- Prohibition of unethical conduct; development of a prevention plan. - Implementation of regulatory compliance. - Ethical business conduct, and prohibition of bribery and the acceptance of bribes. - Prohibition of offering and accepting unreasonable gifts, hospitality, and other improper benefits.	- No infringement of intellectual property rights. - Prohibition of unfair competitive practices. - Preventing products or services from infringing on the rights of stakeholders. - Recusal due to conflict of interest. - Whistle blowing, complaints, and discipline system.	- Treating clients fairly and avoiding obtaining improper benefits through unfair trade practices. - Prevention of conflict of interest. - Strict adherence to the duty of confidentiality.	- Protection and proper use of company assets. - Encouragement of reporting illegal or non-compliant conduct. - Creation of a healthy and safe work environment that is free from sexual harassment, violence, intimidation, and threats.

3.2.2 Complaint Mechanism

To advocate a corporate culture of ethical management, the Company has not only established a reporting channel and formulated handling procedures, but has also set up a reporting and reward system in the Ethical Corporate Management Operating Procedures and Code of Conduct to encourage the reporting of unethical behavior or misconduct. Bonuses are granted at the Company's discretion based on the severity of the reported case. Internal personnel who file false or malicious accusations are subject to disciplinary action, and in serious cases, dismissal.

The Company has created a hotline and an administrative management mailbox on its internal website to provide a direct response channel for employees. External stakeholders can contact DINGZING via the "Contact Us" section of DINGZING's official website to make suggestions or complaints. After receiving a suggestion or a complaint, the person in charge thereof may protect the complainant's anonymity to prevent the complainant from being subjected to retaliation due to such reporting. In 2024, there were no confirmed or reported incidents of corruption or violations of ethical management.

Complaint Handling Process :



Step 1 :
**Receive a
complaint**



Step 2 :
**Record the
complaint**



Step 3 :
**Assign a handling
unit and contact
person**



Step 4 :
**Report back
on the handling
status**



Step 5 :
**Case closed
and archived**



Ethical Management
Implementation Status

3.3 Risk Management

3.3.1 Risk Management Organization and Process

To enhance overall operating performance and corporate resilience, and in consideration of its overall operating activities, the Company has formulated an internal control system, which has been approved for implementation by the Board of Directors. On the principle of taking precautionary measures to minimize losses caused by risks, the Company identifies, evaluates, handles, and monitors potential risks that may affect the achievement of its objectives and conducts regular follow-up and reviews for improvement. The Board of Directors has also selected qualified personnel to serve as internal auditors and has given the internal auditors sufficient authority to properly perform various audit work in accordance with the annual plan. Internal auditors also sit in on Board meetings to conduct reports, and audit reports are submitted to the Audit Committee for review on a regular basis.

3.3.2 Significant Risks Identified

DINGZING has identified the following significant risk items across three major risk categories (environmental, social, and economic), and has comprehensively assessed the impact and probability of occurrence of each risk in accordance with the principle of materiality to develop appropriate response measures. The significant risks identified through the aforementioned process and the response measures are summarized as follows :

Risk Item	Category	Risk Description	Response measures	Management Unit
Risks connected to the Company's overall strategy and objectives	Social	The risk of causing damage to society and to people's lives due to the conduct of units within the Company, including negligence, misconduct, and intentional acts.	- At the end of each year, a review meeting is held to examine the current year's performance and formulate strategic goals for the following year. - Periodic meetings are held with department heads to quickly react to the implementation and targets of risk response measures. - Monthly business review meetings are held to review the overall achievement status of strategic goals and risk handling. - The Board of Directors convenes at least one meeting each quarter to review the achievement status of the Company's overall strategic goals, and to determine how to respond to the risks arising from the failure to attain each goal as well as how to deal with the situation.	All departments

Risk Item	Category	Risk Description	Response measures	Management Unit
Market risks	Economic	Uncertainty about future market prices (interest rates, exchange rates, stock prices, and product prices) that adversely affects the Company's ability to achieve its stated objectives.	· Actions for new product development and market competition: Grasp and cooperate with existing customers in terms of the development direction, collaborate on innovative research and the development of new products, immediately grasp market trends, and increase sales opportunities. · Reduce the risk management of order acceptance and accounts receivable processes, as well as the assessment and control operations of clients' credit risks in accordance with the Company's internal control system. · Interest rate risk: The Company regularly assesses the interest rates of bank borrowings and maintains close contact with banks to obtain more favorable interest rates and reduce interest expenses. · Risk of exchange rate fluctuations: The Company's revenue from foreign sales is mainly denominated in U.S. dollars, euros, and Japanese yen; likewise, its foreign purchases are mainly denominated in U.S. dollars, euros, and Japanese yen. Therefore, most of its assets and liabilities are naturally hedged against exchange rate fluctuations. To respond to exchange rate fluctuations in the international market, the Company continuously collects information on changes in foreign exchange rates, allowing it to grasp, study, and judge exchange rate trends and take appropriate measures to minimize the impact of exchange rate fluctuations. · Inflation risk: The Company will pay close attention to the fluctuations of economic and market environments to prevent adverse effects from inflation and deflation.	Procurement Department / Sales Department / Finance and Accounting Department
Information risks	Social	Operations involving information may be subject to human or natural hazards that result in downtime or inability to operate normally.	· To control and maintain the Company's business, production, research and development, accounting, and other related important operational activities, relevant information security operations management measures, such as application system development and maintenance, backup mechanisms, firewalls, server room uninterruptible power supply systems, and access control systems, have been established to ensure the normal operation of important information systems and information security.	Information Department

Risk Item	Category	Risk Description	Response measures	Management Unit
Risks related to regulatory compliance and controls	Social	Risk of penalties imposed by regulatory or supervisory authorities, or significant financial or reputational loss due to violation of self-regulation standards under the law as well as good practice principles.	- Regulatory inventory: Take inventories of regulations that must be complied with at the Company's main operating locations, and make a list thereof. - Regulatory updates: Each department should regularly monitor and update the list of regulations required to be followed for operations. - Identification of regulations: The updated list of regulations is submitted to the department in charge of each operating location for identification to confirm that the operation complies with the regulations and to report such to the respective supervisor. - Compliance review: Compliance is ensured through reviews by an internal cross-departmental or external independent unit (e.g., legal consultant).. - Establishment of an effective internal control system to enhance prevention of compliance risks, etc.	All departments
Environment, safety and health disaster risks	Environmental	Environmental hazards caused by accidents encountered in the course of construction, production, and living.	The Company reduces the risk of environmental, safety, and health hazards through relevant regulations, education and training, advocacy, and systematic operation.	Management Department Labor Safety Department
Financial risks	Economic	Various unforeseen and uncontrollable factors in various financial activities (fundraising, investment, etc.) that may cause the final financial results obtained by the Company during a certain period and within a certain scope to deviate from expected operational goals, resulting in an economic loss.	- The Company focuses on the development of its core business and does not engage in high-risk, highly leveraged investments. - The Company has established the Lending of Funds to Others Management Guidelines, the Endorsement and Guarantee Management Guidelines, and the Acquisition or Disposal of Assets Management Guidelines for risk control and as a basis for lending funds to others, engaging in endorsements and guarantees, as well as acquiring or disposing of assets.	Finance and Accounting Department

Risk Item	Category	Risk Description	Response measures	Management Unit
Staff turnover risks	Social	Staff outflow leads to the need for re-recruitment and training by the Company, which increases labor costs and can delay work progress or even paralyze the organization.	- Employee Growth: A well-planned in-house training program enables employees to respond to changes in the environment and enhance their professional competence from time to time, and encourages employees to grow and learn continuously. - Safe Workplace: The Company has a Labor Safety and Health Committee in place and has formulated the Labor Safety and Health Work Rules to protect the safety and health of workers and prevent occupational injuries. - Welfare and Care: The Company has the Employee Welfare Committee in place, which is committed to providing complete welfare and care for employees and endeavors to create a work environment that balances work and family.	Management Department
Climate change risks	Environmental	With the impact of the greenhouse effect, rising global temperatures, and the intensification of extreme weather conditions, the threat of typhoons and floods is more severe than ever before, and water shortages in some areas are also seriously affecting industrial and domestic water use. Therefore, in the future it will be necessary for the Company to increase its investment in natural disaster prevention, post-disaster facility maintenance, and energy acquisition for operations.	Adhering to the concepts of sustainable operations and carbon reduction, DINGZING provides clients with environmentally friendly high-tech films, and further ensures that its production and manufacturing processes can harmoniously coexist with the ecological environment by minimizing the waste of resources and materials.	Management Department Labor Safety Department

Risk Item	Category	Risk Description	Response measures	Management Unit
Human Rights Risks	Social	In the area of human rights, companies may face a variety of risks, including inadequate protection of labor rights, exploitation and forced labor within the supply chain, discrimination and harassment in the workplace, and the infringement of community rights. These risks may not only violate international human rights standards and local regulations but also result in reputational damage, legal action, and diminished investor confidence.	To effectively mitigate human rights risks and ensure sustainable corporate development, DINGZING has adopted the following strategies: · Establish and implement human rights policies: Issued the Human Rights Policy Statement, covering topics such as child labor, working hours, freedom of association, and health and safety. The policy is guided by the United Nations' Guiding Principles on Business and Human Rights (UNGPs) as a reference framework for corporate human rights. · Promote protection of employee rights: Provide comprehensive benefits and leave systems, and conduct annual employee satisfaction surveys to serve as a basis for advancing employee rights protection. · Social engagement and impact management: Continue to organize science summer camps and support underprivileged groups as part of DINGZING's social contribution efforts. · Through the aforementioned measures, the Company can not only effectively reduce human rights risks but also enhance its sustainability capabilities, increase brand value, and strengthen investor confidence, thereby achieving long-term and stable development.	Management Department

3.4 Regulatory Compliance

Regulatory compliance is the foundation of DINGZING's operations, and all employees are required to take it seriously and prudently. Nevertheless, regulatory changes have been rapid in recent years. If they are not responded to appropriately, it will create significant risks and lead to severe losses and impacts. Therefore, through the division of functions and responsibilities, each department carries out relevant regulatory management, regularly updates regulatory changes, analyzes and evaluates the impact thereof, and formulates corresponding response measures. If necessary, all employees are also made aware of such regulations through education and training or internal advocacy. Additionally, DINGZING has implemented internal audits and a whistle blowing and complaint system to ensure strict compliance.

In 2024, DINGZING did not pay any significant fines for violations of laws and regulations in the aspects of corporate governance, environmental protection, labor rights and interests, and product responsibility.

DINGZING's Regulatory Compliance Status in 2024		Responsible Unit	Review Frequency
Corporate Governance Regulations	- No violations of the Company Act. - No violations of securities and financial laws and regulations. - No incidents of corruption, bribery, or improper benefits. - No infringement against stakeholders due to its products and services.	Management Department	Review & update annually
Environmental Protection Regulations	- No material violations of air pollution regulations. - No material violations of wastewater treatment regulations. - No material violations of waste disposal regulations.	Occupational Safety and Health Department / Management Department	Review & update annually
Human Rights Regulations	- Compliance with labor regulations. - No child labor. - No discrimination or harassment. - No forced labor. - No infringement of the rights of Indigenous people.	Occupational Safety and Health Department / Management Department	Review & update annually
Anti-competitive Practices	- No involvement in anti-competitive practices. - No involvement in antitrust incidents.	Management Department	Review & update annually

3.5 Supply Chain Management

In addition to demanding its own sustainable development, DINGZING also prudently selects suppliers that fulfill their corporate social responsibilities, expecting that all business partners interacting with DINGZING will adhere to the principles of trustworthiness and integrity. Therefore, DINGZING has formulated the Supplier Management Guidelines to evaluate suppliers based on their quality, production capacity, and technical capabilities. The Company prioritizes cooperating with companies that are legal, reputable, and have not violated human rights or environmental laws and regulations. Should a supplier commit a material violation of ESG-related matters, such as those involving environmental or human rights issues, DINGZING reserves the right to immediately suspend business dealings and may require the supplier to submit a review and corrective action report within a specified period; if no improvement is made within the deadline, DINGZING will then terminate the partnership. All of the important clients with whom the Company has dealings have certain ESG requirements. In 2024, 61% of the major suppliers publicly declared their commitment to ESG.

3.5.1 Evaluation Process for New Suppliers

For the adoption of new suppliers, the Procurement Department conducts a preliminary quality system review to evaluate the suppliers' quality, production capacity, and technical capabilities, then classifies the suppliers into three grades—A, B, and C—according to the evaluation results. Grade A and Grade B suppliers are considered qualified, whereas Grade C suppliers are deemed unqualified and are not allowed to cooperate with the Company.

Grade	A	B	C
Score	70 points or higher	60.1–69.9 points	60 points or lower

3.5.2 Periodic Supplier Audits

DINGZING evaluates its major suppliers at the end of each year and is required to fill out a Supplier Evaluation Form; qualified suppliers will continue to be used, and unqualified suppliers will be replaced. In 2024, all key suppliers completed the audit process and passed the evaluation successfully.

Key suppliers must meet the following three criteria :

1. Directly impact product quality/packaging or affect the operation of production equipment.
2. Annual procurement value reaches NT\$5 million or more.
3. Engaged in ongoing cooperation beyond a single fiscal year; ongoing cooperation will continue in the future.

Supplier Audit Items :

Item	
Technology and other development and innovation capabilities.	30%
Delivery date and cooperation level (production capacity).	30%
Five major quality management items (document control, education and training, manufacturing process operation, quality control, and inventory control)	40%

Supplier audit status over the past 3 years :

Item	2022	2023	2024
Number of Suppliers Audited	18	18	18
Number of Qualified Suppliers	18	18	18
Percentage of Qualified Suppliers	100%	100%	100%

Note: The listed suppliers are key suppliers with a capital amount above a specified threshold.

3.5.3 Percentages of Local Procurement

DINGZING actively courts local suppliers in an effort to lower management and operating costs and to reduce indirect greenhouse gas emissions generated by international transportation. Over the past 3 years, the percentage of local procurement has gradually increased. In 2024, local procurement accounted for 56.3% of DINGZING's total procurement.

Percentages of local procurement over the past 3 years :

Item	2022	2023	2024
Local procurement volume (kilograms)	3,890,089	3,990,775	5,292,189
Percentage of local procurement	39%	43.4%	56.3%
Percentage of qualified procurement	100%	100%	100%

Note: The term "local" in the context of local procurement refers to suppliers with warehouses or factories in Taiwan.

Product Research, Development and Innovation, and Customer Relationship Management

- 4.1 Product Quality and Safety 37
- 4.2 Sustainable Product Innovation 42
- 4.3 Information Security and Customer Relationship Management 47

4.1 Product Quality and Safety

Management Policy

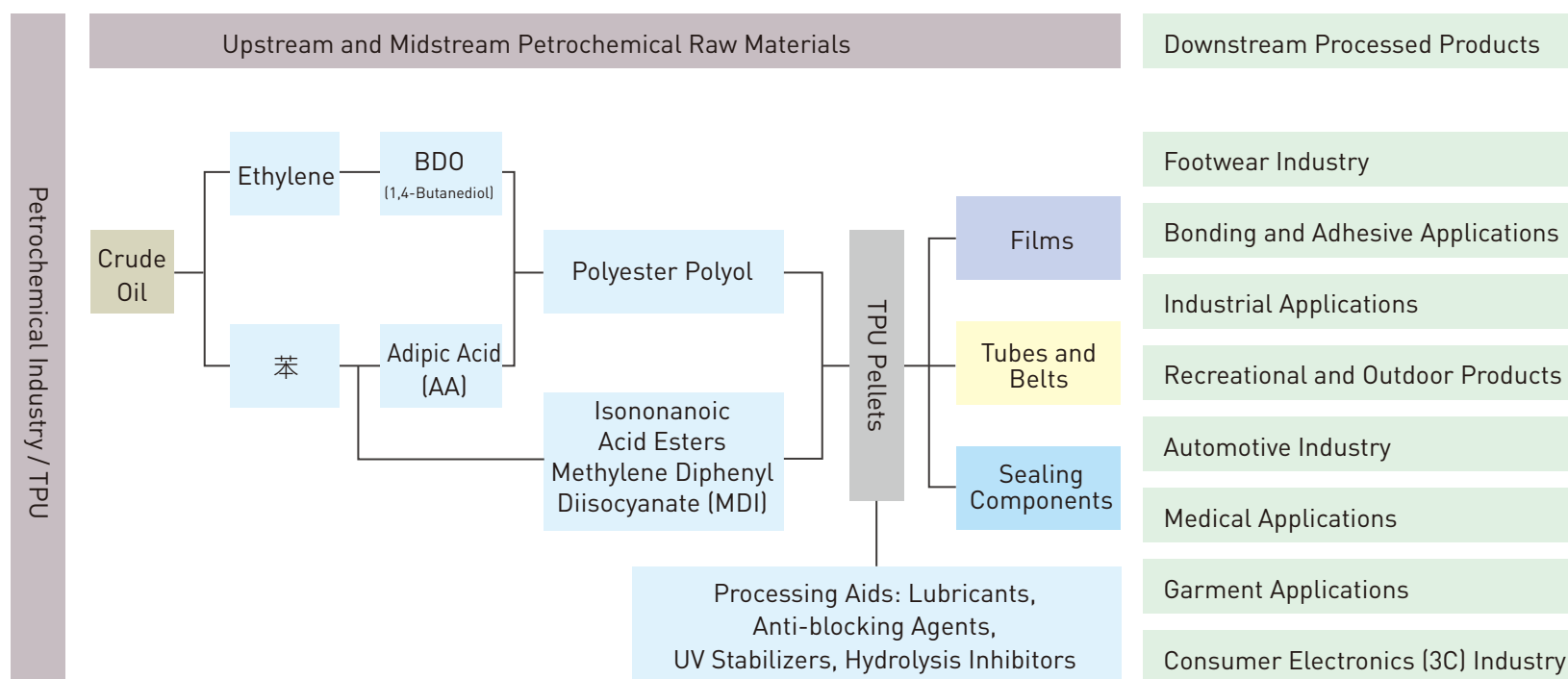
Issue Impact Statement	To ensure that the Company's products continue to meet and exceed customers' expectations, DINGZING has established a sound quality management system to build customer trust, and it continuously controls the use of hazardous substances during the product life cycle to avoid causing harm to the environment and human rights.
Policy and Commitment	Adhering to the principle of "Integrity First, Quality First", DINGZING continuously improves its products to ensure that product quality meets customer expectations, and aims to provide customers with high quality products.
Management Policy	DINGZING has obtained the ISO 9001 Quality Management System certification and established the PDCA continuous improvement quality management system. The existing systems are used as a basis for continuous optimization to ensure that the quality of the products produced by DINGZING is acceptable to customers.
Responsible Unit	Quality Testing Center.
Resources Invested	1. Maintained the validity of the ISO 9001 quality management system certification (Kaohsiung Plant), ISO 14001 certification (Kaohsiung Plant), ISO 45001 certification (Kaohsiung Plant), ISO 14064 certification, GRS certification, OEKO-TEX Standard 100 certification, and IATF 16949 certification. 2. Obtained the ISO 9001 quality management system certification (Pingtung Plant), ISO 14001 certification (Pingtung Plant), ISO 45001 certification (Pingtung Plant), and IATF 16949 certification.. 3. Regularly conducted education and training on quality management.. 4. In 2024, the budget for the Product Testing Laboratory was NT\$2.01 million.
Complaint Mechanism	· Phone: 07-8070166 · Official website: www.dingzing.com
Short-, Medium-, and Long-Term Goals	1. In order to meet the requirements of the textile industry and related industries, DINGZING plans to obtain the bluesign® Standard Certification in 2025. 2. In recent years, DINGZING has entered the medical market. In response to supply chain standards and requirements, the Company plans to obtain ISO 13485 Medical Devices Quality Management System Certification in 2025. 3. DINGZING plans to obtain ISCC PLUS International Sustainability and Carbon Certification in 2025, promoting the use of biomass-derived energy and materials to reduce petrochemical pollution and enhance material and environmental sustainability. The ultimate goal of ISCC certification is to replace petrochemical materials with bio-based materials or bioenergy to mitigate the environmental impact of petrochemical products. 4. DINGZING will apply for and obtain relevant certification systems and standards as the application field of its products expands.
2024 Action Plan and Performance	1. Continued to maintain the ISO 9001 quality management system certification (Kaohsiung Plant), ISO 14001 certification (Kaohsiung Plant), ISO 45001 certification (Kaohsiung Plant), and ISO 14064 certification. 2. Continued to obtain the OEKO-TEX certification and the GRS recycled materials certification to ensure that the Company's products conform with the EU's REACH and RoHS regulations. 3. Newly obtained ISO 9001 quality management system certification (Pingtung Plant), ISO 14001 certification (Pingtung Plant), ISO 45001 certification (Pingtung Plant), and IATF 16949 certification in 2024. 4. In 2024, the Quality Management Department achieved a 100% training participation rate in its internal training programs.
Effectiveness Evaluation	ITo be reviewed at the management review meeting at the end of each year.

4.1.1 TPU Industry Chain and Product Characteristics

The TPU industry chain comprises upstream and midstream petrochemical raw materials and downstream finished products. Positioned in the midstream segment, DingZing sources upstream raw materials such as methylene diphenyl diisocyanate (MDI), adipic acid (AA), 1,4-butanediol (BDO), polyether polyol, additives, virgin polyethylene (PE) materials, and color masterbatches. The Company then produces polyester polyol and TPU pellets in-house. Through various manufacturing processes, these are turned into products such as films, sealing components, and belts, which are further processed by downstream industries into final products with TPU properties.

Compared to other polymer materials such as PVC, TPU is softer and highly malleable. It is recyclable, can be easily processed without generating pollution, and generates no air pollutants during incineration. Furthermore, it does not require additional plasticizers or additives, reducing its environmental impact. As a result, demand for TPU products continues to rise. TPU is now widely used across the automotive, medical, outdoor and textile accessories, consumer electronics, and other industries. Its diverse applications buffer the Company from fluctuations in any single downstream sector.

Upstream, Midstream, and Downstream Segments in the TPU Industry Chain



4.1.2 Product Quality Assurance

DINGZING believes that quality assurance is the most basic commitment to customers. The Company demands the highest standard of product quality and has set up a Product Testing Laboratory to conduct multiple tests prior to shipment, including tensile strength, specific gravity, hardness, yellowing, and melting point, to check the durability and stability of products and ensure that the product quality meets customers' requirements. In addition, the Company conducts quarterly quality management training sessions every year. Training topics include Incoming Quality Control (IQC), In-Process Quality Control Section (IPQCS), and Final Quality Control (FQC). In 2024, the Quality Management Department achieved a 100% participation rate in training.

DINGZING continues to maintain multiple international certifications at its Kaohsiung Plant, including ISO 9001, ISO 14001, ISO 45001, and ISO 14064. In 2024, the newly constructed Pingtung Plant also obtained ISO 9001, ISO 14001, and ISO 45001 certifications. To meet both domestic and international customer requirements, DINGZING has obtained several internationally recognized sustainability certifications, including OEKO-TEX®, the GRS recycled materials certification, and the IATF 16949 certification. These certifications ensure that both the production processes and final products comply with global sustainability standards.

Pre-Shipment Testing Process :



2024 Quality Management Training

Item	Description	
Course Title	Incoming Quality Control (IQC)	In-Process Quality Control Section (IPQCS)
Course Description	General management tends to focus on incoming material quality inspection, whereas quality control of incoming materials is relatively weaker. The objective of IQC is to shift from passive inspection to proactive quality control, i.e., controlling quality in advance, identifying raw material issues at the earliest stage, and reducing follow-up costs. This approach enables more effective quality management and helps suppliers enhance their internal quality control practices.	Process control refers to quality control during the entire stage from when raw materials enter the production line to the final output and packaging, encompassing all quality management from materials to finished products. This includes setting production and inspection standards prior to assembly, ensuring that the first produced piece conforms to the originally defined manufacturing and inspection requirements. Subsequent products are then randomly inspected to verify that their condition matches that of the first piece, ensuring that all measured values throughout the production process remain consistent with the first piece.
Number of Training Sessions / Training Frequency	Once per quarter (4 sessions per year); 1 hour per session	Once per quarter (4 sessions per year); 1 hour per session
Participants & Department	10 staff from the Quality Management Department	10 staff from the Quality Management Department
Course Photos		

DINGZING's Quality Management Certifications in 2024

Label / Certification	Description
ISO 9001 : 2015 Quality Management System	The ISO 9001 Quality Management System (QMS) is a universal standard developed by the International Organization for Standardization (ISO) to help enterprises maintain consistent product and service quality. It covers processes from production to service across various departments including sales, procurement, training, warehousing, outsourcing, quality control, R&D, manufacturing, and customer service. It is currently the most recognized ISO certification worldwide. 
Environmental Textile Standard OEKO-TEX® Standard 100  STANDARD 100 TP001 156412 TESTEX	The OEKO-TEX label is one of the most globally recognized standards in the textile industry. It applies to raw materials, intermediate products, and end products throughout the production process, and assesses whether harmful substances that could affect human health are present. In addition to meeting current international and national legal requirements, the OEKO-TEX standard also considers future developments. DINGZING has held this certification since 2015 and continued to maintain its validity in 2024 to protect consumer health.
Global Recycled Standard 	In light of global trends toward environmental sustainability and circular resource use, many major brands have begun adopting recycled materials. To verify that its materials incorporate recycled content, DINGZING obtained the Global Recycled Standard (GRS) certification in 2020. GRS not only defines the proportion of recycled materials in products but also includes oversight of social responsibility, environmental impact, and chemical management at production sites. It ensures compliance with regulations such as the EU's Substances of Very High Concern (REACH SVHC), the Zero Discharge of Hazardous Chemicals – Manufacturing Restricted Substances List (ZDHC MRSL), and GRS hazard codes.
Automotive Quality Management System IATF 16949 Certification	IATF 16949:2016, the requirements of a quality management system for organizations in the automotive industry, is a standard developed by the International Automotive Task Force (IATF) based on the ISO 9001:2015 framework.

4.2 Sustainable Product Innovation

Management Policy

Issue Impact Statement	DINGZING has been in the TPU industry for over 40 years. DingZing fully recognizes that product innovation plays a critical role in the Company's sustainable development. Without continuous innovation, the Company will not be able to adapt to changes in the environment and industry landscape, resulting in a gradual loss of customers and market share. To realize the goal of sustainable development, DINGZING continues to expand the application of TPU materials and introduce high value products that satisfy customers' core needs. This effectively enhances the competitiveness of the Company and helps customers achieve their environmental goals.
Policy and Commitment	DINGZING is committed to the application development of green reclaimed materials and constantly expands their application fields, with the goal of being an important member of the industry's green supply chain and contributing to industrial energy saving, carbon reduction, and environmental sustainability.
Management Policy	DINGZING continues to improve and develop its formulation technology and production processes and introduce high value technical products based on various product categories, industry characteristics, and customer needs.
Responsible Unit	Research and Development Department
Resources Invested	1. NT\$124,285,000 was invested in 2024, accounting for 3.97% of the total revenue 2. A total of 16 personnel were devoted to R&D in 2024.
Complaint Mechanism	· Phone: 07-8070166 · Official website: www.dingzing.com
Short-, Medium-, and Long-Term Goals	DINGZING's strength lies in market diversification; its success is not directly related to the downturn or profitability of any specific market. DINGZING's products are widely used in different industries, such as automotive materials, medical supplies, consumer electronics materials, bags and luggage, sports accessories, outdoor sport devices, ready-made clothes, hydraulic systems and equipment, and pneumatic systems, including products with various industrial attributes. In the future, product items will be adjusted in response to market trends and customer needs.
2024 Action Plan and Performance	1. NT\$124,285,000 was invested in 2024, accounting for 3.97% of the total revenue. 2. A total of 16 personnel were devoted to R&D in 2024. 3. New products gradually introduced in 2024 include gas barrier membranes, hydrophobic-breathable membranes, and ultra-high molecular weight hot melt adhesives.
Effectiveness Evaluation	1. For important development projects, the Sales Director reviews the project's progress together with their subordinates and the customer to see if any product adjustments are necessary, and then discusses the project with the site's Plant Manager, the Development Director, and the immediate site supervisor to determine if the project meets the customer's needs and to check the product certification information. 2. The Company researches and develops topics proactively. The Sales Department collects market information and reports such information via the Salesforce communication software in a timely manner. The Plant Manager, the Development Director, the President, and the Sales Director then evaluate the market feasibility and proceed with development.

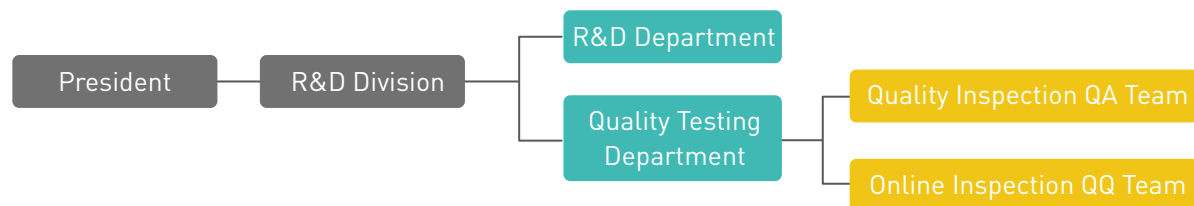
With the global rise in awareness about environmental protection, TPU stands out for its characteristics of being environmentally friendly, non-toxic, 100% recyclable, and easy-to-process, and it has been accepted worldwide as an environmentally friendly material. Through a one-stop R&D and production model, DINGZING has independently developed key raw materials and manufacturing process technologies using sophisticated R&D equipment. The company has established an R&D database consisting of tens of thousands of records of material improvements generated through customer feedback and demand, and it has continuously worked on the application development of green reclaimed materials to provide customers with various solutions. Furthermore, DINGZING has obtained the Global Recycled Standard (GRS) certification, the textile non-toxic guarantee certification (OEKO-TEX), and other certifications related to environmental protection and recycled materials in order to align with the global trend of focusing on environmental protection issues and to develop product applications for diversified fields.

4.2.1 Research and Development

4.2.1.1 Research and Development Strategy

TPU resin is the raw material for TPU products. DINGZING is a company that engages in the entire production cycle of TPU, from raw materials to finished products. Therefore, the Company has a great advantage in terms of its ability to develop new products and customize products. At present, the Company's R&D is focused on a variety of composite and multifunctional materials as well as products with increased non-yellowing. The formulas and compositions of composite and multifunctional materials can be adjusted as needed to ensure satisfaction of customer needs; the non-yellowing products have the characteristic of good weatherability, which increases durability and quality during outdoor use.

DINGZING's research and development team and technical service team continue to improve and develop formulas, technologies, and production processes based on various product categories, industry uniqueness, and customer needs to develop high-value technical products. In the future, the Company will gradually invest in necessary research and development personnel as well as instruments and equipment, and strengthen resource integration of to continuously expand product applications.

R&D Department Organizational Chart :**R&D Department Organizational Chart :**

Year	2022		2023		2024	
Academic Background	Number of Persons (person)	Percentage (%)	Number of Persons (person)	Percentage (%)	Number of Persons (person)	Percentage (%)
Masters	4	23.53	4	26.67	4	25
University / College	11	64.71	10	66.67	11	68.75
Senior High School / Vocational School	2	11.76	1	6.66	1	6.25
Total	17	100.00	15	100.00	16	100.00
Average Seniority(years)	16		18		18	

R&D Department Organizational Chart :

Year	2022	2023	2024
R&D Expenses (A)	107,233	117,436	124,285
Net Operating Income (B)	2,607,212	2,792,380	3,127,884
Percentage of R&D Expenses (A/B)	4.11%	4.00%	3.97%

Unit: NT\$1000

4.2.1.3 The Innovation Playground Concept

“Innovation Playground” does not refer to a specific location or department of DINGZING, but rather to the notion that DINGZING embraces the spirit of innovation and the strength of research and development. Whenever customers pay a visit to DINGZING, they feel like they’re entering an “Innovation Playground” where they can work hand in hand in coordination with designers, engineers, and material specialists at every stage of the process, from conception to commercialization of the product, to stimulate the creation of high value products. Additionally, DINGZING continues to challenge limitations and share the ideas and applications that are continuously being accumulated.

DINGZING’s insistence on innovation and excellence has been a part of the Company’s culture since its founding, but there was never a specific name for it. Therefore, President Keng-Hsien Lin strengthened this concept by proposing a specific name, which allowed the Company’s spirit to be thoroughly implemented from top to bottom. By upholding an insistence on innovation, deeply exploring the potential needs of customers, and innovating key technologies and products, DINGZING has become an industry leader.

Product Research and Development Process :



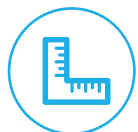
Consultation

Consult with DINGZING’s experts to learn about the various purposes of materials. DINGZING’s cross-industry experience allows it to help customers find the materials that best meet their application needs.



Collaboration

Collaborating with DINGZING ensures that the materials selected will be successfully integrated into the production process. DINGZING has developed hundreds of unique applications in collaboration with companies from various industries.



Customization

Customization is achieved using DINGZING’s advanced materials; the texture, color, and width can be adjusted according to the production and application requirements. The Company’s on-site equipment uses DINGZING’s own resins for production and material preparation to provide finished products of the best quality.

Innovation Playground :



4.2.2 Project Highlights

Feature 1 : Automotive Paint Protection Film

In recent years, DINGZING has continued to expand its product applications. In the automotive market, advanced technical films can be applied to a variety of automotive materials, such as interior and exterior surfaces, windows, spare parts, and components, to provide superior protection and make follow-up maintenance easier. Currently, DINGZING not only provides air cushions for lumbar support and sunroofs for high-end automobiles but has also introduced revolutionary products such as automotive paint protection film, which is commonly known as “rhinoceros skin”. In addition to its anti-yellowing properties and good ductility, TPU also has the characteristic of self-repairing scratches and it is highly resistant to corrosion and pollution, enabling it to effectively insulate car paint from substances such as bouncing road surface gravel, oil splatters, and dust pollution; meanwhile, the use of TPU instead of the mainstream PVC is more in line with the concept of environmental protection, making it the first choice in high-end automotive paint protection films.



Feature 2 : Da Vinci Surgical Robot Protective Cover

As the global population continues to rapidly age, chronic and cardiovascular diseases are driving the development of high-value medical materials as well as the demand for raw materials. TPU film is waterproof and breathable, with bacterial filtration capabilities as well as biocompatibility and anticoagulant properties; therefore, it is widely used in medical devices such as medical dressings, bandages, medical mattresses, medical respirators, and blood bags. Additionally, in recent years the Company has continued to expand its applications within the medical industry to new products such as sterile protective covers for minimally invasive surgical robots (Da Vinci arms). The minimally invasive robotic surgical system is the latest minimally invasive surgical system, and it is widely used, having performed over 10 million operations in the United States, Europe, Asia, and other countries.

Sterile protective covers for Da Vinci surgical robots can effectively isolate any blood and body fluids that splash during surgery. As a disposable consumable, the waste volume from protective covers accumulated after each operation is considerable. Currently, medical waste is mostly disposed of through incineration or via landfill. Compared to traditional materials, TPU has the advantage of decomposing naturally, and it can be burned without producing poisonous gases. Therefore, the potential future market applications in the biomedical field are considerable.



4.3 Information Security and Customer Relationship Management

4.3.1 Customer Relationship Management

The Company is committed to the development of high value and differentiated products. It is backed by an experienced R&D team and guarantees stable production quality. With Taiwan as its operation and R&D center, as well as subsidiaries and sales offices in China, Southeast Asia, Europe, and the U.S.A., the Company has a service network that spans the globe. DINGZING has also established a professional service team with dedicated business units in charge of delivery dates, quantity, quality, packaging, and transportation. At the same time, through regular and unscheduled visits, DINGZING remains closely apprised of its customers' needs, and the Company works hand-in-hand with brand manufacturers in various fields to develop products with new applications. In response to the industry's future development and overall economic trends, the Company has formulated its future business strategy and direction as follows: The short-term policy is to concentrate on meeting the needs of existing customers to enhance their overall satisfaction level with DINGZING, thereby increasing the Company's market share; the long-term strategy is to expand the development and application of products, develop high-value and diversified applications, continue to broaden product applications, and actively expand into emerging markets in Europe, America, Southeast Asia, and the rest of the world.

As global environmental awareness continues to rise, consumers are gradually shifting away from traditional materials such as PVC, PE, nylon, NBR, and PET, favoring TPU products for their superior performance, eco-friendliness, and processability. One by one, major brand manufacturers in every industry are switching to TPU materials for their new product R&D applications. Through a history of long-term cooperation, DINGZING has established close relationships with major brand manufacturers in the outdoor leisure equipment industry, the sporting goods and functional apparel industry, the medical consumables industry, the automotive industry, and the consumer electronics industry. Currently, the Company's fields of product application and number of industrial clients continue to increase, demonstrating substantial customer approval.

Customer Rights Policy :

The Company upholds the principles of ethical management and corporate accountability, placing great importance on protecting customer rights. Communication channels have been established through the corporate website to enable real-time contact and feedback, ensuring that customer needs are addressed promptly. DINGZING uses eco-friendly materials in its products and strives to balance innovation, dependable quality, and environmental responsibility. The Company also continues to carry out related operations, such as ensuring the health and safety of products and services, as well as customer data protection, as part of its commitment to product responsibility.

DINGZING will continue to refer to domestic and international regulations and sustainability standards to enhance its customer rights management mechanisms. The Company aims to build and refine its policy framework, deepen collaborative partnerships with customers, and promote shared value and sustainable development.

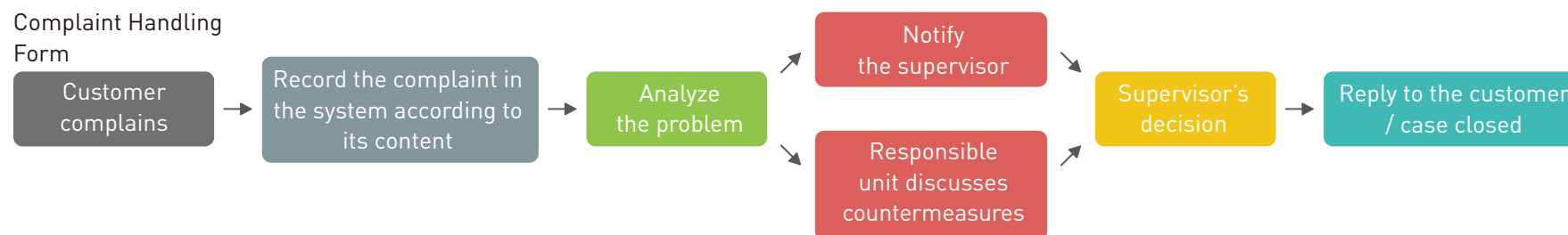
Customer Communication Channels :

Channel	Description
Regular Visits	DINGZING visits customers at least once a month to understand how they use the Company's products.
Periodic Communication	DINGZING contacts all customers periodically, and contacts major customers at least once every 2 weeks via phone, e-mail, or video call.
Project Management during Development	During the collaboration period, DINGZING regularly reports on the progress of new product developments and production status until mass production has been stabilized.

Customer Complaint Handling Process :

When a customer complaint occurs, the sales unit immediately finds out the details of the situation and fills out a Customer Complaint Handling Form, which briefly describes the customer's basic information and complaint. Upon receipt of the complaint form, an investigation is promptly launched to determine the attribution of responsibilities. The results of such a determination are submitted to the supervisor of the responsible unit for approval, then forwarded to the responsible unit to formulate improvement measures. After the improvement measures proposed by the responsible unit has been approved by the supervisor, the responsible unit replies to the customer within a stipulated time limit. There were no major customer complaints in 2024.

Fill out the Customer Complaint Handling Form



4.3.2 Information Security and Customer Privacy

DINGZING attaches great importance to customer privacy and the protection of customer information. In addition to signing confidentiality agreements in accordance with customer needs, DINGZING has also established a sound information security management mechanism to ensure the confidentiality and security of customer information. The Company has formulated the Information Security Policy, the Information Security Management Internal Control System, the Cybersecurity Incident Notification and Response Mechanism Procedures, and other guidelines. All internal staff, outsourced service providers, and visitors are required to comply with the relevant rules. The Company also prevents customer data leaks caused by human or non-human factors through authorization controls, setting up firewalls, filtering software, data download alerts, off-site backup, internal information security advocacy, and other methods. As of the end of 2024, there were no complaints regarding the loss or leakage of customer data or infringement of privacy rights.

4.3.2.1 Information Security Management Policy and Personal Data Protection Policy

To ensure the confidentiality, integrity, and availability of the Company's information assets in compliance with relevant laws, and to implement the protection and management of personal data in accordance with the Personal Data Protection Act, DINGZING has appointed dedicated information security personnel to take responsibility for planning the Company's information security, managing the Company's internal risks, assessing the severity of information security threats and vulnerabilities, formulating risk management plans, and conducting regular reviews.

The dedicated information security unit is responsible for maintaining and enforcing the Company's information security management system. Their duties include:

1. Reviewing and revising information security policies.
2. Reviewing and revising the information security management system.
3. Coordinating division of responsibilities for information security across departments.
4. Monitoring threats and risks to information assets.
5. Researching information security technologies, methods, and procedures.
6. Monitoring and reviewing information security incidents.
7. Overseeing the implementation of corrective actions.

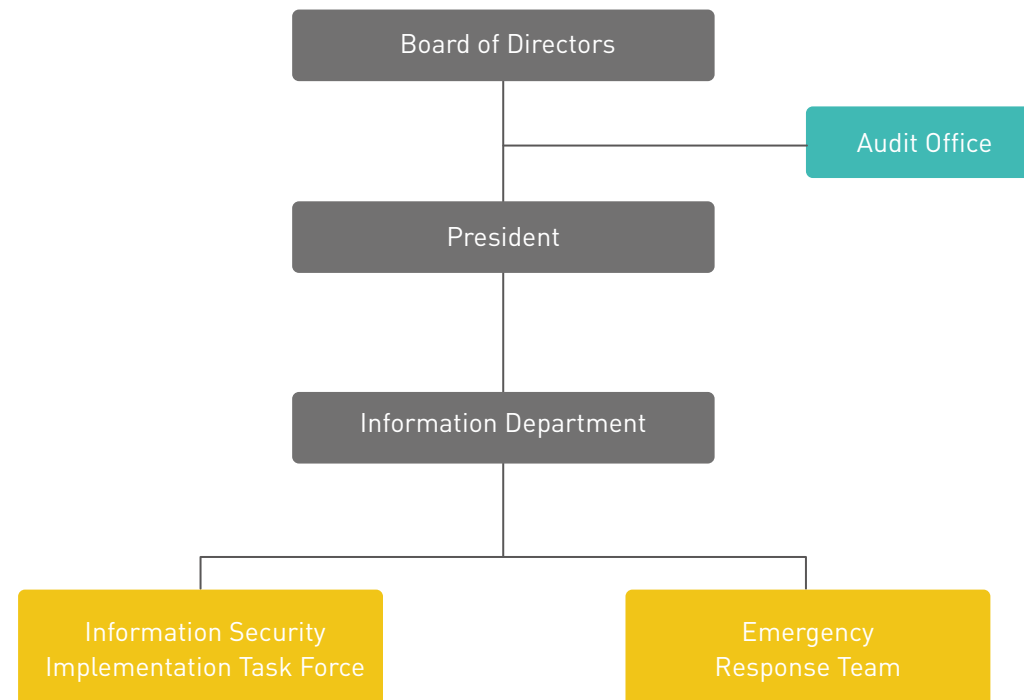
Personal Data Protection and Security Measures

1. Establish a secure and reliable IT operating environment to ensure the confidentiality, integrity, and availability of information and communication systems while reducing the risks of unauthorized access, data errors, and business interruptions.
2. Ensure that the control measures of the personal data protection system comply with applicable laws and regulations.
3. Mitigate disaster impacts and ensure the continuity of business operations.
4. Strengthen employee training in cybersecurity and personal data protection to continuously enhance information security awareness.

4.3.2.2 Information Security Management Framework and Responsibilities

The Company has established an Information Security Implementation Task Force under the Information Department, which serves as the dedicated information security management unit. This unit reports the implementation status of information security measures to the Board of Directors at least once per year.

In accordance with regulations, the Company has appointed an Information Security Officer and one dedicated staff member for information security. Their responsibilities include overseeing the formulation of information security and data protection policies. They also and convene periodic meetings with department heads to coordinate promotion mechanisms and work priorities.



4.3.2.3 Information Security Management Measures

To enhance the Company's information security and operational stability; provide reliable information services; ensure the confidentiality, integrity, and availability of information systems; and improve user awareness, the following management measures have been implemented :

Management Items	Operational Descriptions
Security Management of Information Assets	· Conduct annual inventory checks for all assets. · Perform regular updates, maintenance, and warranty management for critical assets. · Implement local backups, offsite backups, and disaster recovery mechanisms for critical systems and data.
Physical and Environmental Security Management	· Sensitive or critical information processing equipment must be stored in secure areas with access control to ensure only authorized personnel may enter. · IT equipment must be adequately protected and monitored to reduce the risk of damage caused by environmental factors, such as leaks or abnormal temperatures. · Install firewall protection. · Install antivirus software. · Implement e-mail filtering mechanisms.
Computer Systems and Network Security Management	· Prohibit unauthorized external devices from connecting to the Company's network. · Apply encryption and protection mechanisms to critical data. · Daily system-generated logs must be archived. · Any hardware, software, or equipment anomalies must be immediately reported. · Operating systems must be updated regularly.
System Access Control Security	· Conduct annual access permission audits and adjust based on actual conditions. · Adjust system permissions as required by management. · Disable dormant accounts. · Users are required to change their passwords regularly.

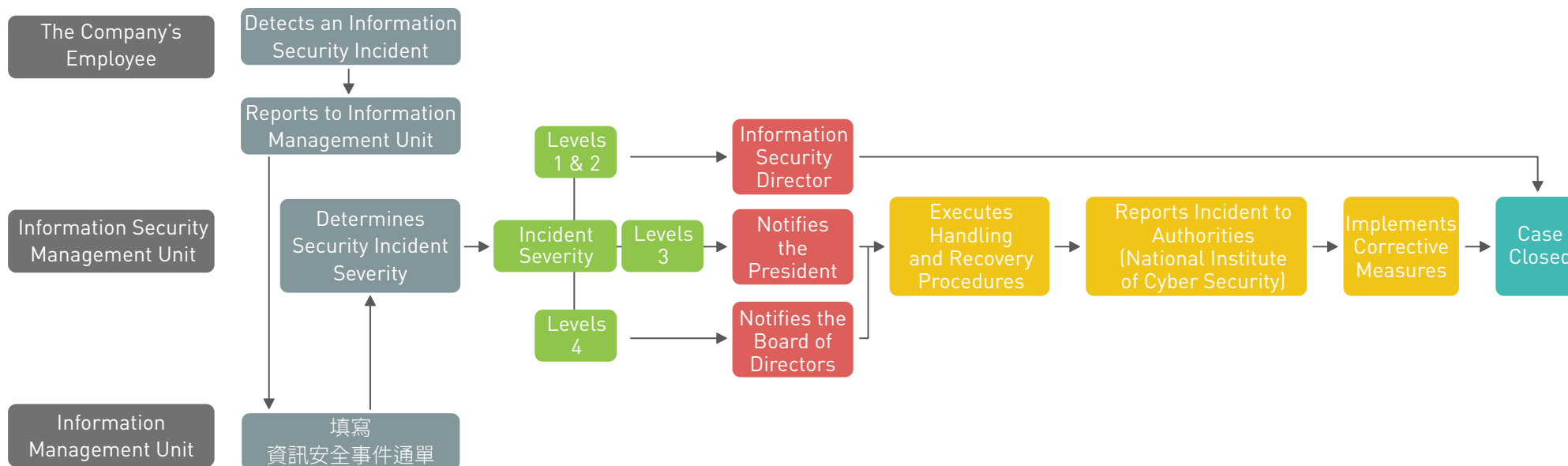
Management Items	Operational Descriptions
Data Backup Mechanism	· All critical data and information systems must be backed up regularly, with backups retained for at least 7 days. · Enable offsite backup and redundancy features. · Maintain at least three backup sets.
Security Management of System Development, Deployment, and Maintenance	· Information security requirements must be incorporated into both in-house and outsourced system development. Standard procedures must be followed for system maintenance, updates, deployments, and troubleshooting to ensure system stability.
Business Continuity and Emergency Response	· Conduct contingency drills and disaster recovery testing annually under the Company's business continuity plan to ensure information system availability. · Define Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO).
Personnel Management and Training	· Continue to promote information security awareness among employees to increase information security. · Provide information security onboarding training to new hires. · Conduct periodic information security awareness campaigns. · Require information security personnel to complete at least 12 hours of information security training annually.
Information Security Incident Management Procedure	· Follow incident escalation and response procedures based on severity levels, as outlined in the Information Security Incident Management Manual. · Incidents of Level 3 or above must be reported to the President. · Incidents of Level 4 or above must be reported to both the President and the Board of Directors. · Level 3 and Level 4 incidents must also be reported to the National Institute of Cyber Security Incident Reporting and Response Platform.

4.3.2.4 Classification Management and Incident Reporting Procedures for Information Security Events

Information Security Incident Classification Mechanism :

Level 1 Security Incident	Level 2 Security Incident	Level 3 Security Incident	Level 4 Security Incident
Affects certain IT equipment, but the Company can continue operations.	Non-core operations are affected, but the Company can continue operations.	The Company's core information systems, official website, or confidential files are subject to hacking, intrusions, or DDoS attacks. These incidents may result in service disruption, business suspension, or personal data breaches, and are considered to cause significant damage or impact to the Company.	Any major security incident resulting in losses of NT\$300 million or 20% of capital stock must be publicly disclosed via a material information press conference.

Emergency Response Flowchart for Information Security Incidents :



4.3.2.5 Information Security Training and Education

To enhance employees' awareness and professionalism regarding information security and privacy protection, DINGZING provides tailored education and training for new hires, general employees, cybersecurity specialists, and designated supervisors. New employees receive information security orientation upon onboarding to understand the Company's computer usage policies. In addition to 1 hour of annual information security training for designated supervisors, information security awareness e-mails are periodically sent to general employees. Moreover, the Company's two dedicated cybersecurity personnel are required to complete information security training courses every year.

2024 Information Security Training Overview :

No.	Item	Frequency	Target Group	Information Security Training Coverage
1	Information Security Orientation for New Employees	Upon Onboarding	New Employees	100%
2	Employee Information Security Guidelines	1 Hour per Year	Designated Supervisors	100%
3	Information Security Awareness E-mails	Irregularly	General Employees	100%
4	IPAS Information Security Engineer Competency Training (Basic)	Once a Year (12-Hour Session)	Cybersecurity Specialists	100%

05

Environmentally Sustainable Operations

5.1	Climate Change Response	58
5.2	Energy and Greenhouse Gas Management	67
5.3	Air Pollution Prevention	71
5.4	Waste Management	72
5.5	Water Resources and Wastewater Management	74

DINGZING's Environmental Policy and Commitment

At DINGZING, sustainable development and carbon reduction are core operational principles. The Company strives to minimize resource and material waste and optimizes production processes based on the principles of environmental integration. DINGZING has adopted the ISO 14001:2015 Environmental Management System and integrated it into the corporate governance framework, requiring all responsible units and personnel to fulfill their environmental responsibilities. The Company has established dedicated roles for air pollution control, water resource management, and waste treatment along with regular training programs and internal audit mechanisms to enhance environmental awareness, strengthen compliance, and improve the overall effectiveness of environmental management. The Company actively adopts environmentally responsible operating strategies. The production process requires no process water and generates no process wastewater, which helps conserve water resources and minimizes potential environmental impacts. Moreover, the production process is aligned with both domestic and international environmental regulations, ensuring no adverse impact on air or water environments. The Company adheres to all reporting and monitoring requirements for substances listed or restricted by regulatory authorities and proactively complies with international standards such as REACH and RoHS to ensure full conformity with regulatory and market expectations.

DingZing further promotes its “Green Materials, Green Production, Green Commitment” (3G Environmental Policy), advancing three strategic pillars to support a green supply chain from raw materials to finished products: innovative material R&D, process optimization, and resource circularity. This policy is fully aligned with the United Nations Sustainable Development Goals (SDGs).

DINGZING's 3G Environmental Policy :

1. Green Materials

DINGZING's high-tech film products are made from biodegradable thermoplastic polyurethane (TPU), which decomposes naturally under specific microbial and environmental conditions. It does not emit toxic gases during heating, making it environmentally friendly. TPU products are free of heavy metals and plasticizers and leave no toxic residues. They exhibit excellent physical properties and high safety, making them suitable for applications across medical, sports, outdoor, and electronics industries. These products pose no harm to humans or the natural environment. In terms of tactile feel, scratch resistance, and elastic recovery, TPU outperforms PVC. Therefore, TPU, with its high performance and low environmental impact, is considered the best alternative to PVC.



Decompose naturally
within 5 to 10 years



100% recyclable

2. Green Production

DINGZING utilizes high-efficiency, low-energy production equipment to manufacture TPU film. The entire facility is powered by electricity, with no process water required and no wastewater generated. This enables the Company to effectively achieve its goal of zero water consumption. This clean process design reduces environmental risks while simplifying emission monitoring and treatment procedures. To further improve energy efficiency, the Company implements energy-saving initiatives aimed at progressively lowering the carbon emission intensity per unit of product. DINGZING has obtained various international sustainability certifications, including OEKO-TEX® Standard 100 and the Global Recycled Standard (GRS), and continues to drive green transformation across its supply chain.

3. Green Commitment

DINGZING adopts “zero material waste” as its core environmental strategy and is committed to building a circular economy value chain. The Company has established a comprehensive recovery and reprocessing system for offcuts and non-conforming products generated during production. Using techniques such as thermal granulation, we recycle these materials into Provecta™ Recycled film products. This product line delivers strong performance and enables downstream customers to reduce their product carbon footprints and achieve their ESG objectives.



No wastewater or air pollution generated during the production process.



Zero material waste



Surplus Regeneration

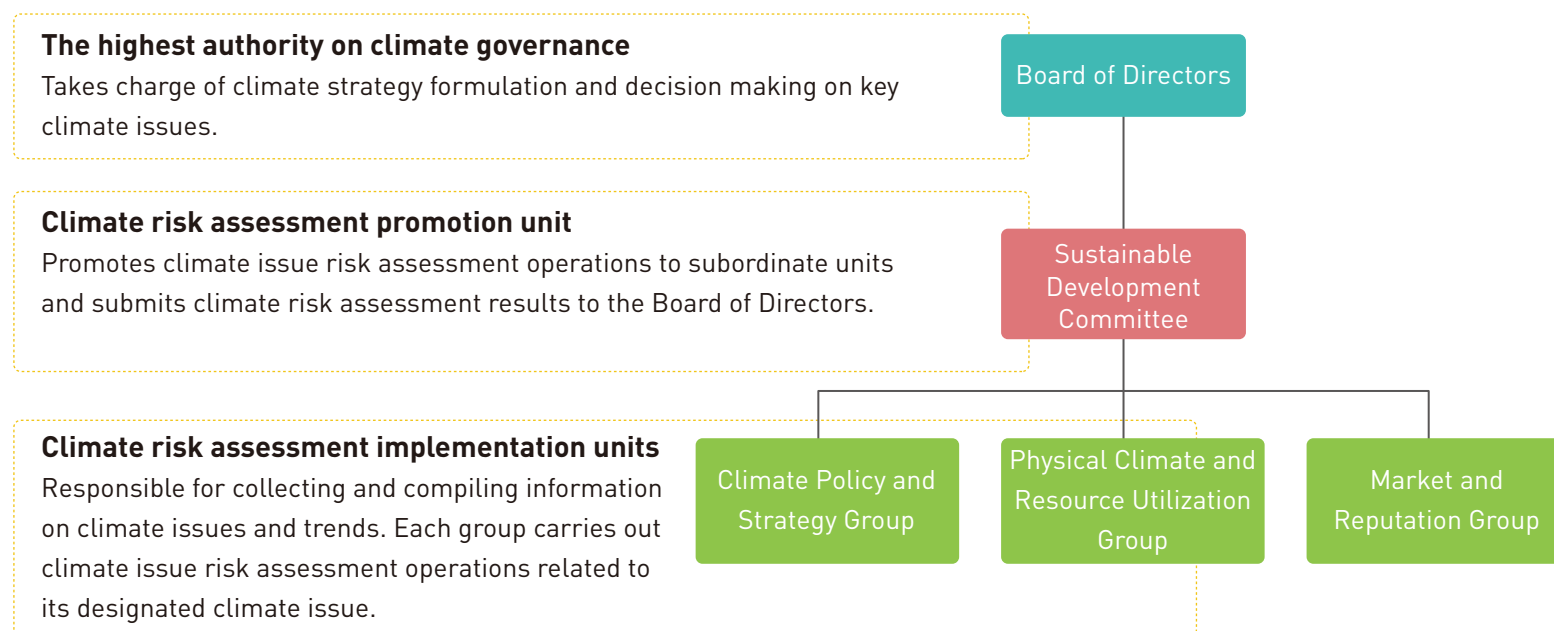
5.1 Climate Change Response

The 2024 United Nations Climate Change Conference (COP29) once again served as a global reminder that countries and corporations must look beyond short-term economic interests and take meaningful action to protect the environment and ensure the survival of humanity over the centuries to come. Responding to this call, DINGZING, in accordance with regulatory requirements, discloses its strategies and current management practices for addressing climate-related issues. Leveraging its existing corporate governance framework, the Company has established procedures to evaluate climate-related risks and opportunities. For material climate topics, DINGZING actively responds to the risks and emerging opportunities relevant to its operations through the formulation of corresponding management strategies and targets.

5.1.1 Climate Governance

The Board of Directors serves as DINGZING's highest governing body for climate issues and is mainly in charge of decision making and policy formulation on climate issues. The Sustainable Development Committee operates under its oversight, with Independent Director Po-Jen Hu as Committee Chair. The units under the Sustainable Development Committee that are responsible for climate issues are divided into three functional groups, which are the Climate Policy and Strategy Group, the Physical Climate and Resource Utilization Group, and the Market and Reputation Group; the leader of each group is appointed by the committee chair and takes charge of overseeing and promoting the risk assessment of climate issues within their respective group and reporting assessment results and management response strategies to the Sustainable Development Committee. The Sustainable Development Committee integrates the assessment results of the three groups and reports them to the Board of Directors for approval, thereby integrating climate risk management into internal management procedures.

Since 2023, each year, the Board of Directors has monitored the current status of DINGZING's climate issue management and its progress toward achieving its goals. The Sustainable Development Committee reports to the Board of Directors periodically throughout the year, explaining the results of the annual climate risk assessment, the corresponding management strategies of each unit, and progress toward achieving short-, medium-, and long-term goals. DINGZING properly implements climate risk management through continuous tracking and review to ensure that the climate risks identified by the Company are minimized while gradually improving the climate resilience of its operations to achieve long-term climate goals.



5.1.2 Climate Risk Management

DINGZING has established climate risk management procedures since 2023. The Board of Directors is DINGZING's highest authority on climate risk management; it reviews and decides on management strategies for identified climate risks. DINGZING's climate risk assessment procedure is jointly implemented by the three functional groups: the Climate Policy and Strategy Group, the Physical Climate and Resource Utilization Group, and the Market and Reputation Group, which are convened by the Sustainable Development Committee. Each group focuses on the identified issues and develops specific management strategies, action plans, and goals for key climate issues to implement climate risk management. DINGZING has incorporated this procedure into its internal routine operational risk management procedures, and the Company convenes meetings periodically to review climate risk assessment procedures on the basis of climate and sustainability trends, thereby ensuring that the Company is aware of current climate risks at all times.

5.1.2 Climate Risk Management

DINGZING has established climate risk management procedures since 2023. The Board of Directors is DINGZING's highest authority on climate risk management; it reviews and decides on management strategies for identified climate risks. DINGZING's climate risk assessment procedure is jointly implemented by the three functional groups: the Climate Policy and Strategy Group, the Physical Climate and Resource Utilization Group, and the Market and Reputation Group, which are convened by the Sustainable Development Committee. Each group focuses on the identified issues and develops specific management strategies, action plans, and goals for key climate issues to implement climate risk management. DINGZING has incorporated this procedure into its internal routine operational risk management procedures, and the Company convenes meetings periodically to review climate risk assessment procedures on the basis of climate and sustainability trends, thereby ensuring that the Company is aware of current climate risks at all times.

Assessment Procedure for Climate Risk and Opportunity Issues :

DINGZING's climate risk assessment procedure meeting is convened by the Sustainable Development Committee and can be divided into the following steps :

Step 1

Collection and compilation of climate risk and opportunity issues

To understand the climate issues that concern DINGZING's industry, the Sustainable Development Committee collects and compiles the climate issues disclosed in sustainability reports of international benchmark chemical peer industries, TCFD reports, and CDP questionnaires from recent years and finds the convergence with potential climate issues that concern DINGZING's own operations. Such issues are included in subsequent stages of the risk and opportunity assessment.

Step 2

Defining the levels for quantification of climate issues

To ensure that different functional groups adopt consistent standards for the assessment of climate issues, the levels for quantifying issue materiality, likelihood of occurrence, and time of occurrence were first defined as follows:

A. Definition of levels of issue materiality:

1. Very severe: affects revenue by more than NT\$50 million.
2. Severe: affects revenue by NT\$10–50 million.
3. Ordinary: affects revenue of NT\$5–10 million.
4. Slight: affects revenue by NT\$1–5 million.
5. Very slight: affects revenue by less than NT\$1 million.

B. Definition of levels of likelihood of occurrence:

1. Almost certain to occur: likelihood of occurrence is over 90%.
2. Very likely to occur: likelihood of occurrence is 65–90%.
3. May occur: likelihood of occurrence is 35–65%.
4. Unlikely to occur: likelihood of occurrence is 10–35%.
5. Almost impossible to occur: likelihood of occurrence is less than 10%.

C. Definition of levels of time of occurrence:

1. Short term: occurring within 0–2 years.
2. Medium term: occurring within 3–10 years.
3. Long term: occurring after 10 years.

Step 3

Issue assessment

Each responsible unit under the Climate Policy and Strategy Group, the Physical Climate and Resource Utilization Group, and the Market and Reputation Group conducts assessments of **materiality, likelihood of occurrence, and time of occurrence** for the climate issues related to its own responsibilities and duties, reviews the status of the Company's response during the assessment process, and develops future management strategies.

Step 4

Issue materiality analysis and matrix mapping

After collecting and compiling the risk assessment results of the three climate groups, the materiality of each issue is calculated by multiplying the average materiality and the average likelihood of each issue, and then a materiality matrix map is drawn based on this data to identify the level of materiality of each issue.

Step 5

Resolutions on key climate issues

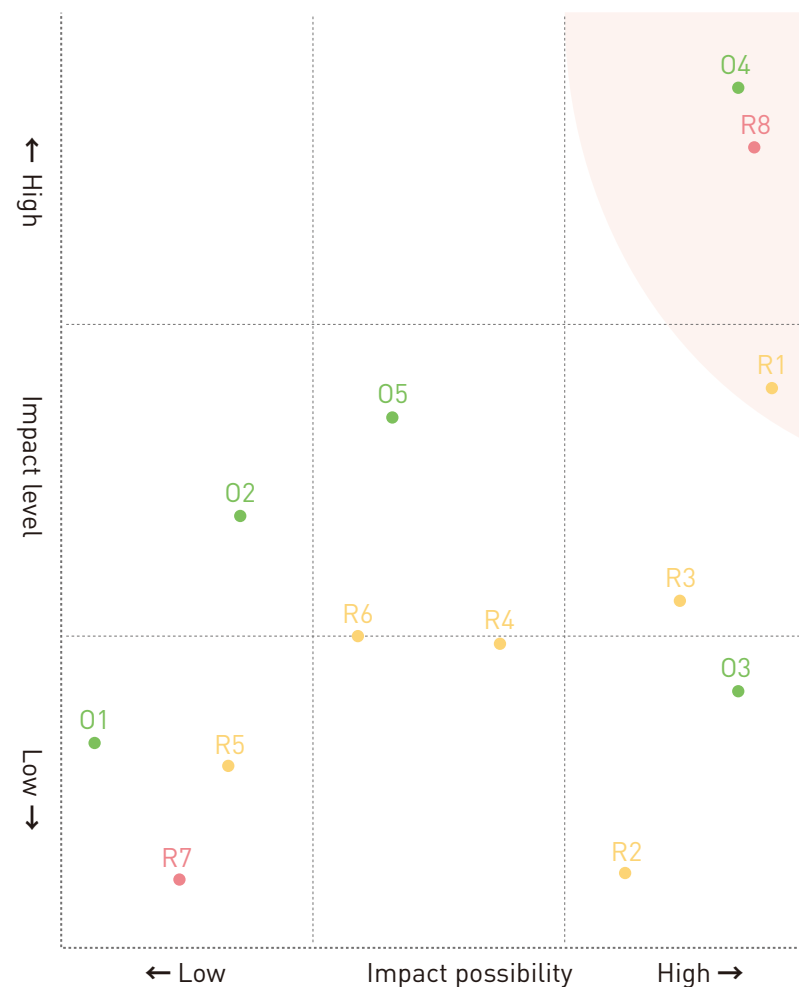
In order to grasp the main effects and financial impact of climate on DINGZING, the Sustainable Development Committee judges and resolves on DINGZING's key climate issues through a climate issue materiality matrix, then submits the key climate issues, management measures, and goals to the Board of Directors for approval so as to ensure that the Company can continuously grasp and respond to important climate risks.

Climate Risk and Opportunity Topic Assessment Process :

After collecting and compiling issues from peer industries on sustainability trends, 13 climate issues were selected for inclusion in the risk assessment process in 2023, including 6 transition risks, 2 physical risks, and 5 opportunity issues. After taking the materiality assessment results of each issue into account, it was decided that R1-Carbon pricing mechanism, R8-Changes in rainfall and climate patterns, and O4-Develop and/or increase low-carbon/environmentally friendly goods and services are DINGZING's key climate issues, and corresponding management measures and goals have been formulated for these three issues. As there were no significant changes in regulatory policies or industry trends during 2024, DINGZING has adopted the same climate risk and opportunity assessment results that were used in 2023 for the 2024 reporting year.

Category	Aspect	Climate issues included in DINGZING's assessment
Transition risks	Policies and regulations	R1-Carbon pricing mechanism
	Policies and regulations	R2-Requirements and supervision of existing products
	Market	R3-Changes in customer preferences for products
	Market	R4-Rising costs of raw materials
	Technology	R5-Transition costs of low-carbon / environmentally friendly technologies
	Reputation	R6-Increased attention and negative feedback from stakeholders
Physical risks	Immediate	R7-Increased severity of extreme weather events
	Long-term	R8-Changes in rainfall and climate patterns
Climate opportunities	Resource efficiency	O1-Use more efficient production and distribution processes
	Resource efficiency	O2-Recycling
	Energy source	O3-Use low carbon energy
	Products and services	O4-Develop and /or increase low carbon / environmentally friendly goods and services
	Market	O5-Enter new markets

DINGZING's Climate Risk and Opportunity Matrix :



5.1.3 Climate Strategy

DINGZING's three key climate issues are R1-Carbon pricing mechanism, R8-Changes in rainfall and climate patterns, and O4-Develop and/or increase low-carbon/environmentally friendly goods and services. The climate groups and the responsible units have conducted an inventory, confirmed the impact of these issues on the Company, and developed future management strategies and response measures. The impact statement and response strategies for the three key issues are as follows.

Code	Risk Opportunity	Aspect	Climate Issue	Impact Statement	Time of Occurrence	Management Measures and Strategies
R1	Transition risks	Policies and regulations	Carbon pricing mechanism	Taiwan's Climate Change Response Act clearly stipulates that the country must achieve net-zero greenhouse gas emissions by 2050. In order to achieve this national goal, pursuant to the Act, a carbon fee will be levied on Taiwanese companies in stages, from highest to lowest carbon emitters. During the first stage, which is slated for 2026, carbon fees will be levied on enterprises with annual carbon emissions exceeding 25,000 tons. DINGZING's carbon emissions in 2024 were approximately 22,000 tons, and thus the Company is not subject to the first wave of carbon fees. However, considering that future regulations and management conditions will become increasingly stringent, as well as the fact that the Company's orders have continued to grow in recent years and carbon emissions may increase due to increased production, there is a potential risk that carbon fees will be levied on the Company in the future, which may increase the Company's basic operating costs.	Medium term (occurring within 3–10 years)	1. DINGZING completed the greenhouse gas inventory of its Kaohsiung plant, Pingtung plant, and Taichung office in 2024 and established an internal greenhouse gas inventory system. In the future, the Company will conduct greenhouse gas inventory year by year and track the carbon reduction results. 2. DINGZING's plants have been equipped with solar panels covering a total area of 14,596 square meters. Through solar panels, the Company can reduce carbon emissions caused by the use of gray electricity. 3. Every year, DINGZING conducts an inventory to replace old equipment in the plant areas, promoting the optimization of manufacturing processes and phasing in energy-saving facilities, such as energy-saving air compressors and LED lighting intelligent control systems. This improves energy utilization and reduces energy consumption by the equipment.

Code	Risk Opportunity	Aspect	Climate Issue	Impact Statement	Time of Occurrence	Management Measures and Strategies
R8	Physical risks	Long term	Changes in rainfall and climate patterns	In recent years, droughts have intensified due to extreme climate. Over the past 2 years, severe drought in the South American Panama Canal has resulted in low water levels, making the canal impassable for shipping freighters. This has caused supply delays for downstream customers in the Company's supply chain and increased shipping costs. Since DINGZING's main raw materials come from neighboring Asian countries, it is not directly affected by this at the present. However, the Company still needs to pay attention to the potential impact of the intensification of extreme weather on the upstream and downstream of the supply chain in the future. DINGZING's plants are located in southern Taiwan. With the exception of the plum rain and summer typhoon seasons, when heavy rainfall can cause short-term flooding, for most of the year the region is characterized by a high temperature and dry climate, and thus it is relatively more likely to face the risk of water shortages. Nevertheless, DINGZING's manufacturing processes do not require large amounts of water, so currently the impact of droughts on the Company is limited. However, if the number of drought days increases in the future, it may interrupt the domestic water supply in the plant areas, which would indirectly affect the production and shipping efficiency of the plant.	Long term (occurring after 10 years)	1. Drainage facilities are built into all plant areas to reduce direct damage and losses caused by typhoons and temporary flooding of plant areas. 2. Before the dry season arrives, water storage facilities and reserved water are prepared within the plant areas. Additionally, water trucks are reserved from suppliers in advance to provide water supply to the plant in a timely manner during droughts. 3. Emergency response plan management guidelines have been established for the plant areas, and natural disaster emergency response education and training are regularly implemented for personnel within the plant areas. 4. The Company has established a secondary supplier system to maintain a stable supply of raw materials and reduce the risk of supply interruption due to the effects of extreme weather conditions on existing suppliers.

Code	Risk Opportunity	Aspect	Climate Issue	Impact Statement	Time of Occurrence	Management Measures and Strategies
04	Opportunities	Innovative products and services	Develop and increase low-carbon and environmentally friendly products and services	In recent years, climate issues have brought about a change in global awareness of sustainability. Consumers and brands increasingly prefer sustainable products and materials. Continuous investment in the research and development of low-carbon and environmentally friendly materials will lead to opportunities to expand the niche markets for sustainable products and further increase the Company's purchase orders and revenue. DINGZING's main product is TPU film. It is 100% recyclable, non-toxic, biodegradable, and has other environmentally friendly properties that make it easier to incorporate scraps and recycled materials into the manufacturing process, which reduces raw material costs. In recent years, the Company has observed a trend within the medical, electronic, automotive, and leisure sports markets of switching to TPU materials for many of their products. The Company has also successively received requests to develop products for customers in different industries. DINGZING will continue to invest in the research and development of TPU materials with applications in different fields so as to continue to grasp market opportunities and meet demands derived from sustainability trends.	Short term (occurring within 2 years)	1. The Company is actively expanding its cross-industry cooperation with customers from various industries and reducing its R&D costs by jointly developing TPU products with new applications, new material textures, and special specifications. 2. Dedicated units conduct research and analysis on the trends for the application of sustainable materials in various industries, which helps the Company determine its R&D direction for sustainable materials. 3. The Company will continue to make plans for the installation of solar panels on the roofs of its plants, aiming to reduce carbon emissions per unit of product through the use of self-generated electricity. 4. The production process follows the "zero waste of materials" policy. Materials leftover from the production process are recycled and processed into a line of recycled high-tech film products, which reduces the product carbon footprint.

5.1.4 Climate Indicators and Goals

In order to definitively implement the management of climate risks and opportunities, DINGZING adheres to the 3G environmental policy (Green Materials, Green Production, and Green Commitment) and continues to dynamically revise its climate targets and management actions. In 2024, DINGZING was not affected by any impacts of extreme weather events. The Company fell short of its target of allocating 5% of annual revenue to R&D of environmentally friendly TPU materials; this was primarily due to a significant increase in revenue in 2024 compared to the previous year, which caused the R&D investment ratio to decrease substantially. In view of its expected future business growth, the Company has adjusted its target R&D-to-revenue ratio to 4–5%. DINGZING also fell short of its target of reducing carbon emissions intensity by 0.5% compared to the base year; the shortfall was mainly due to increased production output in 2024 and the expansion of inventory boundaries and organizational scope. Considering the Company's continued growth in recent years and its year-by-year expansion of inventory boundaries, DINGZING will re-evaluate its long-term carbon reduction strategy. With reference to the sustainability roadmap announced by regulatory authorities, the Company plans to disclose its greenhouse gas reduction targets in 2027, using a base year no later than 2026. DINGZING will continue to assess trends in climate risks, and will dynamically adjust and monitor the progress of its current indicators and goals. The Company aims to strengthen climate governance by enhancing its climate resilience and seizing climate-related opportunities.

Indicator Type	Goal Description	Year of Goal Achievement	Current Goal Achievement Status
Low carbon operations (Scope 1 and Scope 2) Note 1	Carbon emission intensity reduced by 1% compared with that of the base year	2023	Achieved
	Carbon emission intensity reduced by 0.5% compared with that of the base year	2024	Not achieved
Energy transition	Renewable energy accounts for 5%	2025	In progress
Seizing climate opportunities	The amount invested in the R&D of TPU environmentally friendly materials accounts for 5%	2024	Not achieved Note 2
	The amount invested in the R&D of TPU environmentally friendly materials accounts for 4-5%	2024	In progress
	The development of new products made from TPU environmentally friendly materials accounts for 30%	2030	In progress
	The percentage of recycled materials in products reaches 15%.	2030	In progress
	The number of raw material interruptions in the plant area caused by extreme weather factors is 0	Annual continuous target	Achieved in 2024
	The number of plant shutdowns or operational interruptions caused by extreme weather factors is 0	Annual continuous target	Achieved in 2024

Note 1: The Company plans to refer to Taiwan's Sustainable Development Roadmap and Sustainable Development Action Plan and disclose its greenhouse gas reduction targets in 2027, using a base year no later than 2026.

Note 2: The R&D investment ratio for the year was 3.97%, falling short of the target due to a significant increase in the Company's revenue compared to the previous year. Considering the Company's overall revenue performance in recent years, the target ratio for investment in the R&D of environmentally friendly TPU materials is proposed to be adjusted to 4–5%.

5.2 Energy and Greenhouse Gas Management

Management Policy

Issue Impact Statement	Promoting greenhouse gas reduction through energy structure improvement or other carbon reduction actions can mitigate the Company's negative impact on climate change. Effectively tracking greenhouse gas emissions and setting carbon reduction targets enables the Company to comply with local regulations, fulfill brand clients' supplier requirements, and reduce its impact on global climate change. Insufficient control of GHG emissions may lead to higher carbon taxes and fees, regulatory penalties, or failure to meet the carbon reduction requirements of financial institutions and customers, potentially disrupting business operations.	
Policy and Commitment	DINGZING is deeply aware that the Earth's climate and environment are gradually deteriorating due to the effects of greenhouse gases. As a citizen of the Earth, and to fulfill corporate responsibility, the Company will devote itself to conducting a baseline inventory of greenhouse gas emissions at its plants so that it can properly control the plants' greenhouse gas emissions. Based on the results of the inventory, the Company will implement a voluntary greenhouse gas reduction program.	
Management Policy	To reduce the environmental impact of operational processes, DINGZING promotes manufacturing process optimization and the transition to energy-saving devices, such as energy-saving air compressors and smart LED lighting control systems, which improve energy efficiency and reduce energy waste from equipment. Additionally, the Company actively purchases and installs green energy systems, enhances green infrastructure, and increases green space and tree coverage to reduce greenhouse gas emissions.	
Responsible Unit	Management Department	
Resources Invested	Annual ISO 14064 certification and internal audits Solar panel installation; transition to energy-saving equipment	
Complaint Mechanism	There is a contact portal on the company website.	www.dingzing.com/contactUS
Short-, Medium-, and Long-Term Goals	The Company plans to refer to Taiwan's Sustainable Development Roadmap and Sustainable Development Action Plan to disclose its greenhouse gas reduction targets in 2027, using a base year no later than 2026.	
2024 Action Plan and Performance	Reduced average annual electricity consumption by 0.5% through installation and upgrade of energy-saving equipment. Expanded GHG inventory boundaries to include the Taichung office in 2024.	
Effectiveness Evaluation	Third-party verification of the ISO 14064 management system is conducted annually, with a recertification audit every 3 years. Internal meetings are held each year to review progress in reducing carbon emission intensity.	

DINGZING adheres to the concepts of sustainable operations, energy saving, carbon reduction, and environmental coexistence, and plans its energy management policies and activities based on the three core corporate values of "Science, Innovation, and Collaboration". In order to effectively achieve the goal of electricity saving and control, DINGZING records its actual electricity consumption in the Monthly Electricity Consumption Record Sheet every month and sets target values for electricity consumption. If the targets are not met, the Company actively works to understand the reasons and proposes improvement measures, if necessary. DINGZING monitors and controls manufacturing process equipment, lighting, distribution boxes, and other equipment through inspections, and shuts down facilities that are not in use to prevent electricity waste. Additionally, DINGZING actively promotes low-carbon energy transformation and has installed a 14,596-square-meter solar power generation facility on top of its plants, which generates green electricity sold to Taipower. In 2024, the solar installation generated a total of 1,587,055 kWh of electricity, contributing 5,714.6994 GJ in self-produced energy and reducing annual greenhouse gas emissions by approximately 752.2641 metric tons of CO_{2e}.



5.2.1 Energy Structure

In terms of energy usage, DINGZING's primary energy consumption comes from electricity used by process equipment. Electricity from the power grid accounts for 77.5194% of the total energy consumption, and the remainder comes from the use of natural gas, diesel, gasoline, and liquefied petroleum gas within the plant. In 2024, total energy consumption was 192,756.1514 GJ, with an energy intensity of 61.6228 GJ per NT\$1 million in revenue. Moving forward, DINGZING will continue to assess its energy consumption and evaluate the feasibility of implementing energy-saving measures to ensure progress toward its low-carbon operational goals.

2024					
Energy Consumption (GJ)	Kaohsiung Plant	Pingtung Plant	Taichung Office	Subtotal	Percentage
Externally Purchased Electricity	111,607.0126	37,764.8240	51.6610	149,423.4976	77.5194%
Gasoline	150.7698	0.0000	71.2406	222.0104	0.1152%
Diesel	2,014.1414	9.1047	0.0000	2,023.2461	1.0496%
Natural Gas	25,874.5558	15,207.3312	0.0000	41,081.8870	21.3129%
Liquefied Petroleum Gas	5.5103	0.0000	0.0000	5.5103	0.0029%
Renewable Energy	0.0000	0.0000	0.0000	0.0000	0.0000%
Total Energy Consumption			192,756.1514		
Annual Revenue (NT\$1 million)			3,128		
Energy Intensity (GJ/NT\$1 million)			61.6228		

Note 1: Based on the latest Energy Products Unit Heating Value Table (effective from 2024) announced by the Bureau of Energy, Ministry of Economic Affairs in 2025.

Note 2: All electricity generated by DINGZING's solar panels is sold to Taiwan Power Company; therefore, the percentage of renewable energy used is 0%.

5.2.2 Greenhouse Gas Management and Inventory

Faced with the challenge of climate change on a global scale, enterprises must find ways to minimize greenhouse gas emissions from their operations in order to mitigate negative environmental impacts. In order to effectively manage greenhouse gas emissions, in 2021, DINGZING began collecting energy usage data and conducting inventories of the refrigerant and fire suppressant gas fillings of various equipment to assess greenhouse gas emission activities and formulate a carbon reduction policy. DINGZING also actively advocates energy saving and carbon reduction to its employees, reinforcing the concept of carbon reduction and encouraging everyone to turn off air conditioners, electronic equipment, and utility appliances when not in use, thereby putting the spirit of energy saving and carbon reduction into practice. Additionally, the Company is actively replacing traditional equipment and lighting with more energy-efficient devices to gradually reduce greenhouse gas emissions.

Since 2022, the Company has established a greenhouse gas inventory mechanism based on the ISO 14064-1:2018 standard. Annual inventories are conducted across all emission categories to monitor and understand the Company's greenhouse gas usage and emission levels. Since 2022, DINGZING has gradually expanded its greenhouse gas inventory boundaries and categories. In 2024, the inventory scope covered the Kaohsiung Plant, Pingtung Plant, and Taichung Office, encompassing Categories 1 through 4. Among the 2024 greenhouse gas emissions, Category 4 accounted for the largest share at 61.25%, followed by Category 2 (externally purchased electricity) at 34.16%.

Compared to the previous year, DINGZING's total organizational greenhouse gas emissions increased in 2024. This was primarily due to the expansion of the inventory boundary to include the Taichung Office, as well as business growth and increased production output following the phased completion of the Pingtung Plant. However, the Company's carbon intensity (Scope 1 + Scope 2) decreased by approximately 8.65% compared to 2023, which clearly demonstrates the effectiveness of DINGZING's energy-saving and carbon-reduction efforts.

Looking ahead, DINGZING plans to refer to Taiwan's Sustainable Development Roadmap and Sustainable Development Action Plan and disclose its greenhouse gas reduction targets in 2027, using a base year no later than 2026.

Greenhouse Gas Inventory for the Past 3 Years

Item	Plant	2022			2023			2024		
		Emissions	Subtotal	Percentage(%)	Emissions	Subtotal	Percentage(%)	Emissions	Subtotal	Percentage(%)
Category 1(tonCO ₂ e)	Kaohsiung Plant	1,528.1183	1,528.1183	3.47%	1,349.2001	2,044.8973	4.49%	1,554.9281	2,344.3551	3.91%
	Pingtung Plant	--			695.6972			785.4203		
	Taichung Office	--			--			6.0067		
Category 2(tonCO ₂ e)	Kaohsiung Plant	17,011.2730	17,011.2730	38.62%	15,465.3112	19117.1370	41.94%	15,311.4747	20,499.5551	34.16
	Pingtung Plant	--			3,651.8258			5,180.9930		
	Taichung Office	--			--			7.0874		
Category 3(tonCO ₂ e)	Kaohsiung Plant	257.5920	257.5920	0.58%	252.0918	291.7380	0.64%	366.0368	408.1342	0.68%
	Pingtung Plant	--			39.6462			39.7251		
	Taichung Office	--			--			2.3723		
Category 4(tonCO ₂ e)	Kaohsiung Plant	25,249.0198	25,249.0198	57.32%	24,122.9221	24,122.9221	52.93%	35,503.2881	36,757.1945	61.25%
	Pingtung Plant	--			--			1,251.1438		
	Taichung Office	--			--			2.7626		
Category 5(tonCO ₂ e)	Kaohsiung Plant	--	--	0.00%	--	--	0.00%	--	--	0.00%
	Pingtung Plant	--			--			--		
	Taichung Office	--			--			--		
Category 6(tonCO ₂ e)	Kaohsiung Plant	--	--	0.00%	--	--	0.00%	--	--	0.00%
	Pingtung Plant	--			--			--		
	Taichung Office	--			--			--		
Annual Revenue (NT\$1 million)		2,473			2,647			3,128		
Total Emissions (Category 1-2) (tonCO ₂ e)		18,539.3913			21,162.0343			22,843.9102		
GHG Intensity (Category 1-2) (tonCO ₂ e/NT\$1 million)		7.4967			7.9947			7.3030		
Total Emissions (Category 1-6)(tonCO ₂ e)		44,046.003			45,576.694			60,009.2389		

Note 1: The carbon emission factor for electricity in 2024 is based on the announced value of 0.474 kg CO₂e/kWh issued by the Bureau of Energy in 2024.

Note 2: The 2024 figures are based on internal statistics compiled by DINGZING and have not yet been verified. Final emission figures will be based on the results confirmed by the third-party verification body in the second quarter.

Note 3: The 2022–2023 emission figures have been updated based on third-party verification results. The 2024 figures are based on internal inventories conducted by the Company and are expected to undergo third-party verification in the future.

5.2.3 Energy Saving and Carbon Reduction Measures

Electricity usage is DINGZING's main source of energy and greenhouse gas emissions. Therefore, DINGZING has introduced a series of energy-saving measures to reduce energy intensity across its plants. During daily break periods, power to idle machinery, fans, and lighting is turned off. A paperless policy is being promoted, with workflows gradually transitioning to online approval systems and digital document storage. Company vehicles and diesel forklifts are being gradually replaced by electric models as equipment reaches the end of its service life. Going forward, DINGZING will evaluate decarbonization strategies based on its annual GHG inventory results and established reduction goals, prioritizing improvements in high-emission areas.

In 2024, DINGZING invested NT\$4,860,000 to replace diesel forklifts with electric models, effectively reducing on-site fuel consumption and air pollution from forklift operations. To better evaluate the effectiveness of energy-saving and carbon-reduction efforts, the Company plans to estimate and track the resulting GHG and energy savings from these investments. DINGZING will continue to improve the energy-consuming equipment in each plant and propose various energy and resource consumption improvement programs with the management goal of reducing energy and resource consumption.



5.3 Air Pollution Prevention

DINGZING has established the Exhaust Gas Management Guidelines to prevent air pollution resulting from manufacturing processes. The Company commissions an inspection agency accredited by the Ministry of Environment to test the fixed pollution source control equipment every 6 months and assigns dedicated personnel to perform routine maintenance and inspections. These efforts are aimed at ensuring that all emissions remain compliant with regulatory standards. If any fixed pollution source control equipment malfunctions or fails and cannot be repaired within 1 hour, the Company will immediately suspend the operation of the relevant pollution source. Operations may resume only once it is confirmed that the production process will not pose any environmental risks. In 2024, the Company reported no malfunctions or repairs related to its fixed pollution source control equipment. DINGZING also actively collaborates with government authorities to mitigate air quality deterioration. Upon receiving an air quality deterioration alert from the local competent authority, the Company will fully comply with the competent authority's requirements and adjust its operations accordingly to help maintain local air quality.

5.3.1 Air Pollution Management

DINGZING's Kaohsiung Plant emits volatile organic compounds (VOCs), with total VOC emissions reaching 1,532.12 kilograms in 2024. The Pingtung Plant emits VOCs, particulate matter, and nitrogen oxides (NOx), with 2024 emissions totaling 215.67 kilograms of VOCs, 126.03 kilograms of particulate matter, and 606.5 kilograms of NOx. DINGZING utilizes activated carbon adsorption systems and regenerative thermal oxidizers (RTOs) to treat process gases and control air pollutant emission concentrations. In 2024, all of DINGZING's air pollutant emissions complied with applicable regulatory standards. There were zero emissions of ozone-depleting substances (ODS), sulfur oxides (SOx), or hazardous air pollutants (HAPs) at any of the Company's operating sites.

5.4 Waste Management

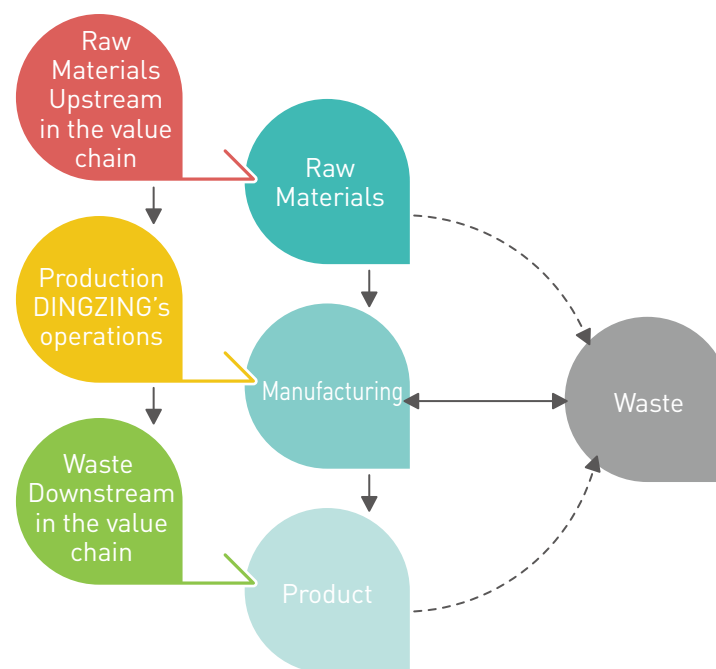
5.4.1 Waste Management

DINGZING attaches great importance to environmental protection and has formulated the Waste Management Guidelines to strictly monitor waste and promote waste reduction in its business operations. Specific measures include the waste reuse program (recycling for reuse of polystyrene foam, packing bags, plastic waste, etc.), which expands the scope of items for recycling. DINGZING also strictly selects its raw materials and suppliers, continuously improves technology, seeks environmentally friendly materials, and complies with all relevant regulations and customer requirements. DINGZING mainly manufactures various film materials and sells them to downstream processing factories after packaging. To ensure the safety of the products during transportation, DINGZING uses various packaging materials such as cardboard boxes, cardboard, paper tubes, polystyrene foam, bubble wrap, and adhesive tape. DINGZING actively coordinates with customers on methods to minimize the volume of packaging materials used, without affecting the degree of protection, by redesigning the product packaging to adopt thinner packaging materials or by using more compact designs. For example, the original polystyrene foam packaging was replaced with cardboard boxes, the size of the boxes was reduced to minimize the amount of filler materials (e.g., bubble wrap, dividers), and recyclable packaging materials are used (e.g., cardboard, paper, and plastic). Additionally, a “zero waste of materials” policy is strictly enforced during the manufacturing process, whereby leftover materials are collected for reuse. By re-melting these materials, they are ultimately used for the production of Provecta™ Recycled high-tech films. Because this type of film is made from recycled materials, the need for new materials is reduced, which minimizes waste and environmental impacts while creating economic benefits for the Company.

Supervision of Waste Treatment

DINGZING supervises the generation and flow of waste and hazardous substances and reduces waste output as much as possible through the “zero waste of materials” policy and packaging material reduction. By reducing resource waste, the Company achieves its goals of environmental protection and reduced environmental burden. DINGZING emphasizes resource classification and recycling and has set up recycling areas within its plants. Resource waste, such as paper, metal, glass, plastic, and other waste generated in the plant areas is collected together and then removed by external qualified recycling operators in accordance with regulations. Hazardous waste is clearly labeled with the name of the waste, stored centrally, and then handed over to qualified waste treatment operators for disposal. When outsourcing the disposal of hazardous waste, DINGZING sends dedicated staff to conduct on-site audits to ensure that no environmental pollution occurs during the disposal process. GPS tracking devices are also installed in the transport vehicles, and the waste disposal operators are required to fill out the Waste Disposal Tracking and Audit Form when they come to the plants to collect the waste, guaranteeing that hazardous waste is properly disposed of in a compliant manner. There were zero incidents of regulatory violations by the waste disposal operators in 2024.

DINGZING's Waste Flow Diagram :



5.4.2 Waste Output Structure

In 2024, the Company disposed of a total of 366.57 metric tons of non-hazardous waste, including mixed plastic waste, mixed wood waste, mixed fiber or other cotton/cloth waste, lubricant waste, and mixed paper waste. DINGZING treated waste through incineration and recycling. Since the launch of the Waste Reuse Program in 2022, DINGZING has recycled materials such as polystyrene foam, packing bags, and plastic waste. The Company achieved a waste recycling rate of 35.45% in 2024, increasing the rate by 32.45% compared with the previous year.

Item (Unit : metric ton)		Recycling		Incineration		Total		Annual Revenue (NT\$ million)	Waste Intensity (metric tons per NT\$ 1 million)
Plant		Kaohsiung Plant	Pingtung Plant	Kaohsiung Plant	Pingtung Plant	Kaohsiung Plant	Pingtung Plant	Total	Total
2022	Non-hazardous Business Waste	10.29	0	361.73	13.80	372.02	13.80	385.82	2,473
	Waste Composition Ratio	2.67%		97.33%		100%			
2023	Non-hazardous Business Waste	8.65	1.83	279.70	59.17	288.35	61.00	349.35	2,647
	Waste Composition Ratio	3.00%		97.00%		100%			
2024	Non-hazardous Business Waste	101.98	27.96	193.98	42.65	295.96	70.61	366.57	3,128
	Waste Composition Ratio	35.45%		64.55%		100%			

Note 1: The Pingtung Plant sends recyclable waste back to the Kaohsiung Plant for treatment.

5.5 Water Resources and Wastewater Management

DINGZING understands the importance of water resources to the environment and society. Under the environmental condition of limited water resources, DINGZING cooperates with government regulations and administrative policies to move forward in the direction of sustainable water resource management. DINGZING obtains its water from the Taiwan Water Corporation; the Kaohsiung Plant uses water from the Fengshan Water Supply Plant and the Pingtung Plant sources its water from the Pingtung Exporting Processing Zone Water Purification Plant. According to the analysis results of the World Resources Institute (WRI) Aqueduct Water Risk Atlas, all of DINGZING's operating sites are located in regions with low to medium water stress.

To reduce the potential impact of plant water use on local water resources, DINGZING has implemented water resource management systems at its sites to regularly monitor water usage, establish water-saving measures to reduce consumption, and optimize internal water recycling systems, such as recovering and reusing cooling water. Wastewater generated at the plants is collected through dedicated pipelines and sent to centralized wastewater treatment plants. It is never discharged directly into the ditches outside the plants.

In view of the potential risk of water shortages, DINGZING has conducted water resource risk assessments. Currently, water use at the plants is primarily concentrated in air conditioning and cooling systems, and there is no direct water demand in the production process. In the event of a water outage, the potential impact on DINGZING's operations is relatively low. DINGZING's water supply is sourced from tap water, and in the event of a water outage, the Taiwan Water Corporation will provide advance notice, allowing the plants to store water in advance or arrange for water trucks to resolve temporary shortages. DINGZING's wastewater primarily consists of domestic sewage, which is uniformly discharged to wastewater treatment plants and subject to regular water quality testing. Through the above mechanisms, DINGZING prevents water scarcity and pollution from adversely affecting its plant operations. DINGZING actively reduces water consumption at the source, enhances wastewater treatment, and fosters strong collaborative relationships to achieve the sustainable use and management of water resources.

5.5.1 Water Usage Structure and Management

The Company's water consumption structure mainly consists of water used for manufacturing processes and domestic water for daily use. 100% of the water used comes from tap water. In 2024, total water withdrawal amounted to 87,259 metric tons, with a water intensity of 27.8961 metric tons per NT\$1 million. In 2023, total water withdrawal was 91,041 metric tons, with a water intensity of 34.3940 metric tons per NT\$1 million. Most of DINGZING's water demand is concentrated in cooling towers. The year-on-year decrease of approximately 6.5109 metric tons per NT\$1 million in water intensity was primarily due to the consolidation of machine cleaning operations within the plant, which reduced water usage frequency. DINGZING will continue to monitor and assess its use of water resources and explore viable opportunities to further reduce water consumption.

Unit: ton	2022	2023			2024		
Region	Kaohsiung Plant	Kaohsiung Plant	Pingtung Plant	Total	Kaohsiung Plant	Pingtung Plant	Total
Total Water Intake	89,052	67,322	23,719	91,041	61,997	25,262	87,259
Total Water Discharge	39,757	32,059	10,495	42,554	20,203	8,611	28,814
Water Consumption	49,295	35,263	13,224	48,487	41,793	16,651	58,445
Annual Revenue (NT\$1 million)	2,473	2,647			3,128		
Water Withdrawal Intensity (metric tons / NT\$1 million)	36.0097	34.3940			27.8961		

Note 1: In 2024, the scope of statistics for 2023 was expanded to include both the Kaohsiung Plant and the Pingtung Plant; therefore, the data was reorganized accordingly in 2024.

Wastewater Management and Control :

DINGZING's wastewater mainly consists of recycled cooling water and domestic sewage, which is centrally collected through wastewater collection pipes and then processed at a wastewater treatment plant. Wastewater is never discharged directly into the ditches outside the plants. The Company commissions an external organization to conduct water quality tests every 6 months to ensure that the wastewater conforms to the Effluent Standards. Furthermore, the Company cooperates with the wastewater treatment plants in Linhai Industrial Park and Pingtung Technology Industrial Park, which assist the Company in monitoring the discharged wastewater at any given time. The results of the wastewater monitoring and control are provided to the Company on a monthly basis for checking and archiving so as to effectively control the volume of discharged water and the water quality. In 2024, there were zero violations related to discharge water quality.

Water Quality Standards	2022		2023		2024		Regulatory Standard Values	
Region	Kaohsiung Plant	Pingtung Plant	Kaohsiung Plant	Pingtung Plant	Kaohsiung Plant	Pingtung Plant	Kaohsiung Plant	Pingtung Plant
pH	7.58	7.96	7.65	7.76	7.63	7.01	5-9	5-9
COD (mg/L)	215	58.35	144.5	6.3	123	57.7	480	500
SS (mg/L)	25	1.45	69	0.2	17.85	13	240	300

Note 1: The Kaohsiung Plant adheres to the Linhai Industrial Park Sewage System Management and Effluent Standards.

Note 2: The Pingtung Plant adheres to the Pingtung Technology Industrial Park Sewage System Management and Effluent Standards.

06

Happy Workplace and Social Inclusion

- | | | |
|-----|---|----|
| 6.1 | Human Rights, Diverse and Inclusive Workplace | 77 |
| 6.2 | Talent Attraction and Retention | 81 |
| 6.3 | Career Development and Talent Cultivation | 86 |
| 6.4 | Occupational Health and Safety | 90 |
| 6.5 | Social Engagement | 98 |

6.1 Human Rights, Diverse and Inclusive Workplace

Management Policy

Issue Impact Statement	In today's larger environment where ESG is emphasized, human rights as well as a diverse and inclusive workplace have become unavoidable issues for corporate management. A sound management approach to human rights can create a workplace culture of respect and equality while preventing the expansion of human rights violations. The issue of diversity, inclusion, and human rights protection has a profound impact on the Company. It can enhance corporate image, attract diverse talent, and promote the Company's sustainable development. A robust human rights policy can reduce legal risks, strengthen employee loyalty, and improve productivity. Comprehensive human rights management can foster a workplace culture of respect and equality, while safeguarding the human rights and interests of the Company's stakeholders.
Policy and Commitment	DINGZING is committed to creating a workplace that upholds human rights and embraces diversity and inclusion, in alignment with the principles of ESG. The Company vows to ensure a positive work environment and protect the rights and interests of employees and stakeholders.
Management Policy	Continuously pay attention to issues and regulations related to human rights, diversity, and inclusion in the workplace; respond to or deal with the latest developments on these issues in a timely manner so as to continue to build a positive image of the Company with respect to protecting human rights and fostering a diverse and inclusive workplace.
Responsible Unit	Human Resources Section of the Management Department
Resources Invested	Periodically advocate and organize education and training on human rights and workplace diversity and inclusion, as well as the latest regulations. Provide grievance channels and establish policies related to human rights and workplace diversity and inclusion.
Complaint Mechanism	Human Resources Section of the Management Department Ext: 15501 e-mail : dz.999@dingzing.com
Short-, Medium-, and Long-Term Goals	Short-term: Implement the principles and standards of human rights and workplace inclusion by 2025 Mid-term: Achieve zero complaint cases related to human rights or workplace inclusion annually by 2028 Long-term: Align internal human rights and diversity standards with international norms by 2030
2024 Action Plan and Performance	In 2024, there were zero labor disputes arising from issues related to human rights or workplace diversity and inclusion.
Effectiveness Evaluation	1. Review the status of complaints related to diversity, inclusion, and human rights protection via mail/e-mail on a daily basis. 2. Review the company's internal regulations related to diversity, inclusion, and human rights protection on a quarterly basis.

DINGZING attaches great importance to labor rights and has formulated human rights related policies, including the Work Rules on Sexual Harassment Complaints and Discipline Management Guidelines, the Elimination of All Forms of Racial Discrimination Management Guidelines, the Child Labor and Young Workers Management Guidelines, the Work Rules: Working Hours, Breaks, Vacations, and Leaves Management Guidelines, and other policies in order to safeguard the freedom of association for both employees and suppliers and to ensure that there are no instances of child labor employment, discrimination, or violation of the right to freedom of association. The Company also complies with the Gender Equality in Employment Act and other applicable regulations by implementing parental leave, family care leave, and other supportive measures to foster a friendly and inclusive workplace.

DINGZING has formulated the Employee Complaints Management Guidelines, and the e-mail address dz.999@dingzing.com as well as a postal mailing address have been set up to receive complaints. The status of incoming mail is verified on a daily basis, and complaints are handled as quickly as possible. All personnel involved in the handling of complaints are responsible for maintaining complete confidentiality; information related to the complainant and the process of the complaint is kept confidential to protect the rights and interests of employees. In November 2023, DINGZING established a social responsibility management system and framework that aligns with international standards and comprehensively reviewed the Company's rules and regulations, optimizing the systems for preventing sexual harassment, combatting racial discrimination, and prohibiting child labor, as well as the employee complaint system.

In 2024, the Company did not receive any human rights-related complaints, and there were no incidents of discrimination on the basis of ethnicity, gender, religion, party affiliation, or sexual orientation, nor were there any incidents related to sexual harassment or workplace bullying. Additionally, DINGZING conducts advocacy, education, and training on human rights for employees. In 2024, DINGZING arranged training courses on sexual harassment prevention that were attended by all employees, with an average training time of 2 hours.

To meet the needs of social responsibility, DINGZING has conducted risk analyses of various social responsibility requirements since 2023 and made corresponding improvement plans to ensure that the Company aligns with social responsibility standards and can continuously improve. The items for analysis are child labor, forced or compulsory labor, health and safety, freedom of association and collective bargaining rights, discrimination, disciplinary measures, salary and remuneration, and management systems. A social performance team assessment group established by labor and management representatives performs the risk assessment and analysis. The risk index is sorted according to score (highest to lowest), which serves as a reference for prioritizing the amelioration of social responsibility risks. These measures serve to mitigate major or potential threats and reduce the possibility of occurrence or the negative impacts brought by such threats. In 2024, the results of the risk analysis showed zero new risks. DINGZING will continue to monitor the latest developments on related issues and make adjustments as needed.



Human rights-related risk identification and response :

Possible human rights risks	Mitigation and remediation measures
Forced labor	Improve the complaint mechanism (Work Rules: Employee Complaint Guidelines) to prevent or remedy the risk of occurrences.
Discrimination	Prevent discrimination in accordance with the Elimination of All Racial Discrimination Management Guidelines.
Child labor	Prohibit the employment of child labor and prevent and remedy the risk of occurrences in accordance with the Child Labor and Youth Labor Management Guidelines.

6.1.1 Staff Diversity

As of the end of 2024, DINGZING had a total of 637 employees, among whom none were contracted employees and all were formally employed. DINGZING does not discriminate in terms of salary and benefits on the basis of gender, age, nationality, race, religion, or position, but due to the current demographics of the technology industry, male employees accounted for 80.53% of the total workforce. In terms of age distribution, employees between the ages of 30 and 50 accounted for the majority of the workforce, representing approximately 83.36% of the total personnel, followed by employees younger than 30 years of age, who accounted for 10.68% of the total personnel. This age distribution is conducive to supporting the Company's rapid growth. DINGZING hopes to establish a friendly workplace that upholds the values of diversity, equity, and inclusion. In 2024, the Company employed five employees with physical or mental disabilities, which is above the legal requirement.

Age					
2024		< 30 years old	30-50 years old	> 50 years old	Total
Male	Number of People	64	424	25	513
	Percentage	10.05%	66.56%	3.92%	80.53%
Female	Number of People	4	107	13	124
	Percentage	0.63%	16.80%	2.04%	19.47%
Total		68	531	38	637

Employee Type					
2024		Senior Executives	Mid-level Executives	General Staff	Total
Male	Number of People	23	131	359	513
	Percentage	3.61%	20.56%	56.36%	80.53%
Female	Number of People	3	21	100	124
	Percentage	0.47%	3.30%	15.70%	19.47%
Total		26	152	459	637

Note 1: Senior Executives: Chairman, President, Vice President, Chief Inspector, Senior Manager, Vice Plant Manager, Department Chief, Manager, Department Director, Division Chief, and Assistant Manager.

Note 2: Mid-level executives: Deputy Department Chief, Assistant Manager, Assistant Department Director, Section Chief, Team Leader, Assistant Team Leader, Chief Engineer, Senior Specialist, Senior Engineer, Principal Specialist, and Secretary.

6.1.2 Sound Salary and Remuneration System

DINGZING provides employees with stable and competitive salary packages. In 2024, overall salaries increased by 4% compared to the previous year. DINGZING determines salary levels based on each employee's academic background, professional knowledge and skills, seniority, and individual performance. The overall salary and remuneration of all employees do not differ based on gender, age, race, nationality, religion, political stance, or sexual orientation.

Gender Pay Ratio :

2024	Senior Executives		Mid-Level Executives		General Staff	
Gender	Male	Female	Male	Female	Male	Female
Salary	79%	100%	96%	100%	125%	100%
Remunerations	93%	100%	105%	100%	126%	100%

Note 1: Senior Executives: Chairman, President, Vice President, Chief Inspector, Senior Manager, Vice Plant Manager, Department Chief, Manager, Department Director, Division Chief, and Assistant Manager.

Note 2: Mid-level executives: Deputy Department Chief, Assistant Manager, Assistant Department Director, Section Chief, Team Leader, Assistant Team Leader, Chief Engineer, Senior Specialist, Senior Engineer, Principal Specialist, and Secretary.

Note 3: Salary and remuneration include: base salary + overtime pay + meal allowance + unused annual leave bonus + quarterly bonus + three festivals bonuses + year-end bonus + profit-sharing bonus + directors' remuneration + lottery bonus + travel allowance + childbirth allowance + one pure gold medal or ring for long-serving employees + subsidies from the employee welfare committee.

Note 4: Employees who joined, resigned, or were on unpaid leave during the year are not included in the statistics.

Full-time Employee Salaries (Non-managerial Positions) :

Item (Unit: NT\$1,000 per person)	2023	2024	Variance Explanation
Average salary of full-time employees in non-managerial positions	759	854	The Company appropriately adjusts salaries and benefits based on operational conditions and employee performance evaluations.
Median salary of full-time employees in non-managerial positions	703	771	

DINGZING is also committed to providing a transparent and fair compensation system. The ratio of the annual total income of the highest paid individual at DINGZING to the median of the annual total income of all other employees (excluding the highest paid individual) in 2024 (i.e., the median ratio) was 5.33. The ratio of the percentage increase in the annual total income of the highest paid individual at DINGZING to the median of the percentage increase in the annual total income of all other employees (excluding the highest paid individual) in 2024 (i.e., the median increase ratio) was 0.48.

6.2 Talent Attraction and Retention

Management Policy

Issue Impact Statement	In view of Taiwan's labor shortage due to the declining birthrate, coupled with the magnetic effect of the technology industry on talent, talent attraction and retention has become increasingly important. The Company endeavors to avoid talent loss, which can lead to a knowledge gap within the Company, and it strives to enhance its competitiveness within the industry.
Policy and Commitment	In response to the issue of talent attraction and retention, the Company has continued to promote the enhancement of salaries and benefits as well as the listing of its shares on the stock exchange in recent years to achieve the goals of talent attraction and retention through relevant policies and systems.
Management Policy	Continue to optimize the salary and benefits system and enhance the Company's visibility through various channels. In conjunction with enhancing the internal training system, DINGZING strengthens its ability to attract and retain advanced talents.
Responsible Unit	Human Resources Section of the Management Department
Resources Invested	Expand the manpower of relevant units; strengthen the promotion of education, training, certification, and auditing activities; continue to optimize the performance appraisal system; and enhance employee cohesion.
Complaint Mechanism	Human Resources Section of the Management Department Ext: 15501 e-mail : dz.999@dingzing.com
Short-, Medium-, and Long-Term Goals	Short-term: Achieve DINGZING's annual talent recruitment and retention goals by 2025. Medium-term: Achieve comprehensive upgrades to systems and corporate culture by 2028. Long-term: Enhance the Company's image and brand awareness to become the employer of choice among traditional manufacturing companies in southern Taiwan by 2030.
2024 Action Plan and Performance	The turnover rate in 2024 decreased by 1.38% compared to the previous year.
Effectiveness Evaluation	Compile annual statistics on employee hiring and turnover rates, and conduct reviews or propose improvement measures.

DINGZING complies with Taiwan’s labor laws in recruitment and hiring and uses a variety of recruitment channels to attract talent, including headhunters, job centers, campus recruitment, online recruitment, and referrals. DINGZING provides equal employment opportunities and an inclusive environment. Individuals are considered on the basis of their professional ability and experience with no discrimination based on age, race, gender, sexual orientation, religion, political affiliation, national origin, marital status, physical appearance, or physical disability. After recruitment, DINGZING has a clear system of promotion, assessment, training, rewards, and discipline to ensure that everyone has a fair opportunity for career development.

6.2.1 New Recruits and Turnover

In order to help new employees rapidly adapt to the workplace and culture, DINGZING provides a comprehensive Employee Handbook and New Employee Education and Training to help new employees understand DINGZING’s corporate culture, industry concepts, and related occupational safety knowledge. Due to the fierce competition for talent in the industry as well as the nature of the technicians’ shift work system, irregular recruitment and employee turnover occurs. DINGZING has enhanced the incentives for employee retention through salary adjustments and increased subsidies for early childhood education. In 2024, the employee hiring rate* was 9.13%, and the employee turnover rate* was 3.19%. This indicates a decrease of 1.38% from the previous year.

*Formula for calculating the hiring rate: Number of new hires / (end-of-period headcount + number of new hires). Formula for calculating the turnover rate: Number of departures / (end-of-period headcount + number of departures).

New Employees :

Age					
2024		< 30 years old	30-50 years old	> 50 years old	Total
Male	Number of People	30	30	0	60
	Percentage	46.875%	46.875%	0%	93.75%
Female	Number of People	1	3	0	4
	Percentage	1.56%	4.69%	0%	6.25%
Total		31	33	0	64

Departed EmployeesDeparted Employees :

Age					
2024		< 30 years old	30-50 years old	> 50 years old	Total
Male	Number of People	5	15	0	20
	Percentage	23.81%	71.43%	0%	95.24%
Female	Number of People	0	1	0	1
	Percentage	0%	4.76%	0%	4.76%
Total		5	16	0	21

6.2.2 Smooth Communication Channels

In order to establish harmonious labor–management relations and promote labor–management cooperation, the Company has established diversified and smooth communication channels through which employees can make suggestions to the Company, such as the Employee Welfare Committee and labor–management meetings. DINGZING proactively seeks to understand the voices of its employees and address their feedback in a timely manner to achieve positive communication between labor and management. The Company holds at least four labor–management meetings per year, with a total of 12 employee-elected and Company-appointed representatives, and records the content of the meetings for follow-up and improvement. According to internal statistics, the topics discussed during labor–management meetings in 2024 focused on issues such as adjustment of business working hours, revisions to the performance evaluation system, regulations on converting unused leave and overtime into compensatory time off, implementation of the Labor Occupational Accident Insurance and Protection Act, and improvements to the factory environment. To understand employees' work experience and commitment, the Company has conducted an annual employee satisfaction survey since 2022, led by the Human Resources Section of the Management Department. The survey is conducted on a sample basis and anonymously, covering areas such as compensation, benefits, management, and the work environment. In the 2024 employee satisfaction survey, the overall satisfaction score was 3.1 out of 5. The statistical results showed higher satisfaction in the areas of company benefits and work environment, and lower scores in promotion opportunities and reward/disciplinary measures. The Management Department has discussed plans to make improvements based on the survey results.

DINGZING follows the Labor Standards Act as well as other laws and regulations to implement notification procedures to ensure that employees who are laid off have the protection of advance notice; those who have worked for at least 3 months but less than 1 year will be given notice 10 days in advance; those who have worked for at least 1 year but less than 3 years will be given notice 20 days in advance; and those who have worked for at least 3 years will be given notice 30 days in advance. Employees who are laid off without advance notice in accordance with the preceding regulations will be paid wages for the aforementioned period of notice. DINGZING regularly announces its operating status through bulletin boards, internal websites, and the Market Observation Post System in accordance with laws and regulations to keep employees informed of the Company's developmental progress and other information. In the event of major changes in operations, an announcement will be made 2 weeks in advance to keep the employees well informed in order to strengthen labor–management communication.

6.2.3 Diversified Employee Benefits

DINGZING provides employees with reasonable rights and benefits. The DingZing Advanced Materials Employee Welfare Committee (hereinafter referred to as the Welfare Committee) was established in accordance with the Employee Welfare Fund Act and with the consent of the competent authority, and it holds bimonthly meetings to listen to employees' opinions and give feedback, cares about their physical and mental health, and sets up diversified and extensive social club activities that provide employees with opportunities to learn and increase their time for leisure and entertainment; in doing so it contributes to the maintenance of a good and harmonious labor–management relationship. Employees are the Company's most important asset. The Welfare Committee is committed to creating the most suitable and high-quality environment for employees, and it aims to help employees manage both work and life so that they can achieve a state of happiness. The Welfare Committee is mainly responsible for the Company's large-scale activities, the operation of social club activities, the coordination of employee trips, the distribution of bonuses and allowances, and other welfare measures.

Welfare and Benefits Programs	Description
Various types of bonuses	To show solicitude for hard working employees, DINGZING provides various bonuses to help them through life's events, big and small. The bonuses include: bonuses for the three major festivals; birthday gift money; and allowances for weddings, childbirths, funerals, travel, etc. In 2024, a total of 36 employees applied for allowances for weddings, childbirths, and funerals.
Contracted Vendors	To elevate employees' quality of life, DINGZING has signed contracts with 13 vendors, including restaurants, childcare centers, kindergartens, and tourist accommodations, so that employees can enjoy services at a preferential rate.
Early Childhood Education Subsidy	To alleviate the burden of childcare on employees, the Company provides subsidies for childcare and education. The subsidies are divided into two rounds of applications per year. In 2024, a total of 76 people applied in the first half of the year for a total amount of NT\$190,000, and 78 people applied in the second half of the year for a total amount of NT\$156,000.
Employee Family Day	To reward employees for their hard work and support the quality of their family life, the Company provided 1–3 meal vouchers this year to employees with at least 3 months of service.
Employee Social Clubs	To encourage employees to enjoy life outside of work and provide opportunities to interact with colleagues from different units, the Company has established 10 clubs of various types, including the E7 Social Club, DINGZING Captain Hiking Club, DZ Badminton Club, Movie Appreciation Club, and Fight the Fat Club. A subsidy in the amount of NT\$5,000 is provided three times per year.
Employee Insurance System	In accordance with the Labor Pension Act, the Company has a defined contribution pension plan that applies to employees of the Company within Taiwan. The Company contributes no less than 6% of salaries and wages each month to the employees' individual accounts at the Bureau of Labor Insurance.
Pet Care Leave	Pet care leave is equivalent to family care leave. Employees must provide proof of veterinary treatment; they will be granted leave without pay, and their attendance record will not be compromised.



E7 Social Club

DINGZING
Captain Hiking Club

DZ Badminton Club



Movie Appreciation Club



Fight the Fat Club



Lure Fishing Club

Parental Leave :

To encourage and support employees in raising the next generation, DINGZING complies with Taiwan's Gender Equality in Employment Act and promotes the establishment of a comprehensive application mechanism for family care leave and parental leave, protecting the rights and interests of employees so that qualified employees can apply for such leave in accordance with their needs. In 2024, a total of 61 employees were eligible for parental leave, of whom four applied, resulting in a parental leave application rate of 6.56%. Three employees were scheduled to return from parental leave in 2024, two of whom actually returned, resulting in a reinstatement rate of 66.67%. Moreover, one employee returned from parental leave in 2023, and that employee stayed in office for at least 1 year, representing a retention rate of 100%. DINGZING has also signed special contracts with five licensed kindergartens and provides childcare subsidies so that employees can take care of their families while focusing on their work.

Item	Number of Male Employees	Number of Female Employees	Total
Total number of employees eligible for parental leave in 2024 (A)	53	8	61
Actual number of employees who took parental leave in 2024 (B)	2	2	4
Total number of employees who should have returned to work after taking parental leave in 2024 (C)	2	1	3
Total number of employees who returned to work in 2024 after taking parental leave in 2024 (D)	1	1	2
Total number of employees who returned to work in 2023 after taking parental leave in 2023 (E)	1	0	1
Total number of employees who returned to work in 2023 and are still in service 12 months later (F)	1	0	1
Application rate of parental leave without pay (B/A)	3.77%	25%	6.56%
Reinstatement rate (D/C)	50%	100%	66.67%
Retention rate (F/E)	100%	0%	100%

6.3 Career Development and Talent Cultivation

6.3.1 Talent Cultivation and Development

DINGZING adheres to the concept that human resources are the foundation of an enterprise, and plans comprehensive internal training programs, arranges education and training schedules every year, and discusses staff education and training programs in each department every 3 months. This enables employees to respond to changes in the environment, improves their professional abilities at any given time, and motivates them to grow and continue to learn.

To strengthen the overall quality and career development of employees, the Company has designed a tiered and hierarchical training framework based on different job levels and departmental functions. New employees receive basic training early in their employment—covering general occupational safety and health, hazard communication, confidentiality regulations, and an introduction to the Company—to help them quickly integrate into the workplace environment. For general staff, the focus is on enhancing workplace safety and health knowledge, including fire drills, emergency evacuations, employee information security, health seminars, sexual harassment prevention, and occupational ethics education. External training is also arranged according to actual job requirements, such as specialized safety training for operating high-risk equipment or for personnel performing specialized tasks. In addition to completing relevant training courses for occupational safety and health management personnel, mid-level executives also receive practical coaching in on-site management improvement activities such as 5S and TPM, to strengthen production management capabilities. Necessary on-the-job safety and health training and external courses are also arranged for divisional production supervisors. For senior executives, the emphasis is on developing leadership skills and strategic vision. Advanced courses are offered on ISO certification implementation, corporate governance, and job agent systems, and external professional training is arranged as needed to enhance decision-making quality and corporate sustainable governance capabilities. Through continuous investment in training resources and institutionalized management, DINGZING aims to build a learning-oriented organizational culture, strengthen corporate resilience, and achieve the sustainable goal of shared growth for the Company and its employees.

In order to enhance the professional competence of field technicians, DINGZING increased the total number of trainees and the total number of training hours in 2024: the total number of training hours for employees reached 461 hours, and the average number of training hours for each employee was 0.86 hours. Male employees received a total of 389 hours of training, averaging 0.85 hours per person; whereas female employees received a total of 72 hours of training, averaging 0.89 hours per person. Senior executives received a total of 53 hours of training, averaging 3.31 hours per person; mid-level executives received a total of 229 hours of training, averaging 3.69 hours per person; and general employees received a total of 179 hours of training, averaging 0.39 hours per person. The average score of the overall education and training satisfaction survey in 2024 was 3.23, and the amount invested in education and training was approximately NT\$700,000.

Employee Career Pathway Plan :

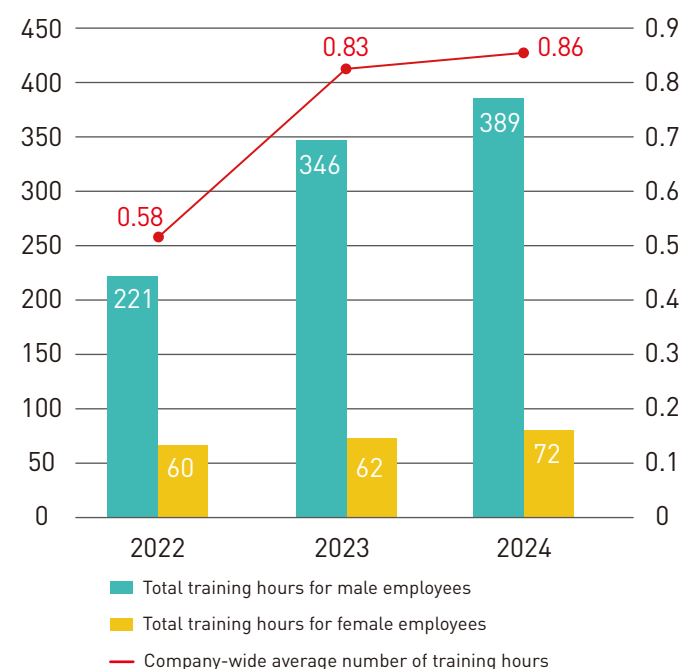
Employee Category/ Department	Course Name
New employees	1. General Safety and Health Education and Training. 2. General Education and Training for Workers on Occupational Hazardous Substances. 3. Non-Disclosure Agreement (NDA). 4. Company Introduction.
General staff	1. Fire Safety and Disaster Prevention Training. 2. Employee Information Security. 3. Emergency Evacuation. 4. Health Seminar. 5. On-the-Job Safety and Health Training for Forklift Operators (External Training). 6. Departmental On-the-Job Training. 7. Transportation of Hazardous Materials by Road – Personnel Training (External Training). 8. On-the-Job Safety and Health Training for Boiler Operators (External Training). 9. On-the-Job Training for First Aid Personnel (External Training). 10. Ethics and Integrity. 11. Sexual Harassment Prevention Act.
Mid-level executives	1. On-the-Job Safety and Health Training for Occupational Safety and Health Management Supervisors (External Training). 2. Audit-Related Training Courses – Audit Department (External Training). 3. 5S Activities (Sort, Set in Order, Shine, Standardize, Sustain) and TPM (Total Productive Management) Coaching. 4. On-the-Job Safety and Health Training for Dust Operations Supervisors (External Training).
Senior executives	1. ISO Certification Guidance. 2. Advanced Training for Corporate Governance Department Supervisors (External Training). 3. Continuing Education Courses for Accounting Supervisors and Acting Officers (External Training).

2024 Education and Training Statistics :

Gender	Male			Female		
Employee Type	Total Training Hours	Total Participants (person)	Average Number of Training Hours	Total Training Hours	Total Participants (person)	Average Number of Training Hours
Senior Executives	39	13	3.00	14	3	4.67
Mid-Level Executives	214	59	3.63	15	3	5.00
General Staff	136	385	0.35	43	75	0.57
Total	389	457	0.85	72	81	0.89

Number of persons and hours of education and training in the past three years :

Gender / Year		2024	2023	2022
Male	Total Training Hours	389	346	221
	Total Participants (person)	457	444	437
Female	Total Training Hours	72	62	60
	Total Participants (person)	81	49	63
Total	Total Training Hours	461	408	281
	Total Participants (person)	538	493	486
	Average Number of Training Hours	0.86	0.83	0.58



6.3.2 Performance Management Mechanism

The Company has a fair performance appraisal system in place to ensure impartial and kind treatment for each and every hard-working employee. Each department supervisor conducts appraisals of their staff's work performance, expertise, and characteristics to provide timely training and counseling. Regular appraisals are conducted every other year to understand the staff's work situation and job suitability, which is used as a basis for training and job reassignment. The annual employee appraisal is conducted in December of each year. In 2024, due to some employees taking leave without pay, not all employees underwent performance evaluations; 99.21% of male employees and 98.92% of female employees completed the evaluation.

Employee Type	Number of Persons	Number of Persons who Completed the Appraisal	Percentage of Appraisals Completed
Senior Executives	45	45	100%
Mid-Level Executives	127	126	99.21%
General Staff	465	460	98.92%

Note: Excluding employees taking parental leave and employees on leave without pay, who were not subject to appraisal, the completion rate for the appraisal was 100%.

6.4 Occupational Health and Safety

Management Policy	
Issue Impact Statement	Provide employees with a safe and healthy working environment and strengthen employee health management to maintain the Company's competitiveness.
Policy and Commitment	We recognize that employee safety and health are the foundation of business operations. Therefore, we are committed to safeguarding health and safety by providing employees and contractors with a safe, healthy, and high-quality working environment to protect their physical and mental well-being, while reducing occupational safety and health risks.
Management Policy	Comply with occupational safety and health regulations and adopt a management system framework to establish safety, health, and hygiene control mechanisms. Hold quarterly Occupational Safety and Health Committee meetings to discuss safety and health matters in the plant, in conjunction with workplace inspections, to create a safe work environment and promote operational safety for all staff.
Responsible Unit	Labor Safety Section
Resources Invested	Arrange for employees to obtain related operating licenses and provide training courses. Continue to upgrade equipment and install safety protection devices.
Complaint Mechanism	Hold quarterly Occupational Safety and Health Committee meetings to track management objectives and enhance occupational safety and health performance. Occupational Safety and Health Section Ext: 15501 E-mail: dz.999@dingzing.com
Short-, Medium-, and Long-Term Goals	Short-term: Maintain the validity of the ISO 45001 management system through 2026. Medium-term: Maintain the validity of the ISO 45001 management system through 2028 and obtain TOSHMS certification. Long-term: Maintain the validity of the ISO 45001 management system through 2030, maintain TOSHMS certification, and achieve zero occupational injuries.
2024 Action Plan and Performance	Passed ISO 45001 management system certification. Completed a total of 851 hours of occupational safety and health training in 2024, with 213 participants.
Effectiveness Evaluation	Conduct an internal ISO 45001 management system audit once a year and engage a third-party certification body for re-certification every 3 years. Review occupational injury data every quarter.

To ensure the safety and health of all employees at the Company, DINGZING promotes the Emphasizing Industrial Safety and Creating a Zero-Disaster Environment initiatives to protect employee safety. DINGZING is committed to eliminating potential hazards, enhancing the safety and health awareness of employees, complying with relevant regulations, and fulfilling responsibilities. The Company emphasizes protecting the environment, preventing pollution, preventing hazards, and achieving sustainable development. Management holds discussions with employees and their representatives to formulate occupational safety and health policies to ensure compliance with laws and regulations, prevent injuries and illnesses, and make continuous improvements in order to achieve the goal of sustainable development.

DINGZING follows the ISO 45001:2018 Occupational Safety and Health Management System, which is applicable to all production and operational activities, to fully understands the sources of hazards and risks in the workplace, assess the impacts on all relevant personnel (including all employees, contractors, and visitors), provide proper awareness to all personnel, and ensure that employees have a healthy and harm-free working environment. The ISO 45001 management system is subject to an internal check and audit once a year, as well as a re-verification and audit conducted by a third-party verification unit commissioned once every 3 years. In 2023, the Company passed the audit conducted by an external organization. The validity period for the external audit is from March 24, 2023, to March 23, 2026. On March 25, 2024, DINGZING underwent a follow-up audit conducted by a third-party organization and successfully passed the evaluation. On March 28, 2025, another follow-up audit was completed by a third-party organization, and the issuance of the certificate is pending.



Environmental Safety and Health Policy :



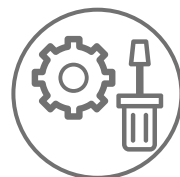
Comply with environmental safety and health regulations



Support environmental safety and health protection.



Prevent environmental safety and health incidents



Continuously improve environmental safety and health



Emphasize the requirements of environmental safety



Create a safe, healthy, and disaster-free environment.

6.4.1 Occupational Safety and Health Worker Engagement, Consultation, and Communication

DINGZING has established an Occupational Safety and Health Committee, with labor representatives accounting for more than half of the committee members. Occupational Safety and Health Committee meetings are held regularly on a quarterly basis, and both management and employees sign labor contracts to protect the rights and interests of employees at work. Moreover, in order to prevent occupational injuries and protect the safety and health of workers, the Company has formulated the Labor Safety and Health Work Rules for all employees to follow to jointly prevent various accidents and the occurrence of industrial safety incidents. In 2024, the Occupational Safety and Health Committee primarily discussed the following topics at the meetings :

1. Reduce the probability of occupational accidents and implement 5S
2. Implement automatic equipment inspection and maintenance
3. Implement waste classification and resource recycling
4. Organize on-the-job education and training
5. Implement working environment monitoring
6. Comply with standard operating procedures (SOPs)

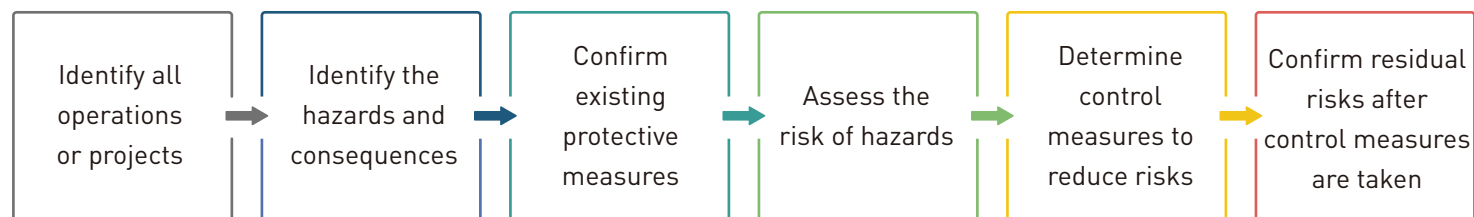
Additionally, the Company has formulated communication management procedures and established internal and external communication channels for the discussion of environmental safety and health and the environmental safety and health management system, both to facilitate communication among various departments and levels within the Company and so the Company can receive, record, and respond to messages from external stakeholders (including residents outside the plants, environmental groups, broadcast media, academic institutions, contractors, suppliers, county and municipal government environmental protection bureaus, and other related businesses and organizations in the vicinity).

6.4.2 Occupational Safety and Injury Prevention

Hazard Identification and Risk Management :

The Company has formulated occupational safety and health rules and set specific, measurable, and achievable goals. It emphasizes the continuous improvement of occupational safety and health protection measures for employees to achieve optimal occupational safety and health performance. The Company promotes enterprise risk management by systematically classifying hazards into five major categories: physical, chemical, biological, ergonomic, and other. These categories are used as a basis for the implementation and operation of the safety and health system, including its establishment, change, procurement, contracting, emergency response, automatic inspection and improvement, as well as the audit, revision and record keeping of the safety and health management system, in an effort to improve safety and health standards and ensure the proper implementation thereof.

Hazard Identification Chart :



DINGZING calculates the probability of occurrence on the basis of the frequency of operational exposure and the probability of event occurrence, and ranks the risk level by also considering the severity of injury or loss. Additionally, in order to effectively reduce the occurrence of risk, DINGZING has established risk prevention measures, improved software and hardware facilities and protective equipment, and strictly supervises the implementation of control measures to effectively reduce the occurrence of hazards. The management mechanism is operated in accordance with the plants' Occupational Safety and Health Hazard Identification Management Guidelines. DINGZING's existing protective measures are as follows :

Category	Hazard Risk	Description of Relevant Protective Measures
Hardware Facilities	Falling / Tumbling	→ Guardrails / fences, safety nets, safety harnesses, safety elevation equipment, aerial work platforms, mobile scaffolds.
	Collision	→ Guardrails / fences, contact prevention devices (including alarms, stop contact devices).
	Objects Falling	→ Guardrails / fences / protective nets, safety catches or hooks, hoist overwind devices.
	Pinching / Entanglement	→ Guardrails / fences, braking rigging, dual hand-operated safety devices, light-sensitive safety devices, power shut-off devices, contact prevention devices.
	Hazardous Materials Exposure	→ Double casing, leak detectors, containment dykes, drainage pans, shower facilities, ventilation and exhaust devices.
	Electrocution	→ Electric shock prevention devices, leakage circuit breakers, grounding facilities
	Fire / Explosion	→ Explosion-proof electrical equipment, fire detectors, fire-fighting facilities, high-temperature automatic sprinkler systems, explosion-proof walls, static elimination equipment (e.g., static clips, static brushes, static wires, static cloths, and increased humidity in the operating environment), refrigeration/freezer storage.
	Object Rupture	→ Intrinsically safe design (design pressure is higher than the maximum pressure caused by abnormality), temperature / pressure gauge, high temperature/pressure alarm, high temperature/pressure lockout system, pressure relief devices (including safety valves, rupture discs, pressure regulators, and other devices.), vacuum breakers.
	Chemical Spillage	→ Double casing, leak detectors, containment dykes, drainage pans, emergency shut-off valves, sprinkler systems, shower facilities, ventilation and exhaust devices.
Software	Education and training, various certificates of competency, health checks, emergency response plans or procedures, work permits, lock-out / tag-out procedures, various standard operating procedures (SOPs) or work instructions (WIs) (which must be labeled with their names or numbers), daily inspections, regular checks, contracting management, procurement management, change management, and personnel monitoring throughout the process.	

Category	Hazard Risk	Description of Relevant Protective Measures
Protective Equipment	Respiratory	→ Simple masks, dust masks, canister respiratory protective gear, gas mask canisters, self-contained breathing apparatus (SCBA).
	Protective Garments	→ Generally classified into A / B / C / D grades, depending on the level of protection required.
	Protective Gloves	→ Fire-resistant gloves, frost-resistant gloves, acid-resistant gloves, insulated gloves.
	Others	→ Safety masks, safety glasses, goggles, safety shoes, safety belts, safety helmets.

In accordance with legal requirements, DINGZING conducts comprehensive plant-wide environmental monitoring every 6 months, covering carbon dioxide (CO₂) and noise levels. The monitoring reports revealed that CO₂ concentrations across all areas of the plant were well below the legally permissible limits, and noise levels did not exceed the permissible exposure standards set by law. To reduce potential employee exposure risks, the Company performs semiannual environmental monitoring to continuously assess whether the workplace poses any health hazards. In addition, noise-affected areas are clearly marked, personal protective equipment (earplugs) is provided, and employees in these areas are reminded to wear appropriate protection while performing their duties. Beyond environmental monitoring, the Company also arranges special health examinations for employees working in noise-affected areas to ensure they are not exposed to related hazards.

Incident Investigation and Follow-up Handling :

When an accident occurs, DINGZING values immediate notification, rigorous investigation, and the prevention of recurrence. The Company has formulated the Accident Handling Management Guidelines to standardize the procedures for incident notification, investigation, and improvement so as to ensure effective solutions and avoid the recurrence of the same injuries, unhealthy conditions, illnesses, and accidents. Immediately after the occurrence of an incident, on-site personnel carry out emergency response actions, and the supervisor of the unit where the accident occurred convenes all relevant units to form an investigation team, which jointly investigates and analyzes the causes of the accident. Based on the results of the investigation, the unit where the accident occurred proposes corrective and preventive measures, which are continuously supervised and tracked by the dedicated unit to reduce losses and prevent recurrence of similar situations.

Accident Investigation Flowchart :



All DINGZING plants manage on-site personnel and contractors in accordance with government laws and regulations, and they continually update their management practices to align with changes in applicable laws and regulations. In 2024, three incidents occurred, involving cuts, pinching, and falling objects. In 2024, the Disabling Injury Frequency Rate (FR) was 2.43, and the Disabling Injury Severity Rate (SR) was 18. There were no cases of occupational disease. DINGZING will continue to promote safe work procedures and provide relevant education and training to maintain employees' safety awareness and ensure a safe working environment.

Year	2022	2023	2024
Total Hours Worked (Note 1)	1,213,680	1,235,664	1,232,104
Number of General Occupational Injuries (Note 2)	8	1	3
Number of Severe Occupational Injuries (Note 3)	2	0	0
Number of Fatalities	0	0	0
Total Recordable Occupational Injuries (Persons)	10	1	3
Lost Workdays (Note 4)	978	86	23
Total Recordable Incident Rate (TRIR) (Note 5)	1.65	0.16	0.49
Disabling Injury Severity Rate (SR) (Note 6)	0	0	0
Disabling Injury Severity Rate (SR)	0	0	0
Disabling Injury Severity Rate (SR) (Note 7)	8.23	0.80	2.43
Disabling Injury Severity Rate (SR) (Note 8)	805	69	18

Note 1: Total Hours Worked refers to the actual hours worked by all personnel during the reporting period, based primarily on monthly data reported to the Occupational Safety and Health Administration, Ministry of Labor.

Formula: Total Hours Worked = number of all employees at month-end × actual working days in the month × daily working hours

Note 2: Number of occupational injury cases resulting in lost workdays of 180 days or fewer.

Note 3: Number of occupational injury cases resulting in lost workdays exceeding 180 days, excluding fatalities.

Note 4: Lost workdays are counted starting from the day following the injury or fatality.

Note 5: Total Recordable Incident Rate (TRIR) is calculated as: number of recordable occupational injuries × 200,000 ÷ Total Hours Worked

Note 6: Occupational Injury Fatality Rate = (number of occupational injury-related fatalities ÷ Total Hours Worked) × 1,000,000.

Note 7: Disabling Injury Frequency Rate (FR) = the number of disabling injury cases per one million hours worked. Calculated as: number of recordable disabling injury cases × 1,000,000 ÷ Total Hours Worked. FR is rounded down to two decimal places.

Note 8: Disabling Injury Severity Rate (SR) = the number of lost workdays due to disabling injuries per one million hours worked. Calculated as: number of lost workdays due to disabling injuries × 1,000,000 ÷ Total Hours Worked.

SR is rounded down to the nearest whole number.

Year	2024
Process Safety Incident Count (PSIC)	0
Process Safety Total Incident Rate (PSTIR)	0
Process Safety Incident Severity Rate (PSISR)	0
Number of Transportation-Related Incidents	0

Note 1: The Process Safety Incident Count (PSIC) is defined as the total annual number of Tier 1 Process Safety Events (PSE) in accordance with the Process Safety Performance Indicators for the Refining and Petrochemical Industries – ANSI/API Recommended Practice 754 (ANSI/API RP 754).

Note 2: The Process Safety Total Incident Rate (PSTIR) is defined as the total annual number of Tier 1 process safety incidents, normalized by total hours worked. It is calculated by multiplying the PSIC by 200,000 and dividing by the total annual work hours of employees, contractors, and subcontractors.

Note 3: The Process Safety Incident Severity Rate (PSISR) is defined as the total annual severity-weighted rate of Tier 1 process safety incidents. It is calculated by multiplying the total severity score of all process safety incidents by 200,000 and dividing by the total annual work hours of employees, contractors, and subcontractors.

Note 4: Data for 2024 covers only full-time employees. For future reporting periods, statistics will also include contractors.

6.4.3 Creating a Secure Workplace

Occupational Safety Training :

DINGZING complies with regulatory requirements to strengthen employees' concept of workplace safety. In addition to the 3 hours of general safety and health education and training for new employees, the Company organizes regular training every 6 months on fire prevention and general hazard awareness with emergency response handling; these practical drills ensure that relevant staff possess the knowledge and skills required to respond to emergencies and can effectively implement emergency response measures at different stages of a disaster, resulting in reduced losses. To reduce the likelihood of fire, equipment is gradually being replaced with explosion-proof equipment, such as explosion-proof lighting fixtures and explosion-proof motors, and the Company arranges annual inspections of equipment pipelines along with other fire prevention measures. In addition to the mandatory safety and health education and training, the Company also organized a series of emergency response drills and exercises in 2024 to ensure that employees are prepared to handle and respond effectively when incidents occur. The Company has also joined the Southern Regional Toxic Substance Joint Response.

Organization; it regularly participates in meetings and drills and periodically updates the Company's prevention organization information. In 2024, the Company provided a total of 851 hours of occupational safety and health education and training to 213 participants. The content of the courses included safety and health training for first aid personnel, safety and health training for special operators, and safety and health training for operators of hazardous machinery or equipment.

2024 Emergency Response Drills



2024 Occupational Safety and Health Education and Training



Health Promotion and Advocacy :

In order to care for employees' health, the Company provides health checkups for workers every 3 years, and employs professionals who meet the Labor Health Service Physician/Labor Health Service Nursing Personnel qualifications to provide health services. Additionally, the Company provides health services in multiple sessions to accommodate workers' shifts at their regular workplaces, which increases the service coverage rate. Health checkups are conducted during work hours and within 1 hour after work to promote workers' participation. To encourage workers to participate in workplace health services, overtime pay is given to workers who participate in health services after work. The examination items are divided into 13 categories: namely, general examination, urine examination, blood test, liver and kidney function, blood fat, bile function, blood glucose, heart function, chest X-ray, hepatitis, cancer screening, ultrasound, ABI, and rheumatoid arthritis. The frequency of the examination is superior to that required by the law in an effort to provide comprehensive health care. Health examination reports are centrally managed by dedicated personnel, and individual examination reports are delivered to employees while safeguarding the employees' privacy. DINGZING also has a fixed on-site resident nurse and invites doctors to conduct on-site examinations once a month. Furthermore, DINGZING is committed to promoting healthy lifestyles and behaviors and regularly organizes health promotion activities to encourage employees to achieve a work-life balance.

Category	Activity Description
Employee Health Screening	DINGZING values the physical and mental health of its employees and provides health checkups more frequently than the statutory requirement. The comprehensive examination items enable employees to understand their own health conditions and take good care of themselves or seek medical treatment in a timely manner.
Health Promotion Activities	DINGZING actively promotes health enhancement activities and encourages employees to participate in sports or outdoor activity clubs (Hiking, E7 Social Club, Fight the Fat, Badminton, Movie Appreciation, Lure Fishing, Baseball, Billiards, and Arts & Crafts). In 2024, a total of 23 activity sessions were organized by various clubs, with a cumulative total of 230 participants.
Health Lecture	In order to enhance employees' health awareness, DINGZING invited the resident doctor of Xiaogang Hospital to give lectures and share knowledge. In 2024, two lectures were held on the topics of "Quit Smoking" and "Epidemics," with a total of 99 participants.

6.5 Social Engagement

In line with its commitment to corporate social responsibility, DINGZING strives to minimize the impact of its production processes on surrounding communities. Starting in 2025, the Company will conduct annual perimeter noise self-assessments, and it already carries out regular wastewater testing and implements water recycling measures to reduce the environmental impact of waste and wastewater discharge.

To give back to society and neighboring communities, DINGZING organizes a Science Summer Camp that promotes science education while fostering community engagement. The program invites children from nearby schools to participate, inspiring their interest in science and cultivating practical skills through hands-on experiments and activities. Employees also volunteer in the camp, assisting with program delivery and strengthening their sense of social engagement. Looking ahead, DINGZING will continue to expand its contributions in education, environmental protection, and community interaction, working to be a model enterprise that generates a positive impact on society.

6.5.1 Organizing a Science Summer Camp

To give back to society, foster good community relations, and support science education with the hope of inspiring children's interest in science so they can one day contribute to society, DINGZING has been hosting science summer camps since 2017 (except during the COVID-19 pandemic). Over the past 5 years, the Company has invested more than NT\$1 million in the program, benefitting over 500 student participants. During the summer of 2024, the program was expanded to eight sessions, with 14 DINGZING employees contributing their time and effort. The camps were held in partnership with nearby Fengyang Elementary School, Qianjin Elementary School, and Fengming Elementary School in the rural Dalinpu area, attracting 120 student participants. The two themes—Magic Crystal Camp and Astronaut Rocket Camp—offered different learning experiences, combining hands-on experiments with practical activities to help children gain new scientific knowledge and broaden their horizons through direct engagement. Looking ahead, DINGZING plans to continue organizing science summer camps, further giving back to society and planting the seeds of science education.



Appendix 1 : GRI Standards Index Table

- Disclaimer of Use : DINGZING has prepared this Sustainability Report in accordance with the GRI Standards, using data and information for the period from January 1, 2024, to December 31, 2024
- GRI 1 Version Used : GRI 1: Foundation 2021
- Application of GRI Sector Standards : None

GRI Standards	Disclosure Items	Page	Corresponding Sections / Supplementary Notes
GRI 2 : General Disclosures (2021)			
GRI 2 : General Disclosures (2021)	2-1 Organizational details	05	1.1 Company Profile
	2-2 Entities included in the organization's sustainability reporting	01	About this Report
	2-3 Reporting period, frequency and contact point	01	About this Report
	2-4 Restatements of information	70 / 76	5.2.2 Greenhouse Gas Management and Inventory 5.5.1 Water Usage Structure and Management
	2-5 Reporting period, frequency and contact point	01	About this Report
	2-6 Activities, value chain and other business relationships	09-10 / 38	1.1 Company Profile 4.1 Product Quality and Safety
	2-7 Employees	79	6.1 Human Rights, Diversified and Inclusive Workplace
	2-8 Workers who are not employees	79	6.1 Human Rights, Diversified and Inclusive Workplace
	2-9 Governance structure and composition	13 / 19	2.1 Sustainable Governance Framework 3.1 Corporate Governance
	2-10 Nomination and selection of the highest governance body	20	3.1 Corporate Governance
	2-11 Chair of the highest governance body	20	3.1 Corporate Governance
	2-12 Role of the highest governance body in overseeing the management of impacts	13	2.1 Sustainable Governance Framework
	2-13 Delegation of responsibility for managing impacts	13	2.1 Sustainable Governance Framework
	2-14 Role of the highest governance body in sustainability reporting	14	2.2 Material Topics Identification and Analysis

GRI Standards	Disclosure Items	Page	Corresponding Sections / Supplementary Notes
GRI 2 : General Disclosures (2021)			
GRI 2 : General Disclosures (2021)	2-15 Conflicts of interest	20	3.1 Corporate Governance
	2-16 Communication of critical concerns	14 / 28-32	2.2 Material Topics Identification and Analysis 3.3 Risk Management
	2-17 Collective knowledge of the highest governance body	22	3.1 Corporate Governance
	2-18 Evaluation of the performance of the highest governance body	22	3.1 Corporate Governance
	2-19 Remuneration policies	23	3.1 Corporate Governance
	2-20 Process to determine remuneration	23	3.1 Corporate Governance
	2-21 Annual total compensation ratio	80	6.1 Human Rights, Diversified and Inclusive Workplace
	2-22 Statement on sustainable development strategy	02	Message from the Chairman
	2-23 Policy commitments	-	Management Policy for Each Material Topic
	2-24 Embedding policy commitments	-	Management Policy for Each Material Topic
	2-25 Processes to remediate negative impacts	-	Management Policy for Each Material Topic
	2-26 Mechanisms for seeking advice and raising concerns	28-32	3.3 Risk Management
	2-27 Compliance with laws and regulations	33	3.4 Regulatory Compliance
	2-28 Membership associations	10	1.1 Company Profile
	2-29 Approach to stakeholder engagement	17	2.3 Stakeholder Identification and Communication
	2-30 Collective bargaining agreements	-	The Company does not have any labor union or formal collective bargaining agreements. However, the Company maintains sound labor relations through regular labor-management meetings and other communication channels.
Material Topics			
GRI 3 : Material Topics (2021)	3-1 Process to determine material topics	14-15	2.2 Material Topics Identification and Analysis
	3-2 List of material topics	16	2.2 Material Topics Identification and Analysis

GRI Standards		Disclosure Items	Page	Corresponding Sections / Supplementary Notes
Ethical Business Practices				
3-3 Management of material topics			25	3.2 Compliance with Business Ethics and Anti-corruption
GRI 205 (2016) : Anti-corruption	205-1 Operations assessed for risks related to corruption		-	DINGZING has not conducted any assessment on corruption-related risks yet.
	205-2 Communication and training on anti-corruption policies and procedures		26	3.2 Compliance with Business Ethics and Anti-corruption
	205-3 Confirmed incidents of corruption and actions taken		27	3.2 Compliance with Business Ethics and Anti-corruption
Climate Change Adaptation				
3-3 Management of material topics			58	5.1 Climate Change Adaptation
Energy and Greenhouse Gas Management				
3-3 Management of material topics			67	5.2 Energy and Greenhouse Gas Management
GRI 302 (2016) : Energy	302-1 Energy consumption within the organization		68	5.2 Energy and Greenhouse Gas Management
	302-3 Energy intensity		68	5.2 Energy and Greenhouse Gas Management
	302-4 Reduction of energy consumption		71	5.2 Energy and Greenhouse Gas Management
GRI 305 (2016) : Emissions	305-1 Direct (Scope 1) GHG emissions		69-70	5.2 Energy and Greenhouse Gas Management
	305-2 Energy indirect (Scope 2) GHG emissions		69-70	5.2 Energy and Greenhouse Gas Management
	305-3 Other indirect (Scope 3) GHG emissions		69-70	5.2 Energy and Greenhouse Gas Management
	305-4 GHG emissions intensity		69-70	5.2 Energy and Greenhouse Gas Management
	305-5 Reduction of GHG emissions		71	5.2 Energy and Greenhouse Gas Management
Product Quality and Safety				
3-3 Management of material topics			37	4.1 Product Quality and Safety
Sustainable Product Innovation				
3-3 Management of material topics			42	4.2 Sustainable Product Innovation

GRI Standards		Disclosure Items	Page	Corresponding Sections / Supplementary Notes
Human Rights, Diversified and Inclusive Workplace				
3-3 Management of material topics			77	6.1 Human Rights, Diversified and Inclusive Workplace
GRI 405 (2016) : Employee Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees		20 / 79	3.1 Corporate Governance 6.1 Human Rights, Diversified and Inclusive Workplace
	405-2 Ratio of basic salary and remuneration of women to men		80	6.1 Human Rights, Diversified and Inclusive Workplace
GRI 406 (2016) : Non-Discrimination	406-1 Incidents of discrimination and corrective actions taken		78-79	6.1 Human Rights, Diversified and Inclusive Workplace
Talent Attraction and Retention				
3-3 Management of material topics			81	6.2 Talent Attraction and Retention
GRI 201 (2016) : Economic Performance	201-3 Defined benefit plan obligations and other retirement plans		84	6.2 Talent Attraction and Retention
GRI 401 (2016) : Employment relationship	401-1 New employee hires and employee turnover		82	6.2 Talent Attraction and Retention
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		83-84	6.2 Talent Attraction and Retention
	401-3 Parental leave		85	6.2 Talent Attraction and Retention
GRI 402 (2016) : Labor/Management Relations	402-1 Minimum notice periods regarding operational changes		83	6.2 Talent Attraction and Retention
Occupational Health and Safety				
3-3 Management of material topics			90	6.4 Occupational Health and Safety
GRI 403 (2018) : Occupational Health and Safety	403-1 Occupational health and safety management system		91	6.4 Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation		92-94	6.4 Occupational Health and Safety
	403-3 Occupational health services		96	6.4 Occupational Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety		92	6.4 Occupational Health and Safety

GRI Standards	Disclosure Items	Page	Corresponding Sections / Supplementary Notes
GRI 403 (2018) : Occupational Health and Safety	403-5 Worker training on occupational health and safety	96	6.4 Occupational Health and Safety
	403-6 Promotion of worker health	97	6.4 Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	93-94	6.4 Occupational Health and Safety
	403-8 Workers covered by an occupational health and safety management system	91	6.4 Occupational Health and Safety
	403-9 Work-related injuries	95	6.4 Occupational Health and Safety
	403-10 Work-related ill health	95	6.4 Occupational Health and Safety
Other Topics			
GRI 200 : Economy			
GRI 201 (2016) : Economic Performance	201-3 Defined benefit plan obligations and other retirement plans	11	1.2 Economic Performance
GRI 204 (2016) : Procurement Practices	204-1 Proportion of spending on local suppliers	35	3.5 Sustainable Supply Chain Management
GRI 300 : Environment			
GRI 305 (2016) : Emissions	305-6 Emissions of ozone-depleting substances (ODS)	71	5.3 Air Pollution Prevention
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	71	5.3 Air Pollution Prevention
GRI 303 (2018) : Water and Effluents	303-1 Interactions with water as a shared resource	74-75	5.5 Water Resources, Wastewater and Sewage Management
	303-2 Management of water discharge-related impacts	75	5.5 Water Resources, Wastewater and Sewage Management
	303-3 Water withdrawal	74-75	5.5 Water Resources, Wastewater and Sewage Management
	303-4 Water discharge	74-75	5.5 Water Resources, Wastewater and Sewage Management
	303-5 Water consumption	74-75	5.5 Water Resources, Wastewater and Sewage Management

GRI Standards	Disclosure Items	Page	Corresponding Sections / Supplementary Notes
GRI 306 (2020) : Waste	306-1 Waste generation and significant waste-related impacts	72	5.4 Waste Management
	306-2 Management of significant waste-related impacts	72	5.4 Waste Management
	306-3 Waste generated	73	5.4 Waste Management
	306-4 Waste diverted from disposal	73	5.4 Waste Management
	306-5 Waste directed to disposal	73	5.4 Waste Management
GRI 308 (2016) : Supplier Environmental Assessment	308-2 Negative environmental impacts in the supply chain and actions taken	34-35	3.5 Sustainable Supply Chain Management
GRI 400 : Society			
GRI 404 (2016) : Training and Education	404-1 Average hours of training per year per employee	88	6.3 Career Development and Talent Cultivation
	404-2 Programs for upgrading employee skills and transition assistance programs	86-87	6.3 Career Development and Talent Cultivation
	404-3 Percentage of employees receiving regular performance and career development reviews	89	6.3 Career Development and Talent Cultivation
GRI 414 (2016) : Supplier Social Assessment	414-2 Negative social impacts in the supply chain and actions taken	34-35	3.5 Sustainable Supply Chain Management

Appendix 2 : Climate-Related Disclosures

Climate Change Risks and Opportunities for the Company and Related Response Measures :

Item	Disclosure Content	Page Number	Corresponding Section
1	Describe the board's and management's oversight and governance of climate-related risks and opportunities.	58	5.1.1 Climate Governance
2	Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	63-65	5.1.3 Climate Strategy
3	Describe the financial impact of extreme weather events and transformative actions.	63-65	5.1.3 Climate Strategy
4	Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management framework.	60-62	5.1.2 Climate Risk Management
5	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and major financial impacts used should be described.	-	Scenario analysis not yet adopted
6	If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	66	5.1.4 Climate Metrics and Targets
7	If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	-	Internal carbon pricing tools not yet adopted
8	If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	66	5.1.4 Climate Metrics and Targets
9	Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan.	69-70	5.2.2 Greenhouse Gas Management and Inventory

Appendix 3 : SASB Chemicals Industry Standards (Chemicals Sustainability Accounting Standard, Version 2023-12)

Table 1 : Sustainability Disclosure Topics and Metrics

Topic	Code	Metric	Category	Unit	Page Number	Corresponding Section / Additional Notes
Greenhouse Gas Emissions	RT-CH-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Quantitative	Metric tonnes(t) CO ₂ e, Percentage (%)	67-71	(1) Scope 1 Emissions: 5.2.2 Greenhouse Gas Management and Inventory (2) None of DINGZING's current locations are subject to emissions regulations, so the percentage of Scope 1 emissions subject to regulatory limits is 0%.
	RT-CH-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Qualitative	N/A	67-71	5.2 Energy and Greenhouse Gas Management 5.2.2 Greenhouse Gas Management and Inventory 5.2.3 Energy-saving and Carbon Reduction Measures
Air Quality	RT-CH-120a.1	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O) (2) SO _x (3) volatile organic compounds (VOCs) (4) hazardous air pollutants (HAPs)	Quantitative	Metric tonnes(t)	71	5.3.1 Air Pollution Management
Energy Management	RT-CH-130a.1	(1) Total energy consumed (2) Percentage grid electricity (3) percentage renewable (4) total self-generated energy	Quantitative	Gigajoules (GJ) Percentage (%)	68	(1) Total energy consumption: 5.2 Energy and Greenhouse Gas Management (2) Percentage of purchased (grid) electricity : 5.2 Energy and Greenhouse Gas Management (3) Percentage of renewable energy : 5.2 Energy and Greenhouse Gas Management (4) Total self-generated energy : 5.2.1 Energy Structur

Topic	Code	Metric	Category	Unit	Page Number	Corresponding Section / Additional Notes
Water Management	RT-CH-140a.1	(1) Total water withdrawn (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m ³) Percentage (%)	74	(1) Total water withdrawal : 5.5 Water Resource and Wastewater Management (2) Total water consumption : 5.5 Water Resource and Wastewater Management DINGZING did not withdraw water from regions with High or Extremely High Baseline Water Stress in 2024, thus (1) the percentage of total water withdrawal from such areas: 0%, (2) the percentage of total water consumption from such areas: 0%.
	RT-CH-140a.2	Number of incidents of non -compliance associated with water quality permits, standard s and regulations	Quantitative	Number	75	5.5.1 Water Use Structure and Management
	RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	Qualitative	N/A	74	5.5 Water Resource and Wastewater Management
Hazardous Waste Management	RT-CH-150a.1	(1) Amount of hazardous waste generated (2) percentage recycled	Quantitative	Metric tonnes (t) Percentage (%)	73	DINGZING did not generate any hazardous waste in 2024; therefore, (1) amount of hazardous waste generated: 0 metric tonnes, (2) percentage recycled: 0%.
Community Relations	RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	Qualitative	N/A	98	6.5 Social Engagement

Topic	Code	Metric	Category	Unit	Page Number	Corresponding Section / Additional Notes
Workforce Health and Safety	RT-CH-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative Qualitative	Rate	95	6.4.2 Occupational Safety and Injury Prevention
	RT-CH-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	Qualitative	N/A	92-94	6.4.2 Occupational Safety and Injury Prevention
Product Design for Use-phase Efficiency	RT-CH-410a.1	Revenue from products designed for use-phase resource efficiency	Quantitative	Presentation currency (currency unit used in annual report / financial statement)	-	TPU material has the unique characteristic of being a polymer between plastic and rubber; it is manufactured without the addition of plasticizers and features recyclable, environmentally friendly properties. Current development of TPU material is focused on its physical characteristics, and aims to replace polymers such as PVC for broad applications. There is comparatively little focus on use-phase resource efficiency.
Safety & Environmental Stewardship of Chemicals	RT-CH-410b.1	(1) Percentage of products that contain Globally Harmonized System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	Quantitative	Percentage by revenue (%), percentage [%]	-	DINGZING did not use any regulated chemicals in 2024

Topic	Code	Metric	Category	Unit	Page Number	Corresponding Section / Additional Notes
Safety & Environmental Stewardship of Chemicals	RT-CH-410b.2	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human or environmental impact	Qualitative	N/A	-	DINGZING did not use any regulated chemicals in 2024
Genetically Modified Organisms	RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Quantitative	Percentage by revenue (%)	-	This metric does not apply to DINGZING
Management of the Legal & Regulatory Environment	RT-CH-530a.1	Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry	Qualitative	N/A	33	3.4 Regulatory Compliance
Operational Safety, Emergency Preparedness & Response	RT-CH-540a.1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Quantitative	Number, Rate	95	6.4.2 Occupational Safety and Injury Prevention
	RT-CH-540a.2	Number of transport incidents	Quantitative	Number	95	6.4.2 Occupational Safety and Injury Prevention

Table 2 : Activity Metrics

Topic	Code	Metric	Category	Unit	Page Number	Corresponding Section / Additional Notes
Activity Indicators	RT-CH-000.A	Output of the reporting department	Quantitative	Cubic meters (m ³) or metric tonnes (t)	9	1.2.2 Products and Services

Appendix 4 : DINGZING Advanced Materials Inc. Summary Table of Assurance Items in the 2024 Sustainability Report

No	Item	Key Performance Indicator	Page	Applicable Basis
1	Water consumption in 2023 (tons)	Total water consumption in 2023 was 91,041 tons.	75	Total water consumption (tons) at DINGZING's Kaohsiung and Pingtung facilities in 2023. (Note 1)
2	Water consumption in 2024 (tons)	Total water consumption in 2024 was 87,259 tons.	75	Total water consumption (tons) at DINGZING's Kaohsiung and Pingtung facilities in 2024. (Note 1)
3	Total energy consumption (GJ), grid electricity usage ratio, renewable energy usage ratio, and self-generated energy in 2024 (GJ)	Total energy consumption in 2024 was 192,756.1514 GJ; grid electricity usage ratio was 77.5194%; renewable energy usage ratio was 0%; and total self-generated energy was 5,714.6994 GJ. (Note 2)	68	Please refer to the main text of the 2024 Sustainability Report.
4	Total recordable incident rate (TRIR) and fatality rate for direct employees in 2024	TRIR and fatality rate for direct employees in 2024 were 0.49 and 0, respectively. (Note 2)	95	Please refer to the main text of the 2024 Sustainability Report.
5	Process safety incidents count (PSIC), process safety total incident rate (PSTIR), and process safety incident severity rate (PSISR) in 2024	In 2024, the PSIC was 0; the PSTIR was 0; and the PSISR was 0.	95	Please refer to the main text of the 2024 Sustainability Report.

Note 1: According to the recommended definitions and descriptions of the Water Resources Agency, Ministry of Economic Affairs, water consumption is defined as the sum of water withdrawal and water reused. As DINGZING does not reuse water, its water consumption equals its total water withdrawal.

Note 2: Grid electricity usage ratio is rounded to the fourth decimal place, and the TRIR for direct employees is rounded to the second decimal place.

Appendix 5 : Independent Limited Assurance Report

Independent Limited Assurance Report

To **DINGZING Advanced Materials Inc.**

We have been engaged by **DINGZING Advanced Materials Inc.** (“Company”) to perform assurance procedures in respect of the key performance indicators identified by the Company and reported in the 2024 Sustainability Report (hereinafter referred to as the “Identified Key Performance Indicators”) and have issued a limited assurance report based on the result of our work performed.

Subject Matter Information and Applicable Criteria

The subject matter information is the Identified Key Performance Indicators of the Company. The Identified Key Performance Indicators and the respective applicable criteria are stated in the “Summary of Subject Matter Assured” of the Sustainability Report. The scope of the aforementioned Identified Key Performance Indicators is set out in the “Scope of the Report” of the Sustainability Report.

Management’s Responsibility

The Management of the Company is responsible for the preparation of the Identified Key Performance Indicators disclosed in the Sustainability Report in accordance with the respective applicable criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Identified Key Performance Indicators that are free from material misstatement, whether due to fraud or error.

Inherent Limitations

Certain subject matter information assured involves non-financial data which is subject to more inherent limitations than financial data. Qualitative interpretations of the relevance, materiality and the accuracy of data are more dependent on individual assumptions and judgments.

Compliance of Independence and Quality Management Requirement

We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the Standard on Quality Management 1, “Quality Management for Public Accounting Firms” of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Key Performance Indicators based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the Standard on Assurance Engagements 3000, “Assurance Engagements other than Audits or Reviews of Historical Financial Information” of the Republic of China. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Identified Key Performance Indicators are free from material misstatement.

Under the requirements of the aforementioned standards, our limited assurance engagement involves assessing the suitability in the circumstances of the Company’s use of the criteria as the basis for the preparation of the Identified Key Performance Indicators, assessing the risks of material misstatement of the Identified Key Performance Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Key Performance Indicators. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Made inquiries of the persons responsible for the Identified Key Performance Indicators to obtain an understanding of the processes, and the relevant internal controls relating to the preparation of the aforementioned information to identify the areas where there may be risks of material misstatement; and
- Based on the above understanding and the areas identified, performed analytical procedures on the Identified Key Performance Indicators and performed substantive testing on a selective basis, to obtain evidence for limited assurance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company’s Identified Key Performance Indicators have been prepared, in all material respects, in accordance with the respective applicable criteria.

We also do not provide any assurance on the Sustainability Report as a whole or on the design or operating effectiveness of the relevant internal controls. Furthermore, except for the items listed in the Summary of Subject Matters Assured, our assurance does not extend to certain information disclosed in the Sustainability Report for the period ended December 31, 2023 or prior periods.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Key Performance Indicators in the Sustainability Report are not prepared, in all material respects, in accordance with the applicable criteria.

Other Matter

The Management of the Company is responsible for maintaining the Company's website. We have no responsibility to re-perform any procedures regarding the Identified Key Performance Indicators after the date of our assurance report, even if the Identified Key Performance Indicators or the applicable criteria have been subsequently modified.

CHANG, JUI-TING

For and on behalf of PricewaterhouseCoopers, Taiwan

05 08, 2025

DingZing

Science. Innovation. Collaboration.

DingZing Advanced Materials Inc.

No.8-1, Pei-Lin Road, Hsiao-Kang District, Kaohsiung 81266, Taiwan | **T** +886-7-807-0166 | **F** +886-7-807-1616



www.dingzing.com