



ESG

SAI Forging
the Future

Sustainability Report SAI 2025

Sustainable Today, Greener Tomorrow



S&P Global
Sustainable1

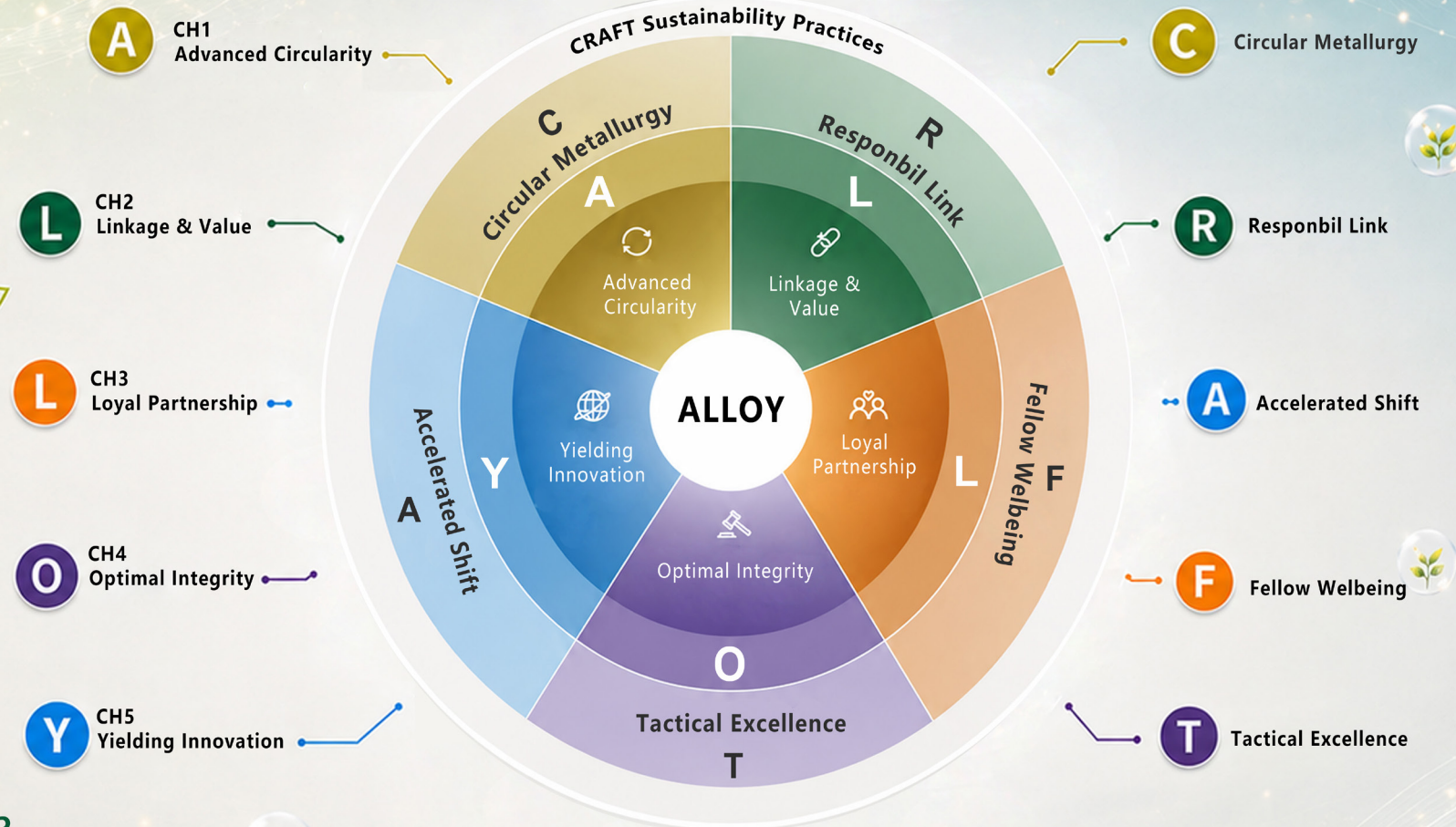
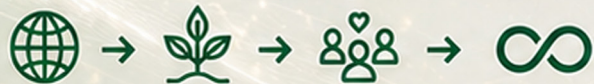
Key to the Vision

Our Sustainable Development Strategy

Forging a Sustainable Future with ALLOY x CRAFT

We believe sustainability is not a choice, but our duty; Anchored in the ALLOY framework and driven by the CRAFT approach, We embed sustainable thinking into our strategy and actions, Co-creating a better future with all stakeholders.

Why Does Environment Take the Lead?



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Bearing Witness Through Documentation: About The Report

SUPERALLOY INDUSTRIAL CO., LTD. (hereinafter referred to as SAI) continues to advance sustainable initiatives across the environmental, social, and governance (ESG) dimensions. Upholding the principles of integrity, innovation, and shared prosperity, SAI regularly publishes sustainability reports in both Chinese and English to communicate to stakeholders SAI's short, medium, and long-term ESG strategies, substantive actions, and performance achievements. Relevant information is also disclosed on SAI's sustainability website to maintain effective and transparent communication channels and to respond to stakeholders' concerns and expectations regarding SAI's sustainable development efforts.

I | Scope of the Report

This report focuses on the operations of SAI in Taiwan and does not include the German subsidiary. Financial information is provided within the scope of consolidated financial statements. The financial information was audited and certified by PricewaterhouseCoopers Taiwan (PwC Taiwan)

Date of Establishment	June 24, 1994
Headquarters Base Country	Taiwan
Operating Locations	• Headquarters: No. 80, Sec. 3, Yunke Road, Douliu City, Yunlin County • Yunlin Plant 1 (including Plant H): No. 80 and No. 82, Sec. 3, Yunke Road, Douliu City, Yunlin County • Yunlin Plant 2: No. 39 and No. 41, Sec. 3, Yunke Road, Douliu City, Yunlin County • Zhuwei Plant: No. 6, Kejia 3rd Road, Douliu City, Yunlin County • Pingtung Plant: No. 323 and No. 325, Daxi Road, Pingtung City
Total Number of Employees	1,352
Subsidiaries in the Consolidated Financial Statements	SuperAlloy Manufaktur GmbH
Date and Frequency of Report Issuance	Reporting period of the report: from January 1, 2025 to December 31, 2025. Reporting frequency of the report: once per year. This report was issued in August 2026, and the next edition will be issued in August 2027.
Date of Issuance	August 2026

Note: The relevant financial amounts disclosed in the Report were in New Taiwan Dollars.

II | Assurance Statement

This report was verified by the third-party assurance provider TÜV NORD in accordance with the AA1000 Assurance Standard v3 Type 2 moderate assurance level, and the reported information was prepared with reference to the GRI Universal Standards 2021 and the SASB Standards.

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III | Guidelines

- ◆ Global Reporting Initiative (GRI) – GRI Standards 2021
- ◆ Sustainability Accounting Standards (SASB) – Auto Parts
- ◆ Task Force on Climate-related Financial Disclosures (TCFD)
- ◆ United Nations Sustainable Development Goals (SDGs)
- ◆ Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies

IV | Restatement and Explanation of 2025 Annual Report Information

1. For the greenhouse gas emissions item, the 2026 target was changed from “Pass ISO 14064-2 reduction plan verification” to “Pass the greenhouse gas self-determined reduction plans and the Ministry of Environment’s implementation progress review”.

In response to the domestic Climate Change Response Act and the carbon fee collection mechanism, SAI’s original voluntary emission reduction project under ISO 14064-2 has been formally transformed and successfully applied to the Ministry of Environment for the greenhouse gas self-determined reduction plans. This change not only meant that SAI’s emission reduction target had been aligned with the national designated carbon reduction pathway, but also that, in 2026, it successfully passed the Ministry of Environment’s implementation progress review. This confirms that SAI not only had sound carbon reduction planning capabilities, but also possessed the execution capability to implement its plans effectively. Through the implementation of this project, SAI not only substantially reduced greenhouse gas emissions, but also successfully qualified for a preferential carbon fee rate, effectively reducing the financial impact brought about by sustainability transition-related regulations and further enhancing SAI’s climate resilience and long-term competitiveness.

2. For the Diversity, Equity, and Inclusion (DEI) initiative, the 2026 target has been revised from “Conduct Chinese language courses for foreign migrant workers with > 60 recorded attendances” to “Conduct life adaptation and co-prosperity courses for foreign migrant workers, with > 60 recorded attendances.”

This adjustment aims to elevate the level of care from work communication skills to whole-person life care. The new course not only assisted migrant colleagues in overcoming language barriers, but also expanded to cover multiple aspects, including adaptation to local life, legal and labor rights protections, and financial as well as physical and mental health support. Through the practice of the spirit of mutual prosperity, we hope to create a friendly workplace for foreign colleagues that is more inclusive and provides a greater sense of safety and belonging, and to meet, with the highest standards, the expectations of the international supply chain regarding the protection of labor rights and human rights, thereby fulfilling true Corporate Social Responsibility. .

3. For adjustments to the calculation basis of the Taiwan Sustainable Economic Activity Recognition Guidelines, please refer to Section 4.3 Economic Performance, (II) Identification of Sustainable Economic Activities, for detailed information.

V | Management Process

The data and information in this report are provided by designated unit contacts, with completeness and accuracy initially reviewed by respective department heads. The Sustainable Development Promotion Team, in accordance with the Sustainability Information Management Guidelines, centrally conducts secondary verification of data, as well as content planning and editorial revisions.

The ESG Report is ultimately consolidated and assured by external third-party institutions, submitted to the Sustainable Development Committee under the Board of Directors for review, and thereafter presented to the Board for approval and public disclosure.

VI | Contact Information

Thank you for reading. If you have any questions or suggestions regarding this report, please feel free to contact us.

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Email: admin@superalloy.tw

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Official Website



Sustainability Section



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Commitment of the Visionary: Executive Pledge to Sustainability



Greetings to our long-term supporters and friends of SAI's sustainable development:

Looking ahead to the next decade of global trade and economic dynamics, we stand at a historic juncture where industry rules are being reshaped. The concurrent occurrence of multiple crises is no longer a short-term fluctuation, but a “new normal” that enterprises must confront in their operations. The reconfiguration of geopolitical blocs, the deepening of regionalized trade barriers, and the severe challenges brought by climate change are rewriting the rules of survival for the global high-end manufacturing sector. Standing at the beginning of a new era, we recognize that sustainability has long transcended the scope of corporate social responsibility. It is our core strategy to ensure operational resilience in fierce competition, to widen the gap with competitors, and to continue earning the trust of global customers.

Chairman of the Board of SAI

董明荣



From Passive Defense to Proactive Positioning: Reshaping a Green Supply Chain with Ultimate Resilience

In the past, we have witnessed the rise of the “tariff tsunami” and trade protectionism. Looking ahead, we see the global supply chain accelerating in its shift from globalization toward localization and regionalized supply. Future trade barriers will not be limited to price and place of origin, but would also be deeply tied to carbon footprint and human rights standards. In the face of this irreversible trend, we have already abandoned a passive defensive mindset. SAI is actively restructuring our highly resilient operating system by enhancing the flexible allocation of production capacity at existing bases and deepening localized supply capabilities, in order to respond to international political and economic shifts. At the same time, we are progressively optimizing supplier management mechanisms and enhancing production resilience through digital management, ensuring a transparent and agile supply framework that serves as the foundation for being the preferred partner of top brands and global industry clients.

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Carbon Valuation as Competitiveness: Advancing the Circular Economy and Navigating Carbon Cost Challenges



With the EU Carbon Border Adjustment Mechanism (CBAM) transition period nearing its end, the UK and other countries preparing to implement their own carbon border mechanisms, and Taiwan officially launching carbon fee collection, the world has entered an era where carbon emissions carry a price, with greenhouse gas emissions formally transformed into tangible costs on financial statements. In the future competitive landscape, carbon reduction will no longer be merely a matter of legal compliance, but a key to reducing the “green premium.” To stand out amid “green inflation,” we are transforming greenhouse gas (GHG) data into an engine for driving innovation. We are not only accelerating the R&D of low-carbon materials and the application of circular economy practices, but also committed to deepening the internal carbon pricing mechanism, directly incorporating climate risks and emission costs into everyday business decisions. By fundamentally reducing carbon intensity (CO₂ emissions per unit of operating revenue) and enhancing carbon performance (economic value created per unit of CO₂ emissions), we position ourselves as an enterprise capable of continuously delivering products with low-carbon competitiveness, thereby sustaining stakeholder trust on the net zero pathway.

Seizing the Future with Smart Technology: New Cross-Industry Low-Carbon Competitive Advantages under Twin Transition



The next decade marks an era of deep integration between artificial intelligence (AI) and net zero emissions. We are actively advancing “twin transition” (digital transformation & sustainable transformation), which is not merely the overlay of digital technologies and sustainability goals, but the conversion of AI's powerful computing capacity into a core engine driving green upgrades. Through digital empowerment, we are redefining the depth and breadth of sustainability management. By introducing data-driven AI energy monitoring and digital twin technology (built on artificial intelligence, machine learning, and data analytics to create dynamic digital models), we are able to move beyond traditional experience, achieving more precise energy-consumption forecasting and minimizing targets. More critically, AI computing power allows us to maximize resource utilization efficiency, improve product yield, and reduce raw material loss and waste at the source in complex manufacturing processes. While pursuing highly automated production, digital transformation enables us to capture the environmental footprint of each product in real time, ensuring that business decisions balance technological innovation with environmental carrying capacity. This command of data empowers us to respond with greater resilience to the stringent demands of global leading brands for net zero supply chains and circular economy, transforming sustainability transition into an absolute competitive advantage for entering new industry domains.

Toward Another Decade of Transparency and Integrity



Greater turbulence in the environment demands from us greater clarity of vision. Therefore, in the coming decade of increasingly fragmented markets and tightening regulations, transparency and integrity are to remain SAI's most valuable assets. We will commit to continuously refining climate risk assessments and, by adhering to the highest standards of sustainability governance, strengthening SAI's risk response and adaptation capabilities.

We give our sincerest thanks to our colleagues for their steadfast commitment along the path of transformation, as well as all shareholders and partners for their long-standing support. Sustainability is an endless marathon. Amid future uncertainties, SAI will leverage sharper insights, more agile strategies, and stronger resilience to transform challenges into opportunities for renewal, continuously reaching new peaks of sustainable growth.

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2025 Sustainability Highlights



The sustainability team obtained **national-level** sustainability-related certifications; cumulative sustainability-related training hours reached 155 hours.



Passed the Ministry of Environment's Greenhouse Gas Self-Determined Reduction Plans, securing a **preferential carbon fee rate** (reducing from NT\$300/tCO₂e to NT\$100/tCO₂e and lowering future carbon fee costs).



The recycling rate of plastic dividers reached **89.26%**



SAI planned its 2050 decarbonization pathway in line with decarbonization trends under the **ASI** sectoral standards.



In 2025, submitted **3** energy-saving improvement proposals with an estimated annual electricity savings of **1,164,500** kWh/year.



Participated in multiple advocacy platforms and was invited to join the **E.SUN ESG Sustainability Initiative** for the first time



SAI was invited for the first time to attend the "**New Game of ESG Transformation—Winning Through Co-Creation of Resilient Value Forum**," jointly organized by World Vision Taiwan and Business Weekly



The turnover rate declined for two consecutive years, decreasing year by year from 26.51% in 2023 to 21.60% in 2025



Recorded **128** instances of employee volunteer participation



The amount of the joint sponsorship for public welfare activities with the SAI Fu-De Social Welfare and Charity Foundation reached **NT\$3,494,850**



Collaborated with National Cheng Kung University to launch an **industry-academia collaboration project on carbon capture, utilization, and storage (CCUS)**



The 2025 Sustainability Report achieved **AA1000AS v3 Type 2 moderate-level assurance**



1,352 employees completed awareness training on anti-corruption policies and procedures, achieving a completion rate of **100%**



In accordance with the Taiwan Sustainable Economic Activity Recognition Guidelines issued by the Financial Supervisory Commission, SAI conducted voluntary disclosure. In 2025, the total amount of business activities that met the criteria for sustainable economic activities, comprising recycled aluminium wheels and recycled aluminium materials, accounted for **33%** of operating revenue



In 2025, the Board of Directors and functional committees operated effectively, with an attendance rate exceeding **98%**

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Taiwan Circular Economy Award

Award Title

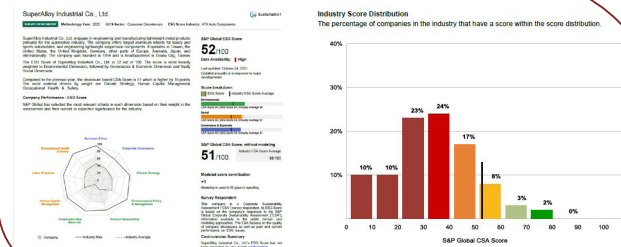


Global Views Monthly's ESG
Corporate Sustainability Award

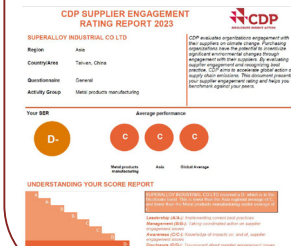


TCSA Corporate Sustainability
Report Gold Award

CSA Ranked in the top 14% of the Auto Components Industry



CDP Upgraded from D- in 2024 to C for Climate Change
and B- for Water Security



Scores

SUPERALLOY INDUSTRIAL CO LTD
2025

Overall scores

Score visibility	Climate change	Forests	Water security
Private			
If you were requested by any Supply Chain members or Capital Markets Signatories, they can see these scores.	C	-	B-
Public			
Visible on your organization's profile on the CDP website.	C	-	B-

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The Path of Metamorphosis: Annual Sustainability Feature

I | Sustainable Alchemy — The Infinite Aluminium Odyssey from RESAICAL® to CIRCULIUM

Since RESAICAL® was launched in 2020 as a 100% recycled aluminium technology, it has become synonymous with a “low-carbon alternative solution” within the global luxury automotive supply chain. The true value of this green revolution lies in transforming recycled aluminium scrap into a material with significantly greater environmental value than primary aluminium. According to 2023 data, the carbon footprint of SAI RESAICAL® Aluminium was only 0.45 kg CO₂e/kg, significantly lower than the 11.624 kg CO₂e/kg carbon footprint of primary aluminium from Dubai, representing a carbon reduction performance of up to 96.13%. Leveraging this industry-leading technological expertise, SAI has utilized Post-Industrial Recycled (PIR) technology to become a strong green backbone for the global luxury mobility industry, transforming material value into decarbonization momentum and leading advanced materials into a new era of green evolution.

However, amid the intensifying global climate challenge, SAI recognizes that achieving resource circularity within a single industry alone is not sufficient to reverse the trend of resource depletion. In 2025, SAI officially launched a strategic upgrade with the introduction of a new circular aluminium brand — CIRCULIUM. This not only marks a technological transition for SAI from Post-Industrial Recycled (PIR) to Post-Consumer Recycled (PCR) materials, but also signifies the extension of its core competencies in circular aluminium from automotive components into diverse high-end sectors such as semiconductor equipment parts. In doing so, SAI is transforming from a traditional supplier into a cross-industry strategic partner for green materials.

In the future, CIRCULIUM will serve as a strategic enabler for SAI to support customers in reducing Scope 3 greenhouse gas emissions and advancing toward the global net zero emissions target by 2050. Through this technological transformation from PIR to PCR, SAI is not only reshaping aluminium within the furnace, but also forging irreplaceable sustainability-driven competitiveness across cross-industry value chains.

SAI aims to promote the broader application of PCR aluminium to help customers significantly reduce upstream greenhouse gas emissions across the product life cycle. Under this goal, the emergence of CIRCULIUM further breaks down the boundaries of automotive materials. With its high purity and low-carbon characteristics, it is progressively entering the supply chain of high-end industries such as semiconductors and aerospace, where requirements for material stability and environmental footprint are highly stringent, providing the global technology industry with an ultimate solution of lightweight, low-carbon, and high-strength performance.

From RESAICAL® to CIRCULIUM, SAI is redefining not only aluminium materials, but also an endless cross-industry circular ecosystem. The new brand name combines “Circular” and “Aluminium,” symbolizing aluminium’s second life within a circular system. The logo design of CIRCULIUM represents more than a visual transformation; it reflects SAI’s deeper commitment to resource sustainability and cross-sector empowerment.



circulium



Circular Momentum

The Vitality of Infinite Renewal

The logo is composed of five flowing curved surfaces, conveying a cyclical motion that converges toward the center and flows continuously. This design symbolizes how aluminium, through recycling, smelting, and reapplication under SAI achieves complete material circularity, illustrating the continuous, never-ending flow of resources within a sustainable system.



Brand Empowerment

Core Versatility, Connecting Diverse Industries, Achieving Seamless Integration

The five interlinked curved surfaces are constructed as precisely proportioned structural units that connect and support one another, forming a core engine. This symbolizes the integration and balance of sustainability across all dimensions within SAI, driving the stable operation of the overall system while continuously evolving to shape a new circular future for recycled aluminium and advanced high-tech materials. In the future, whether in the wheels of cars cruising on the roads, precision components in semiconductor equipment that underpin global computing power, or other recycled aluminium applications, CIRCULIUM will stand as a guarantee of high-quality recycled materials.



Color Philosophy

A Dual Variation of Technology and Ecology

The color palette is centered on technology blue and sustainability green: technology blue symbolizes precision manufacturing, technological capability, and consistent quality, while sustainability green represents environmental protection, renewable resources, and the circular economy. The interwoven blend of blue and green conveys the core value of “Technology ∞ Sustainability,” reflecting a sustainability philosophy in which advanced manufacturing and the environment coexist in harmony.

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II | Calculus of Goodwill — Composing a Fūbutsushi Woven from Land Restoration and the Empowerment of Life

In the world of craftsmanship, tempering is what gives metal its strength and resilience; in the soil of society, cultivation is what awakens dormant vitality and potential. We firmly believe that social engagement is akin to a process of refining impact: assistance is like a “first forging at dawn,” addressing immediate urgencies and stabilizing fragile foundations of life; empowerment, on the other hand, is a “deep transformational tempering,” designed to illuminate hope for the future and enable individuals to develop the capacity to sustain and protect themselves. We consistently practice a “fishing-rod philosophy of impact” — transforming corporate resources into precise tools that go beyond simple giving, and instead help beneficiaries gain the keys to self-reliance, allowing change to take root and flourish in the communities we serve. Transforming resources into the driving force of self-reliance is, at its core, a pursuit of an “integral calculus of goodwill”: precisely focusing on the “micro” level, triggering qualitative change through accumulation, and allowing incremental efforts to converge into a transformative miracle of changed destinies.

In Japanese culture, “fūbutsushi” refers to a sensibility in which a particular landscape, once seen, immediately evokes an intuitive understanding of the season and the emotions it carries. Just as the sight of cherry blossoms drifting in the wind signals the arrival of spring, and golden waves of rice immediately evoke the joy of autumn harvest, for SAI, witnessing the elderly participants carefully gathering and refining drops of pure essence brings to mind how kindness flows into the heart of society—nourishing every once-overlooked dry and barren corner, and allowing sustainable vitality to revive across both neglected landscapes and human lives.

In order to transform this sentiment — evocative of a fūbutsushi, a poem of the land and its seasons — into something measurable and tangible, SAI has engaged in an in-depth collaboration with Tudigogo, a sub-brand of the social enterprise Agoood Co., Ltd. Unlike conventional enterprises that prioritize profit maximization, social enterprises are centered on the core purpose of addressing specific social problems. “Tudigogo” means “working for people, working for the land” and is guided by the core philosophy of connecting land, labor, and resources to build an ecosystem that is sustainable, replicable, and sustainable.

Together, SAI and Tudigogo have co-constructed a circular mechanism rooted in local communities that is designed to sustain goodwill. The system starts from “Vitality,” where we claim abandoned land and restore soil vitality, transforming once-silent, uncultivated fields into economically productive tea plantations. Moving into the “Cultivation” phase, and guided by the principle of working for people, we empower middle-aged and elderly individuals to engage in dignified labor, helping local seniors rediscover their sense of self-worth through farming. Finally, the “Stewardship” phase is realized by distilling the essence of tea trees tended by the hands of these seniors into antibacterial hydrosol, which is then donated to patients with the rare disease Epidermolysis Bullosa (EB), offering gentle relief from their physical suffering.

To translate the poetic notion of change into a tangible trajectory of goodwill through an evidence-based, calculus-inspired logic, we collaborated closely with Tudigogo to track and evaluate the project journey from September 2024 to September 2025. In this study, we adopted the internationally recognized principles of Social Return on Investment (SROI) as the framework for value assessment. The core of this framework lies in its ability to go beyond purely financial metrics. Through in-depth interviews with stakeholders, it translates hard-to-quantify outcomes, such as physical relief, psychological stability, and improvements in quality of life, into concrete monetary proxies for evaluation. Through this professional external validation, we are able to more clearly understand how every unit of invested resources and goodwill translates into both qualitative and quantitative change at critical turning points in people’s lives.

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Safeguarding Delivering Gentle Care at Fingertips

Seeing patients holding a bottle of clear hydrosol evokes a sense of a cross-generational commitment to care and protection. The tea trees carefully tended by seniors are distilled into hydrosol, carrying the land's healing energy into the hands of those who need it most.

- ◆ Hydrosol donation: A total of 21,600 ml of antibacterial hydrosol was extracted and donated to patients with rare diseases and care institutions, with a donation value of NT\$64,800.
- ◆ Physiological and psychological value: The initiative has been demonstrated to generate a physiological value of NT\$7,867 (in terms of relief from physical discomfort) and a psychological value of NT\$5,238 per beneficiary (in terms of emotional stability).
- ◆ Advocacy communication value: social advocacy value reached NT\$147,093, and contract farming return value reached NT\$340,000.



Vitality Awakening Dormant Fertile Soil

Seeing new shoots of Australian tea trees emerging from barren land evokes the sense of a renewed rhythm of life returning to the land. Through contract farming, SAI revitalizes abandoned farmland, transforming once-silent land into a source that nurtures healing power.

- ◆ Scale of contract farming adoption: 90 Australian tea trees have been designated and cultivated under contract farming arrangements in Yunlin.
- ◆ Revitalization of idle assets: 30 ping (~99 m²) of abandoned farmland has been successfully restored, bringing renewed vitality back to the land.



Cultivation Turning the Dignity of Time

Seeing the sweat on the seniors' brows and the hoes in their hands evokes an image of a resilient way of life lived in harmony with the land—one that is not defined by age or the passage of time. We have created a green therapeutic light farming model for seniors, where agricultural work becomes a process that helps them regain confidence and a renewed sense of self-worth.

- ◆ Empowered labor hours: A total of 287 hours of local employment opportunities were created.
- ◆ Actual employment income: A total financial income of NT\$57,410 was generated for senior participants.
- ◆ Physical and mental restoration benefits: Assessment results indicate that the initiative generates a physiological value of NT\$7,758 (in terms of delayed physical deterioration) and a psychological value of NT\$6,794 per senior participant (in terms of emotional relaxation and stress relief), and a psychological value of NT\$17,378 to the seniors' families.



Resonance Quantifying the Transformative Power of Goodwill

Data are not merely indicators; they are a genuine reflection of the rhythms and vitality of life. When small-scale contributions accumulate into sustained care, what we measure is the depth of resilience in life and the strength of its coexistence with the land.

- ◆ Total project investment: SAI invested a total of NT\$270,000 in the project.
- ◆ Total impact value: Resources were successfully transformed into a total of NT\$654,338 in sustainable value.
- ◆ Social value leverage: Every unit of philanthropic investment generated 2.42 times its value in measurable social impact.

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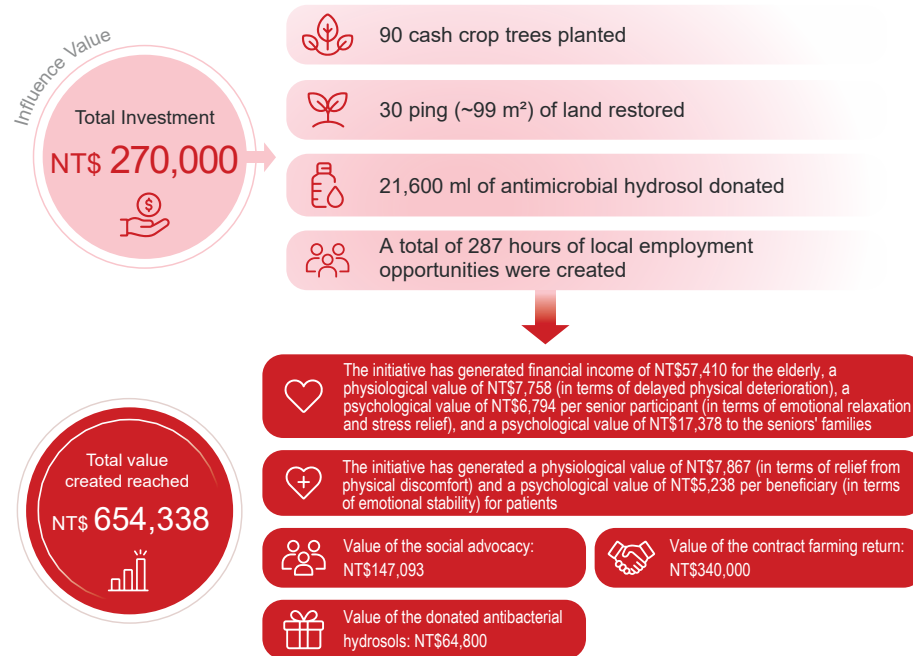
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This multi-year impact tracking is far more than a numerical increase on financial statements; it represents SAI's most sincere tribute to life itself. We have illustrated how purpose-led craftsmanship can redefine the social boundaries of corporate citizenship, witnessing how vitality spreads even in barren ground. When the silence of the land is awakened by the fragrance of tea trees, and elders transform labor, through steady hands and dignified work with hoes, into hydrosol that supports patients, every empirically verified qualitative transformation affirms the cascading effects of "the calculus of goodwill" taking shape on the land. This is not merely a transformation of resources, but a shared life narrative co-created by SAI and its stakeholders, like the ever-renewing cycle of seasonal change, it resonates through time as a compounding echo of sustainability.

It is often said that the most beautiful scenery in Taiwan is its people. For SAI, this scenery could be seen in every pair of hands that gently care for the land and for life itself. This "poem of the landscape" is our most heartfelt declaration to this fertile land: On this endless aluminium journey of pursuing technical excellence, we have not once forgotten our original commitment to safeguarding life. May this faint light emanating from human hands grow into a powerful wave that moves society forward, witnessing renewal and transformation of more lives with each seasonal shift, and making sustainability the most enduring conviction of this land.



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Key to the Vision: Our Sustainable Development Strategy

Standing at the forefront of global industrial transformation, SAI recognizes that sustainability is not only a responsibility but also a core competitive advantage. In 2025, SAI established a renewed corporate vision, mission, and core values to serve as our North Star guiding us toward a sustainable future.

New Vision

- ◆ To become a global leader in R&D, technology, and manufacturing for forged light metals and recycled aluminium applications.
- ◆ These are SAI's absolute commitment to the future. Guided by this vision, we are committed to reshaping the essence of resources and leading the industry toward a new milestone in the circular economy.

New Core Values

- ◆ Integrity and pragmatism, forward-looking innovation, commitment to quality, and teamwork
- ◆ Our core values are the intrinsic driving force behind achieving our sustainability goals. They serve as the guiding principles of SAI's craftsmanship culture and form the foundation for implementing key strategies in environmental protection, supply chain management, workplace well-being, corporate governance, and social engagement.

New Mission

- ◆ To provide comprehensive, low-carbon and sustainable aluminium industry solutions, and build long-term, trusted partnerships with global customers.
- ◆ We are not merely a product supplier, but a strategic partner that grows alongside our customers. By delivering comprehensive low-carbon solutions, we precisely address our customers' expectations for net-zero transformation, thereby building long-term and deep-rooted relationships based on trust.



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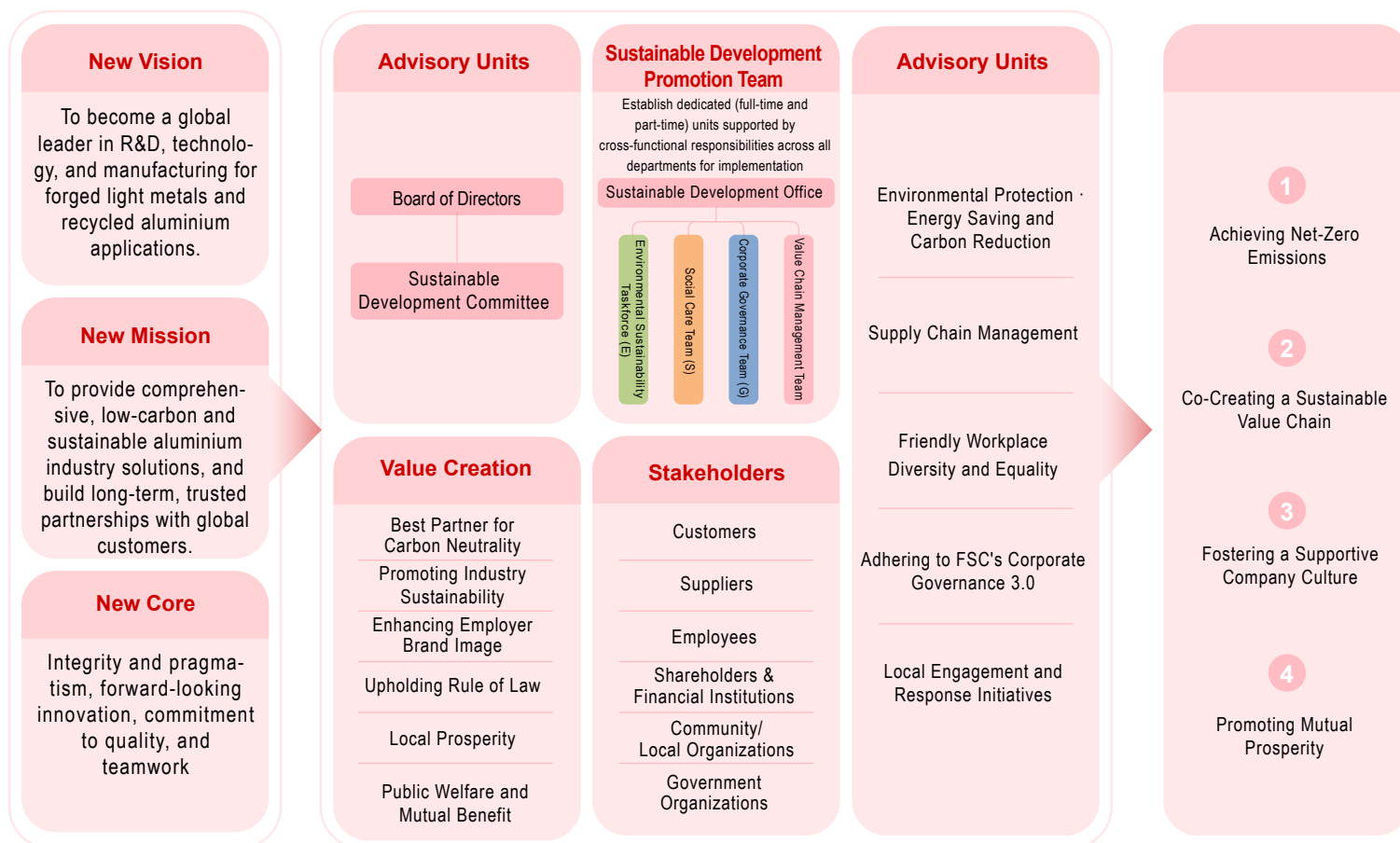
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I | Core Commitment: Four Major Sustainability Pillars

SAI follows its long-term commitment across four key pillars, moving toward net zero emissions, co-creating a sustainable supply chain, fostering a supportive company culture, and promoting shared prosperity. Based on these pillars, we have established short, medium, and long-term targets and implemented various action plans. We work closely with stakeholders, including customers, suppliers, employees, shareholders, communities, and government authorities, to make positive impact across all ESG dimensions. Through this blueprint, SAI is committed to achieving stable business growth, developing products and services with sustainable benefits, reducing potential impacts on society and the environment, and collectively advancing the sustainable development of the economy, society, and the environment.



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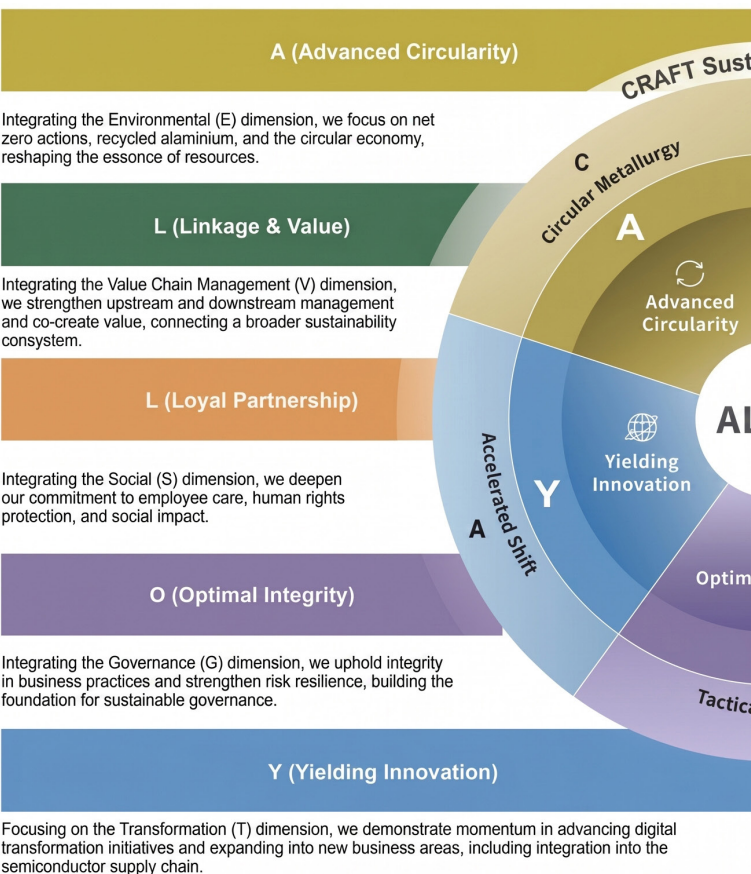
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II | SAI's Core Concept of ALLOY x CRAFT

To more concretely present the execution outcomes of our four key pillars to the public, we are introducing the ALLOY x CRAFT framework for the first time in our 2025 ESG Report, illustrating a new structural logic and approach to action in our reporting framework.

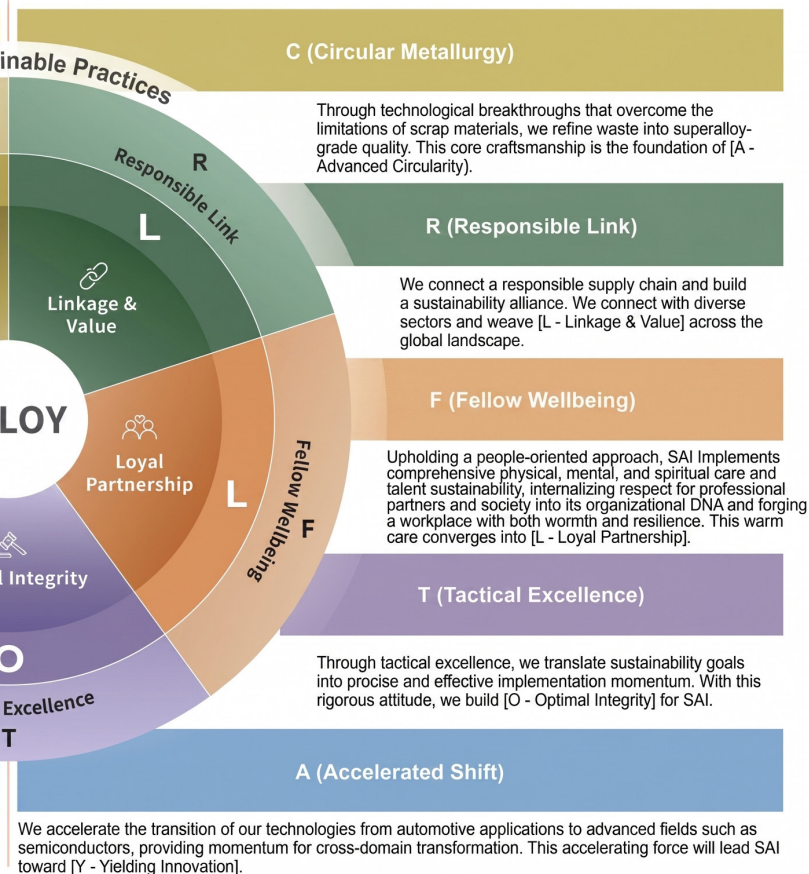
1. Structural Logic: The Five Core Pillars of ALLOY

Much like a high-quality alloy requires precise composition, we incorporated T for Transformation into the original ESG+V value chain management framework, then decomposed, rearranged, and recombined these elements into five new cores, defining a new circular future for recycled aluminium and high-tech materials:



2. Operational Approach: The Practice of CRAFT

Commitments must be translated into action through excellence in craftsmanship (CRAFT). Within each ALLOY chapter, we embed corresponding craftsmanship practices to ensure that strategy is not merely declarative, but effectively put into action:



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Short, Medium, and Long-Term Targets for the Four Sustainability Pillars

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Four Major Sustainability Pillars	Main SDGs	Items	2025 Implementation Results	2026 Goals	2027 Goals	2030 Goals
Achieving Net-Zero Emissions		Energy Management	Based on the calculation method of the Bureau of Energy, the average annual energy savings from 2025 to 2028 will reach 1.5%. Energy savings in 2025 reached 0.45%, and average cumulative energy savings reached 10.84%.	Based on the calculation method of the Bureau of Energy, the average annual energy savings from 2025 to 2028 will reach 1.5%.	Based on the calculation method of the Bureau of Energy, the average annual energy savings from 2025 to 2028 will reach 1.5%.	Based on the calculation method of the Bureau of Energy, the average annual energy savings from 2025 to 2028 will reach 1.5%.
		GHG Emissions	In 2025, SAI submitted its greenhouse gas self-determined reduction plans to the Ministry of Environment and successfully passed the review in 2026, reducing the subsequent carbon fee rate from NT\$300/tCO ₂ e to NT\$100/tCO ₂ e. The greenhouse gas emission intensity of Scope 1 and Scope 2 has decreased by 19.5% compared to the 2022 baseline year.	Pass the greenhouse gas self-determined reduction plan and the Ministry of Environment's implementation progress review. The greenhouse gas emission intensity of Scope 1 and Scope 2 has decreased by 25% compared to the 2022 baseline year.	Pass the greenhouse gas self-determined reduction plan and the Ministry of Environment's implementation progress review. The greenhouse gas emission intensity of Scope 1 and Scope 2 has decreased by 30% compared to the 2022 baseline year. In response to regulatory requirements, SAI conducts its greenhouse gas inventory in accordance with the GHG Protocol and has obtained third-party verification.	Pass the greenhouse gas self-determined reduction plan and the Ministry of Environment's implementation progress review. The greenhouse gas emission intensity of Scope 1 and Scope 2 has decreased by 30% compared to the 2022 baseline year.
		Green Innovation Products	Recycled aluminium usage rate reached 36.93%. Recycled aluminium smelting production yield = 96.68%.	Recycled aluminium usage rate ≥ 50%. Recycled aluminium smelting production yield ≥ 98%.	Recycled aluminium usage rate ≥ 50%. Recycled aluminium smelting production yield ≥ 98%.	Recycled aluminium usage rate ≥ 55%. Recycled aluminium smelting production yield ≥ 98%.
		Waste Management	Organic solvent consumption per wheel: Yunlin plant decreased by 28.0%; Pingtung plant decreased by 79.90%.	Reduction of organic solvent consumption per wheel by 30% compared with the baseline year (pre-installation baseline).	Reduction of organic solvent consumption per wheel by 35% compared with the baseline year (pre-installation baseline).	Reduction of organic solvent consumption per wheel by 50% compared with the baseline year (pre-installation baseline).
		Air Pollution Control	Emission intensity of air pollutants decreased by 15.603% compared to the baseline year 2022.	Emission intensity of air pollutants decreased by 15% compared to the baseline year 2022.	Emission intensity of air pollutants decreased by 15% compared to the baseline year 2022.	Emission intensity of air pollutants decreased by 15% compared to the baseline year 2022.
		Water Resource Management	Water withdrawal < 637.09 thousand cubic meters. Wastewater recycling rate of Yunlin plant reached 19.85%.	Water withdrawal < 700 thousand cubic meters. Wastewater recycling rate of Yunlin plant reached ≥ 20%.	Water withdrawal < 700 thousand cubic meters. Wastewater recycling rate of Yunlin plant reached ≥ 20%.	Water withdrawal < 700 thousand cubic meters. Wastewater recycling rate of Yunlin plant reached ≥ 20%.

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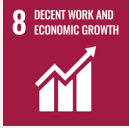
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Vision Timeline: Short, Medium, and Long-Term Sustainability Goals

Four Major Sustainability Pillars	Main SDGs	Items	2025 Implementation Results	2026 Goals	2027 Goals	2030 Goals
Co-Creating a Sustainable Value Chain	 	Sustainable Value Chain	93% of the top 200 suppliers have signed the "SAI Supplier Code of Conduct"	Top 200 suppliers signing "SAI Supplier Code of Conduct"	Top 300 suppliers signing "SAI Supplier Code of Conduct"	100% of all suppliers signing "SAI Supplier Code of Conduct"
			In 2025, the proportion of Taiwan-based procurement reached 86.51% (excluding aluminium materials not produced in Taiwan)	Proportion of Taiwan-based procurement $\geq$ 90% (excluding aluminium materials not produced in Taiwan)	Proportion of Taiwan-based procurement $\geq$ 90% (excluding aluminium materials not produced in Taiwan)	Proportion of Taiwan-based procurement > 90% (excluding aluminium materials not produced in Taiwan)
			A total of 96 valid questionnaires were collected, and the results indicate that 5 of the top 20 suppliers have already obtained greenhouse gas verification	At least 6 of the top 30 manufacturing suppliers conducted a greenhouse gas inventory	At least 7 of the top 30 manufacturing suppliers conducted a greenhouse gas inventory	At least 10 of the top 30 manufacturing suppliers conducted a greenhouse gas inventory
Fostering a Supportive Company Culture		Talent Attraction and Retention	Participation in Employee Stock Ownership Trust (ESOT) reached 42%	Participation in Employee Stock Ownership Trust (ESOT) > 50%	Participation in Employee Stock Ownership Trust (ESOT) > 50%	Participation in Employee Stock Ownership Trust (ESOT) > 60%
			In 2025, SAI focused on implementing the improvement actions identified in the 2024 employee engagement survey. Follow-up tracking will continue, and effectiveness will be reviewed in the 2026 survey	(Maximum score: 6) Employee engagement index > 4 Score of satisfaction survey > 4	(Maximum score: 6) Employee engagement index > 4 Score of satisfaction survey > 4	(Maximum score: 6) Employee engagement index > 4 Score of satisfaction survey > 4
		Talent Cultivation and Development	3 managerial-level education & training courses	> 2 managerial-level training courses	> 3 managerial-level training courses	> 4 managerial-level training courses
			In response to organizational adjustments, competency and talent development plans for supervisors at all levels have been established	> 2 core/general competency training courses	> 3 core/general competency training courses	> 4 core/general competency training courses
Promoting Mutual Prosperity		Diversity, Equality, and Inclusion	Conducted Chinese-language courses for foreign migrant workers, with 6 recorded attendances	Conduct life adaptation and co-prosperity courses for foreign migrant workers, with > 60 recorded attendances	Conduct life adaptation and co-prosperity courses for foreign migrant workers, with > 60 recorded attendances	Conduct life adaptation and co-prosperity courses for foreign migrant workers, with > 60 recorded attendances
			Held multicultural engagement activities 4 times	Hold multicultural engagement activities > 4 times	Hold multicultural engagement activities > 4 times	Hold multicultural engagement activities > 5 times
Promoting Mutual Prosperity		Social Welfare and Participation	Recorded 128 instances of employee volunteer participation	Record > 120 instances of employee volunteer participation	Record > 130 instances of employee volunteer participation	Record > 150 instances of employee volunteer participation

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SuperAlloy Industrial (SAI) Plant Distribution



Yunlin Plant 1



Yunlin Plant 2



Yunlin Zhuwei Plant



Pingtung Plant



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Global Leader in R&D and Manufacturing of Light Metal Forging and Recycled Aluminium Applications

SuperAlloy Industrial Co., Ltd. (SAI, stock code 1563) was established on June 24, 1994, with “Sustainability, Advanced, Innovation” as its core driving force. Leveraging more than 30 years of expertise in metal materials science and precision forging, SAI is accelerating its transformation with the goal of becoming a global benchmark in lightweight metal material research and development and circular applications of recycled aluminium. We not only focused on delivering high-performance metal solutions, but also committed to technological research and development to drive the industry’s practice of its commitment to environmental friendliness.

We possess comprehensive vertically integrated capabilities ranging from materials development, recycled aluminium smelting, and forging processing to surface treatment. Through continuous investment in key R&D technologies, we ensure that our products maintain peak performance while also offering outstanding energy efficiency and low carbon emissions advantages. SAI is actively extending this core competitiveness into diverse high-end application sectors. SAI has not only mastered internationally advanced recycled aluminium melting technologies, significantly reducing the carbon footprint of raw material production, but is also committed to maximizing aluminium recycling efficiency to provide global customers with low-carbon lightweight metal materials that meet high-quality standards and sustainability expectations. At the same time, leveraging its deep expertise in lightweight metal material properties, SAI continues to serve more than 43 globally renowned automotive brands, making its high-performance forging technology the preferred choice for the super luxury and electric vehicle industries in pursuit of enhanced performance. In addition, SAI is actively expanding its precision forging and high-purity material R&D capabilities into semiconductor equipment components. In response to the semiconductor industry’s stringent requirements for material heat treatment, structural strength, and stability, SAI provides competitive cross-industry technological solutions.

SAI’s headquarters is located in Yunlin, Taiwan, with a smelting facility in Pingtung and a coating plant in Germany. SAI’s total manufacturing site area spans 183,599.63 square meters. In addition, it maintains offices in Germany, the United States, the United Kingdom, the Netherlands, and other locations to provide localized services. We take forging as our technical foundation, committing to reshaping the future through material regeneration, creating win-win value for employees, shareholders, society and the environment.

Outlook: Advancing the Circular Economy and Net Zero Vision through SAI

In response to the global vision of achieving net zero emissions by 2050, SAI stands at a pivotal moment in its low-carbon transition. Through continuous self-improvement, we are committed to delivering solutions that are more sustainable (Sustainability), more advanced (Advanced), and more innovative (Innovation). SAI will continue to stand at the forefront of light-metal materials science, leveraging its core forging technologies and R&D capabilities in recycled aluminium. Together with all stakeholders, we are committed to building a shared and mutually prosperous industrial ecosystem along the path of resource circularity.

Year of Establishment	Operating Locations	2025 Revenue (NT\$)	Number of Employees
1994	- Production Bases: Yunlin Plant 1 (Headquarters), Yunlin Plant 2, Yunlin Zhuwei Plant, Pingtung Plant, Coating Plant in Germany - Sales Services: Offices have been established in regions such as North America and Europe	NT\$6.977 billion	Taiwan Plants (Yunlin + Pingtung): 1,352 employees The entire Group (Taiwan + Germany): 1,412 employees

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II | Company's Business Philosophy

1. Business Objectives



To become the optimal strategic partner on the path of global industrial transformation, enhance people's quality of life through innovative craftsmanship, and co-create sustainable well-being across generations with stakeholders.



Integrity and Pragmatism

External Transparency: Upholding the spirit of honesty and trustworthiness, we ensure that all operational data and sustainability information were authentic and reliable, and we fulfill every commitment to customers and stakeholders.
Internal Grounding: We cultivate a culture rooted in order and discipline, where management responsibilities are faced directly, without evasion or concealment. On the path toward sustainability, we do not pursue superficial accolades, but instead focus on pragmatic, ground-level execution to complete our green transformation.



Forward-Looking Innovation

Strategic Positioning: Rooted in Taiwan, with an eye on the international market. While pursuing profitability, we maintain a keen understanding of global trends in lightweighting and the circular economy, balancing short-term and long-term development to strengthen our core competitive capabilities.
Technical R&D: We do not content ourselves with the status quo, and are and focused on the development of forward-looking technologies. Through continuous R&D investment, we optimize the low-carbon manufacturing process and ensure SAI's technological leadership in the industry.



Commitment to Quality

Safety First: We continue to uphold the commitment to safeguarding the safety of every user, and our pursuit of quality remained uncompromising. From raw materials to finished forgings, every step of the process comply with stringent international standards, ensuring that the products achieve a perfect balance between high strength and lightweight design.
Cornerstone of Trust: We are committed to providing the highest-quality service and the best quality, and take pride in achieving customer satisfaction. High quality is not merely the output of our products, but the fundamental basis on which we earn the long-term trust of global customers.



Team Collaboration

Mutual Prosperity to All: We uphold the spirit of "mutual prosperity" by strengthening cross-departmental communication internally, breaking through constraints, and leveraging team synergies; externally, establish a resilient supply chain alliance with customers and suppliers to jointly promote the upgrading of the industrial ecosystem.
Shared Value: Instead of individual-driven short-term results, we firmly believe that when there is cooperation and support among a collective, more sustainable progress and bigger, longer-term goals may be achieved. Through teamwork, we share operational results with employees, build trusted relationships with stakeholders, and co-create a sustainable future in harmony with the environment.



Performance-Oriented

We have a competitive remuneration system where salaries and promotions are primarily based on employees' abilities and contributions. We encourage a balance of efficiency and effectiveness, rewarding diligent work.



Continuous Improvement

Strive for continuous improvement in all aspects, never overlooking any issue. We address problems by thoroughly investigating their root causes to prevent recurrence.



Full Participation

Encourage employees to boldly propose various suggestions, plans, and implementation schemes for SAI. Mutual respect and trust are fostered between supervisors and subordinates and across all departments, working together to build a better SAI.



Right Person, Right Position

Respect our employees' expertise and strengths, assigning the most suitable tasks and positions based on job standards and responsibilities.



Team Collaboration

SAI values collaboration, information sharing, and experience transfer. While helping partners succeed, we also broaden our own perspectives, grow side by side through mutual trust and shared learning, and jointly embody the team value of SAI employees.



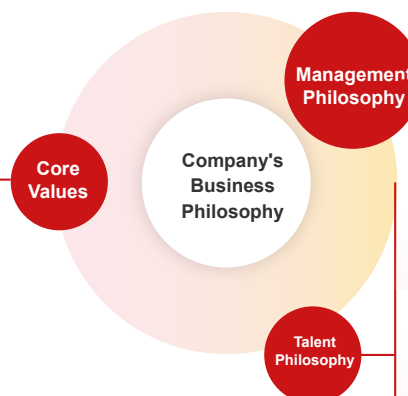
Self-Discipline and Responsibility

Emphasize self-discipline and clear, detailed planning with strong execution. We focus not only on completing tasks but also on doing them well, continuously setting higher standards.



Continuous Learning and Innovation

Encourage ongoing learning, acquiring new knowledge, and applying it to continuous improvement and innovation.



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2. Company Brand Core

Our brand showcases unique competitive advantages and brand spirit, emphasizing the values and significance created by our enterprise/brand. This enhances our brand's image internally and externally.

	Value Proposition	Relationship	Positioning
External	◆ Automotive Clients: High-End Customized Forging Solutions ◆ End Users: Unique and Ultimate Experience	From a consulting perspective, we assist clients in clarifying issues and formulating optimal decision solutions. We work closely with clients and channel partners to provide comprehensive service and support.	◆ Service: A global leader in forged and recycled aluminium material solutions. ◆ End Customers: Globally renowned automotive manufacturers, semiconductor equipment companies, and players across the aluminium industry supply chain.
External & Internal	Expression	Brand Core	Characteristics
	Value-oriented, customer-centric, and professionally confident	SAI is committed to delivering a unique and ultimate experience to every customer.	Performance-oriented, continuous improvement, full participation, right person right role, teamwork, self-discipline and accountability, and a learning-driven spirit of innovation
Internal	Vision and Mission	Core Values	Capability
	Vision To become a global leader in R&D, technology, and manufacturing for forged light metals and recycled aluminium applications. Mission To provide comprehensive, low-carbon and sustainable aluminium industry solutions, and build long-term, trusted partnerships with global customers.	Integrity and pragmatism, forward-looking innovation, commitment to quality, and teamwork	Enterprise: Market position and brand recognition, as well as existing collaboration experience. Product: ◆ Maintain the two existing priorities: (1) the application of recycled materials, aligned with customers' future sustainability requirements; (2) diversified wheel finishing solutions that attract high-end end-market customers. ◆ Added semiconductor and hydrogen energy equipment parts applications

3. Future Goals

As a global leader in R&D, technology, and manufacturing for recycled aluminium applications and light-metal forging, SAI is committed to providing comprehensive, low-carbon aluminium forming and application solutions, with the mission of becoming a long-term, trusted manufacturing and service partner for its customers.

We have moved beyond the traditional forging scope and have actively invested in the research and development of recycled aluminium smelting technology and a circular process with end-to-end control, introducing a high-performance monitoring system to ensure that every low-carbon material delivers outstanding performance.

While pursuing technological breakthroughs, SAI consistently upholds the core values of integrity and pragmatism, forward-looking innovation, commitment to quality, and teamwork. SAI not only continues to deepen its presence in the mobility industry, but also extends our key technologies into semiconductors and a wide range of advanced applications.

We continue to implement Corporate Social Responsibility, improve employee benefits and operations management, and give back to society through charity. While demonstrating outstanding R&D capabilities, we work with all stakeholders to explore the possibilities of sustainability and jointly reshape a low-carbon and mutually prosperous future.

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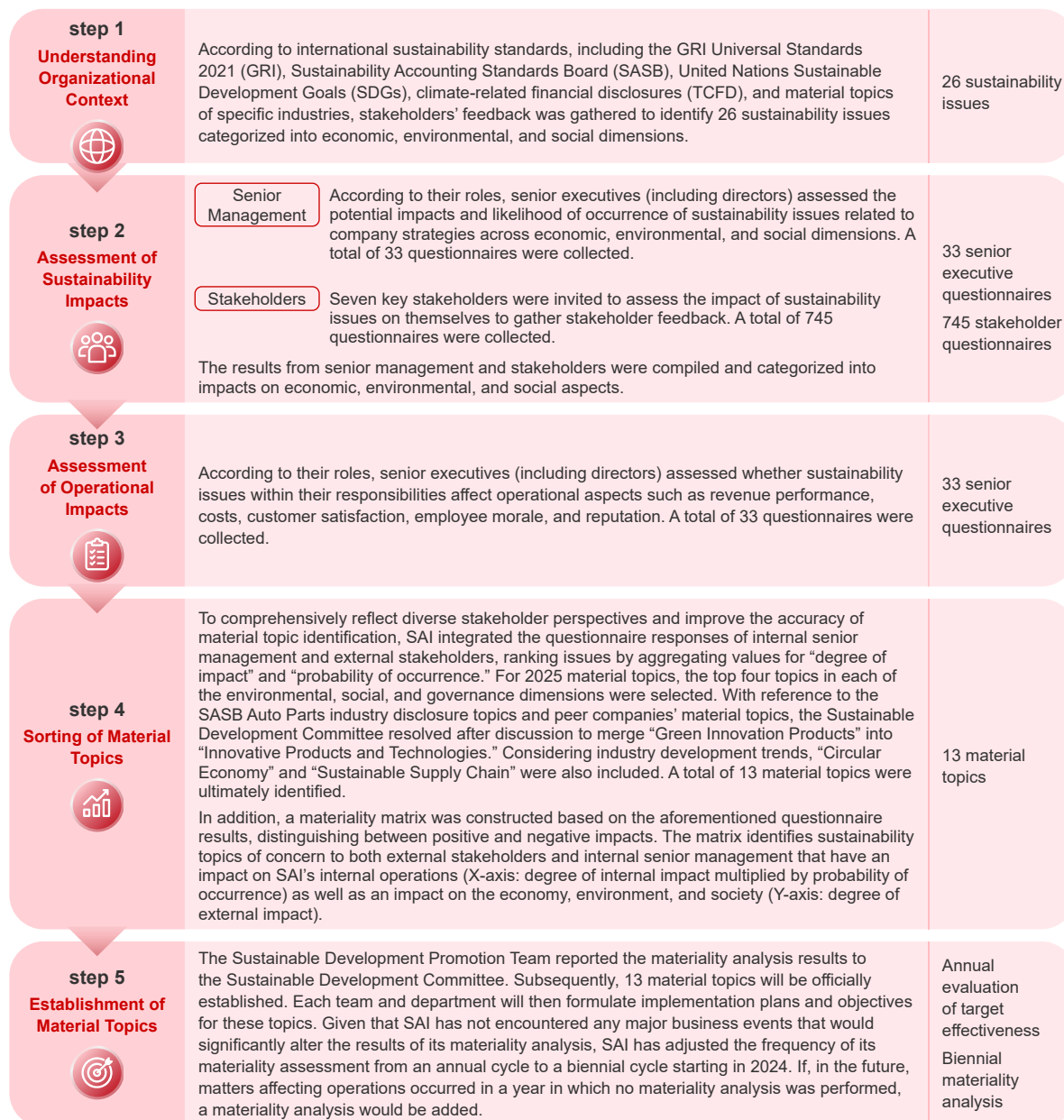
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I | Materiality Assessment

In order to identify and manage sustainability risks, SAI adheres to the GRI Universal Standards 2021 and the AA1000 Accountability Principles Standard, applying the five identification principles of dependability, accountability, proximity, influence, and diverse perspectives to construct a consistent and rigorous materiality analysis framework. Building on this foundation, 26 sustainability issues were identified and mapped into a materiality matrix based on two dimensions: the magnitude and frequency of positive and negative operational impacts on SAI, and the extent of positive and negative impacts on the economy, environment, and people (including human rights). By distributing questionnaires, we sought to understand the impact of sustainability issues on SAI and the expectations of stakeholders.

SAI evaluates the effectiveness of our material sustainability targets annually and conducts a materiality assessment process every two years. We also regularly review the impact of identified issues, using the results as a basis for sustainability strategy planning. In addition, we transparently disclose both positive and negative impacts of sustainability topics to enable stakeholders to better understand progress in sustainable operations.

1. Materiality Identification Process



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2. 2025 Sustainability Topic Identification

Environmental Aspect

- Green Innovation Products
- Waste and Hazardous Substances Management
- Energy Management
- Water Resource Management
- Climate Strategy
- Air Pollution Control
- Biodiversity
- Circular Economy

Social Aspect

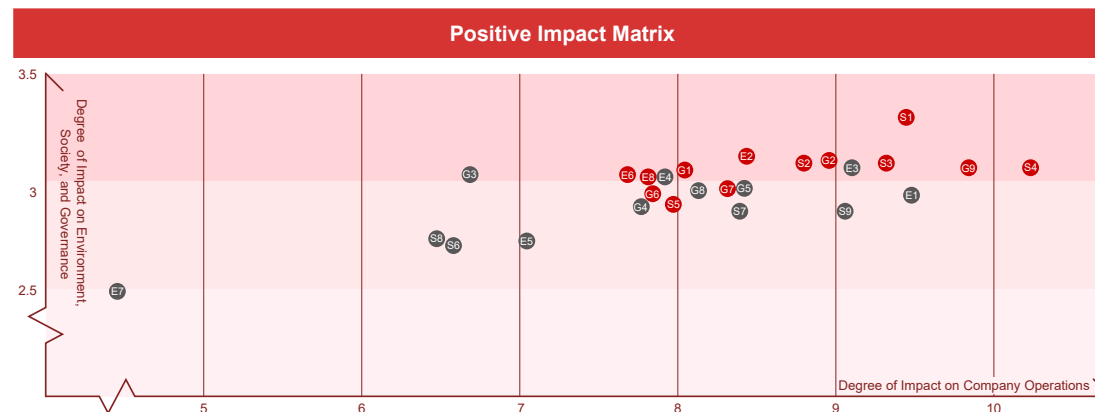
- Product Quality and Safety
- Occupational Health and Safety
- Talent Attraction and Retention
- Customer Relationship Management
- Human Capital and Development
- Social Welfare and Participation
- Labor Rights
- Diversity, Equality, and Inclusion
- Labor-Management Relations and Communication

Governance Aspect

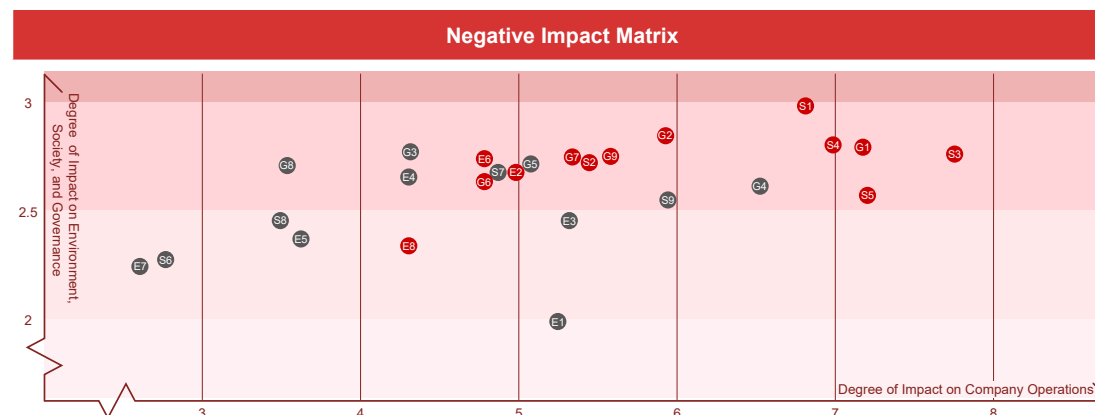
- Innovative Products and Technologies
- Information Security
- Intellectual Property Management
- Economic Performance
- Integrity in Business Operations
- Sustainable Supply Chain
- Risk Management
- Corporate Governance
- Compliance with Laws and Regulations

3. Positive and Negative Impact Matrix for Sustainability Issues in 2025

To assess SAI's impacts on economic, environmental, and social aspects, senior executives (including directors) evaluate the magnitude and likelihood of positive and negative impacts. Separate matrices for positive and negative impacts are developed to strengthen management of issues with low positive impacts and high negative impacts. Continuous efforts are made to enhance overall positive impact.



Most sustainability issues exhibit high positive impact potential and likelihood, with "promoting harmonious coexistence with the natural ecosystem" showing relatively lower positive impact. SAI has assessed the impact on local ecological environments at Taiwan plant sites and will continue to track international trends and industry cases to promote the harmonious development of business operations and the natural ecosystem.



The identification results did not reveal any negative impact issues with a high likelihood. The issues with relatively higher overall impacts were "creating employment opportunities" and "product innovation and technology." SAI will continue to enhance talent development and R&D innovation capabilities, strengthen its competitive advantages in products and technology, and create job opportunities through stable operations, thereby promoting the sustainable development of the industry and society.

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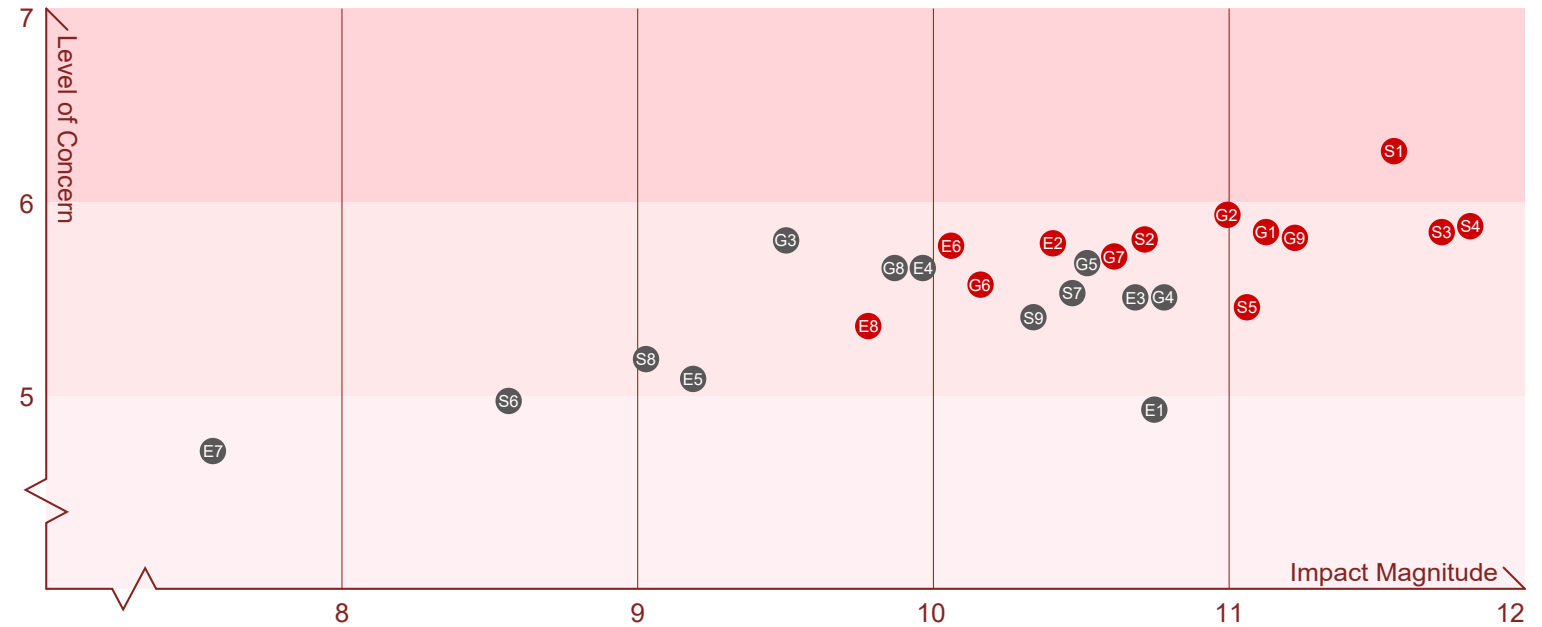
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2025 Materiality Matrix



E1 Green Innovation Products

E2 Waste and Hazardous Substances
Management

E3 Energy Management

E4 Water Resource Management

E5 Climate Strategy

E6 Air Pollution Control

E7 Biodiversity

E8 Circular Economy

S1 Product Quality and Safety

S2 Occupational Health and Safety

S3 Talent Attraction and Retention

S4 Customer Relationship Management

S5 Human Capital and Development

S6 Social Welfare and Participation

S7 Labor Rights

S8 Diversity, Equality, and Inclusion

S9 Labor-Management Relations and Communication

G1 Innovative Products and Technologies

G2 Information Security

G3 Intellectual Property Management

G4 Economic Performance

G5 Integrity in Business Operations

G6 Sustainable Supply Chain

G7 Risk Management

G8 Corporate Governance

G9 Compliance with Laws and Regulations

Topics highlighted in red are SAI's material topics for 2025

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4. Sorting of Material Topics

SAI adopts the Double Materiality principle as proposed by the European Union, integrating economic, environmental, and social impacts along with operational impacts into its materiality analysis, and prepares the Materiality Matrix. Taking into account SASB industry topics and peer material topics, SAI has included circular economy, human capital and development, labor rights, and regulatory compliance in this year's materiality survey.

Compared to last year's materiality assessment results, the 2025 material topics include a newly added environmental topic of "Circular Economy," reflecting SAI's development of a new recycled aluminium brand and the transition from PIR (Post-Industrial Recycling) to PCR (Post-Consumer Recycling). In addition, "Green Innovative Products" and "Innovative Products and Technologies" have been merged into a single topic, emphasizing a comprehensive approach to driving innovation that extends beyond green products alone. Regarding governance, in addition to carrying forward last year's material topics of "Innovative Products and Technologies" and "Information Security," three new topics have been added this year: "Legal Compliance," "Risk Management," and "Sustainable Supply Chain." This reflects the increasingly stringent sustainability-related regulations and policies both domestically and internationally in recent years, as well as the recognition that strengthening supply chain resilience is a critical priority for businesses today. On the social aspect, the material topics identified remain consistent with those of last year. Notably, the materiality score for "Customer Relationship Management" has risen, reflecting the increasingly significant role that customers play as a key driver of corporate sustainability.

Explanation of Changes in Material Topics

	2024	2025	Explanation of Changes between 2025 and the Previous Year
Environmental Aspect	Energy Management	Energy Management	Maintained
	Waste Management	Waste and Hazardous Substances Management	Maintained, with only the topic name revised
	GHG emissions	Circular Economy	Greenhouse gas emissions were changed to general disclosure. Considering the impact of the circular economy on SAI's internal development, the Sustainable Development Committee listed the circular economy as a material topic in 2025
	Green Innovation Products	Air Pollution Control	Green Innovative Products was merged into Innovative Products and Technologies. The level of concern for air pollution control increased in 2025, and it was listed as a material topic
Social Aspect	Product Quality and Safety	Product Quality and Safety	Maintained
	Customer Relationship Management	Customer Relationship Management	Maintained
	Talent Attraction and Retention	Talent Attraction and Retention	Maintained
	Occupational Health and Safety	Occupational Health and Safety	Maintained
Governance Aspect	Integrity in Business Operations	Compliance with Laws and Regulations	Integrity management was changed to general disclosure
	Innovative Products and Technologies	Innovative Products and Technologies	Maintained, and merged with Green Innovation Products in 2025
	Information Security	Information Security	Maintained
	Economic Performance	Risk Management	Economic performance has been disclosed in the financial statements. The level of concern for risk management increased in 2025
	Intellectual Property Management	Sustainable Supply Chain	Considering the impact of the sustainable supply chain on SAI's internal development, the Sustainable Development Committee listed the sustainable supply chain as a material topic in 2025

Note: "Air pollution prevention" and "risk management" were not listed as material topics in 2024, and the ranking of these two issues rose in the current year. In 2025, in response to SAI's development of recycled aluminium-related technologies, the requirements of the SASB Standards, and changes in domestic and international regulations, the issues of "circular economy," "legal compliance," and "sustainable supply chain" were added.

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Pillar	Material Topics in 2025	Positive and Negative Impacts	Description of Impact
Environmental Aspect	Energy Management	(+) Implementation of Energy Saving and Carbon Reduction	Promote energy reduction initiatives by replacing high-energy-consuming equipment to decrease overall energy usage and reduce environmental impact.
		(-) Excessive Energy Consumption	As energy consumption increased, procurement costs rose and the negative impact of the depletion of global energy resources was exacerbated.
	Waste and Hazardous Substances Management	(+) Waste and Hazardous Substances Reduction	Implementing waste reduction initiatives, increasing waste recycling rates, and preventing the leakage of hazardous substances mitigate environmental impacts and enhance the quality of life for local residents.
		(-) Improper Regulation Causing External Costs	Waste and hazardous substances caused severe pollution to the environment, threatened the local ecological balance and residents' health, wasted resources, and increased economic costs, thereby affecting sustainable development and social welfare.
	Circular Economy	(+) Effective Utilization of Resources	Created new business models, facilitated the cyclical use of materials, and reduced resource consumption.
		(-) Resource Allocation Challenges and Increased Carbon Footprint	When substances or materials are reused in a circular process, the stages of recycling, manufacturing, and transportation may incur additional costs, manpower, and resources, while also increasing the carbon footprint associated with these stages.
Social Aspect	Air Pollution Control	(+) Air Pollution Control and Management	Effective air pollutant management can ensure SAI's compliance with regulatory requirements and avoid legal liability, while also enhancing SAI's image and reputation, reducing environmental risks, and potentially improving operational efficiency and lowering long-term costs.
		(-) Inadequate Air Pollution Control	Failure to invest financial and technological resources in air pollution control may lead to regulatory risks and production interruptions, thereby affecting SAI's operations.
	Product Quality and Safety	(+) Protecting Customer Rights	Strictly ensuring product quality to provide customers with safe products and prevent any danger during product use.
		(-) Loss of Revenues and Goodwill	Poor quality resulted in lost business opportunities, a decline in market share, product responsibility claims, goodwill losses, and increased costs.
	Customer Relationship Management	(+) Protecting Customer Rights	Understanding customer needs thoroughly to offer low-carbon products and high-quality services, becoming the preferred partner for customers to achieve carbon neutrality.
		(-) Damaging Client Equity	Failure to promptly meet customer needs may diminish customer trust and satisfaction in SAI, resulting in potential loss of future orders.
	Talent Attraction and Retention	(+) Creating Employment Opportunities	Offering comprehensive benefits and competitive salaries to enhance employee satisfaction, promote employee rights, and increase overall employment willingness.
		(+) Impact on Operational Efficiency	Talent turnover undermines the operational foundation, increasing recruitment and training costs, lowering morale and efficiency, and further resulting in intangible losses such as difficulties in workforce replacement and disruption of customer relationships.
	Occupational Health and Safety	(+) Enhancing Employees' Good Health and Well-being	Emphasize employee work environment, development, and care to foster a balanced, healthy, and supportive company culture.
		(-) Endangering Health and Safety	Workplace injuries occurring during operations negatively impact employee health and quality of life.

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Pillar	Material Topics in 2025	Positive and Negative Impacts	Description of Impact
Economic/Governance Aspects	Compliance with Laws and Regulations	(+) Establishing a Corporate Image of Integrity and Uprightness	We comply with all applicable government regulations by establishing relevant policies and procedures, and require all employees to adhere to all business-related laws and regulations, thereby enhancing stakeholder trust in SAI.
		(-) Increased Compliance Litigation Costs	Failure to implement internal controls may result in penalties, litigation, or enforced suspension of operations, imposing significant financial burdens and damaging corporate reputation.
	Innovative Products and Technologies	(+) Driving Technological Innovation	Staying abreast of industry trends and customer demands to continually offer innovative products and services, driving technological advancements across the industry.
		(-) Declining Corporate Competitiveness	Failure to continuously pursue research and innovation may result in technological lag behind competitors, reducing competitiveness and thereby affecting operational performance and SAI's capacity for sustainable development.
	Information Security	(+) Protecting Fundamental Rights	Implementing robust information security management to safeguard confidential information of customers, supply chains, and employees, ensuring privacy rights.
		(-) Impact on Fundamental Rights	With evolving cyber threats, there is a risk of data breaches affecting confidential information of customers, supply chains, and employees, compromising rights.
	Risk Management	(+) Strengthening Corporate Operational Resilience	Establishing a comprehensive risk management mechanism enables effective identification and control of various risks, thereby strengthening corporate resilience and ensuring business continuity.
		(-) Sudden Material Damage	Insufficient risk identification or lack of mitigation measures may result in significant financial losses, production suspension, or reputational damage.
	Sustainable Supply Chain	(+) Enhancing Supply Chain Quality	Through a fair and impartial selection process, factors such as quality, delivery schedule, prioritization of local suppliers, and suppliers' own sustainability performance are considered, thereby creating positive feedback across the overall value chain.
		(-) Supply Chain Disruption Crisis	Supply chain disruptions, excessive procurement concentration, or non-compliant supplier behavior may undermine operational stability and damage corporate reputation.

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II | Material Topic Impact Boundaries

SAI has identified 13 material topics spanning governance, environmental, and social dimensions. SAI explains the significance of these material topics to its operations and outlines their direct impacts on stakeholders across both internal and external value chains.

Pillar	Material Topics	Impact Description and Significance Causes		Corresponding Indicators	Value Chain Impact Boundary		
		Impact on Economic, Environmental, and Social Aspects	Impact on Company Operations		Upstream Suppliers	SAI	Downstream Customers/Consumers
Environmental	Energy Management	(+) Implementation of Energy Saving and Carbon Reduction: Promote energy reduction initiatives by replacing high-energy-consuming equipment to decrease overall energy usage and reduce environmental impact. (-) Excessive Energy Consumption: As energy consumption increased, procurement costs rose and the negative impact of the depletion of global energy resources was exacerbated.	Gradually phase out high-energy-consuming equipment to lower energy procurement costs. Implement energy-saving initiatives in alignment with net-zero policies, thereby enhancing SAI's external image.	GRI 302-1: Energy consumption within the organization GRI 302-3: Energy intensity GRI 302-4: Reduction of energy consumption GRI 302-5: Reductions in energy requirements of products and services SASB TR-AP-130a.1		◆	
	Waste and Hazardous Substances Management	(+) Waste and Hazardous Substances Reduction: Implementing waste reduction initiatives, increasing waste recycling rates, and preventing the leakage of hazardous substances mitigate environmental impacts and enhance the quality of life for local residents. (-) Improper Regulation Causing External Costs: Waste and hazardous substances caused severe pollution to the environment, threatened the local ecological balance and residents' health, wasted resources, and increased economic costs, thereby affecting sustainable development and social welfare.	Procuring waste recycling equipment reduces raw material costs and waste generation, thereby lowering disposal costs. Regular monitoring of waste haulers and preventing pollution leakage protects SAI's image.	GRI 306-1: Waste generation and significant waste-related impacts GRI 306-2: Management of significant waste-related impacts GRI 306-3: Waste generated GRI 306-4: Waste diverted from disposal GRI 306-5: Waste directed to disposal SASB TR-AP-150a.1		◆	◆
	Circular Economy	(+) Effective Utilization of Resources: Created new business models, facilitated the cyclical use of materials, and reduced resource consumption. (-) Resource Allocation Challenges and Increased Carbon Footprint: When substances or materials are reused in a circular process, the stages of recycling, manufacturing, and transportation may incur additional costs, manpower, and resources, while also increasing the carbon footprint associated with these stages.	Circular economy emphasizes the reuse and value extension of resources throughout the design, manufacturing, and usage stages. For SAI, it not only helps reduce resource waste in production and operations, but also enables the identification of value and business opportunities across the full product life cycle. By actively implementing circular economy strategies, SAI is able to deepen collaboration with suppliers and customers, enhance its competitiveness, and respond to the growing expectations of society and the market for sustainable development.	GRI 301-2: Recycled input materials used GRI 301-3: Reclaimed products and their packaging materials	◆	◆	◆

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		Impact on Economic, Environmental, and Social Aspects	Impact on Company Operations		Upstream Suppliers	SAI	Downstream Customers/Consumers
Environmental	Air Pollution Control	(+) Air Pollution Control Management: Effective air pollutant management can ensure SAI's compliance with regulatory requirements and avoid legal liability, while also enhancing SAI's image and reputation, reducing environmental risks, and potentially improving operational efficiency and lowering long-term costs.	Strengthening air pollution control management and equipment investment helps improve SAI's performance in ESG and sustainability assessments and responds to international customers' requirements for environmental responsibility. It also reduces operational interruptions, reputational damage, and potential remediation costs arising from pollution incidents, thereby maintaining stable operations and market competitiveness.	GRI 305-6: Emissions of ozone-depleting substances (ODS) GRI 305-7: Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		◆	◆
		(-) Insufficient Air Pollution Control: Failure to invest financial and technological resources in air pollution control may lead to regulatory risks and production interruptions, thereby affecting SAI's operations.					
Social	Product Quality and Safety	(+) Protecting Customer Rights: Strictly ensuring product quality to provide customers with safe products and prevent any danger during product use.	Investing in relevant equipment and developing quality improvement technologies to enhance product yield and expand production capacity. This simultaneously increases customer satisfaction and enhances SAI's image.	GRI 416-1: Assessment of the health and safety impacts of product and service categories GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services SASB TR-AP-250a.1	◆	◆	◆
		(-) Loss of Revenues and Goodwill : Poor quality resulted in lost business opportunities, a decline in market share, product responsibility claims, goodwill losses, and increased costs.					
	Customer Relationship Management	(+) Protecting Customer Rights: Understanding customer needs thoroughly to offer low-carbon products and high-quality services, becoming the preferred partner for customers to achieve carbon neutrality.	Regularly reviewing and improving customer satisfaction to enhance product and service quality, manage brand image, and drive business revenue growth.	GRI 417-1: Requirements for product and service information and labeling GRI 417-2: Incidents of non-compliance concerning product and service information and labeling GRI 417-3: Incidents of non-compliance concerning marketing communications GRI 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data		◆	◆
		(-) Damaging Client Equity: Failure to promptly meet customer needs may diminish customer trust and satisfaction in SAI, resulting in potential loss of future orders.					
	Talent Attraction and Retention	(+) Creating Employment Opportunities: Offering comprehensive benefits and competitive salaries to enhance employee satisfaction, promote employee rights, and increase overall employment willingness.	Optimizing remuneration and benefits to enhance employee well-being helps safeguard the transfer of core technologies and experience, strengthen employees' willingness to remain with SAI and their sense of belonging, improve team cohesion, and drive SAI's sustainable growth.	GRI 401-1: New employee hires and employee turnover GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees GRI 401-3: Parental leave GRI 202-1: Ratios of standard entry level wage by gender compared to local minimum wage GRI 202-2: Proportion of senior management hired from the local community		◆	
		(-) Impact on Operational Efficiency: Talent turnover undermines the operational foundation, increasing recruitment and training costs, lowering morale and efficiency, and further resulting in intangible losses such as difficulties in workforce replacement and disruption of customer relationships.					

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Pillar	Material Topics	Impact Description and Significance Causes		Corresponding Indicators	Value Chain Impact Boundary		
		Impact on Economic, Environmental, and Social Aspects	Impact on Company Operations		Upstream Suppliers	SAI	Downstream Customers/Consumers
Social	Occupational Health and Safety	(+) Enhancing Employees' Good Health and Well-being: Emphasize employee work environment, development, and care to foster a balanced, healthy, and supportive company culture.	Incidents of workplace injuries reduce operational efficiency, increase operating costs, and adversely affect the physical and mental well-being of employees, damaging SAI's reputation.	GRI 403-1: Occupational health and safety management system GRI 403-2: Hazard identification, risk assessment, and incident investigation GRI 403-3: Occupational health services GRI 403-4: Worker participation, consultation, and communication on occupational health and safety GRI 403-5: Worker training on occupational health and safety GRI 403-6: Promotion of worker health GRI 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships GRI 403-8: Workers covered by an occupational health and safety management system GRI 403-9: Work-related injuries GRI 403-10: Work-related ill health		◆	
		(-) Endangering Health and Safety: Workplace injuries occurring during operations negatively impact employee health and quality of life.					
Governance	Compliance with Laws and Regulations	(+) Establishing a Corporate Image of Integrity and Uprightness: We comply with all applicable government regulations by establishing relevant policies and procedures, and require all colleagues to adhere to all business-related laws and regulations, thereby enhancing stakeholder trust in SAI.	Ensuring compliance with all applicable laws is a fundamental requirement for sustainable operations. A preventive approach helps avoid operational and financial risks arising from non-compliance.	GRI 2-27: Legal Compliance GRI 205-1: Operations assessed for risks related to anti-corruption GRI 205-2: Communication and training about anti-corruption policies and procedures GRI 205-3: Confirmed incidents of anti-corruption and actions taken GRI 206-1: Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		◆	
		(-) Increased Compliance Litigation Costs: Failure to implement internal controls may result in penalties, litigation, or enforced suspension of operations, imposing significant financial burdens and damaging corporate reputation.					
Governance	Innovative Products and Technologies	(+) Driving Technological Innovation: Staying abreast of industry trends and customer demands to continually offer innovative products and services, driving technological advancements across the industry.	SAI invests a certain percentage of its revenue each year in the R&D of innovative products and technologies. While enhancing competitiveness and meeting customer needs, this drives steady revenue growth and strengthens SAI's resilience for sustainable operations.	Custom topic		◆	◆
		(-) Declining Corporate Competitiveness: Failure to continuously pursue research and innovation may result in technological lag behind competitors, reducing competitiveness and thereby affecting operational performance and SAI's capacity for sustainable development.					

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Pillar	Material Topics	Impact Description and Significance Causes		Corresponding Indicators	Value Chain Impact Boundary		
		Impact on Economic, Environmental, and Social Aspects	Impact on Company Operations		Upstream Suppliers	SAI	Downstream Customers/Consumers
Governance	Information Security	(+) Protecting Fundamental Rights: Implementing robust information security management to safeguard confidential information of customers, supply chains, and employees, ensuring privacy rights. (-) Impact on Fundamental Rights: With evolving cyber threats, there is a risk of data breaches affecting confidential information of customers, supply chains, and employees, compromising rights.	Strengthening information security management enhances customer trust and prevents damage to company reputation by preventing cyber attacks and data breaches.	Custom topic	◆	◆	◆
	Risk Management	(+) Strengthening Corporate Operational Resilience: Establishing a comprehensive risk management mechanism enables effective identification and control of various risks, thereby strengthening corporate resilience and ensuring business continuity. (-) Sudden Material Damage: Insufficient risk identification or lack of mitigation measures may result in significant financial losses, production suspension, or reputational damage.	Building a comprehensive risk management framework and strong risk identification capabilities enables effective responses to changes in market conditions, regulations, finance, information, and other emerging risks. It also ensures timely crisis management and enhances operational resilience. Failure to respond promptly and effectively to risk events may result in operational disruptions and financial losses.	Custom topic	◆	◆	◆
	Sustainable Supply Chain	(+) Enhancing Supply Chain Quality: Through a fair and impartial selection process, factors such as quality, delivery schedule, prioritization of local suppliers, and suppliers' own sustainability performance are considered, thereby creating positive feedback across the overall value chain. (-) Supply Chain Disruption Crisis: Supply chain disruptions, excessive procurement concentration, or non-compliant supplier behavior may undermine operational stability and damage corporate reputation.	By integrating supply chain management standards, ESG criteria and relevant sustainability certification indicators are incorporated into procurement decisions. SAI continuously monitors suppliers' sustainability performance and works to establish long-term, stable, and mutually beneficial partnerships, achieving shared sustainability goals. Poor supply chain management may lead to environmental issues, legal violations, occupational accidents, or human rights abuses. It may also trigger negative public perception, damage SAI's reputation, and even result in supply chain disruptions that affect business operations.	GRI 308-1: New suppliers that were screened using environmental criteria GRI 414-1: New suppliers that were screened using social criteria SASB TR-AP-440a.1	◆	◆	◆

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III | Management of material topics

1. Environmental Issues

Material Topics	Our Pledge	Metrics and Targets	2025 Performance	Management Measures	Improvement Mechanism
Energy Management	In accordance with the ISO 50001 Energy Management System and aligned with national energy policies, we continuously improve process energy efficiency. We also strategically invest in diversified renewable energy sources to ensure long-term and stable access to green electricity.	Short-term: Based on the calculation method of the Bureau of Energy, the average annual energy savings from 2025 to 2028 will reach 1.5%	- Energy savings in 2025 reached 0.45%, and average cumulative energy savings reached 10.84% - In accordance with regulations, companies with contracted capacity of 5,000 kW or more must install renewable energy capacity equivalent to 10% of contracted capacity; the Pingtung Plant has currently installed a solar PV system with a capacity of 1,492.4 kW - By participating in green electricity platform investment programs, we secure priority procurement rights within our investment quota, ensuring procurement resilience for medium- to long-term energy transition	- Establishing energy monitoring systems to promptly monitor energy consumption status of chillers and air compressors, and planning energy reduction targets. - Installing self-use renewable energy generation systems in accordance with policies for major electricity consumers to reduce carbon emissions from electricity consumption. - Identifying, monitoring, and replacing high-energy-consuming equipment to improve energy efficiency. - By participating in renewable energy investment platforms, we gain access to diversified green electricity sources such as solar and wind power, while strengthening grid resilience through energy storage systems and reducing future market and supply risks associated with external green electricity procurement	- Engineering Department monitors the real-time monitoring system energy consumption status - Conduct annual PDCA effectiveness assessments. - Maintain the effectiveness of ISO 50001 certification continuously. - Regularly monitor the commercial operation schedules and allocable electricity capacity of strategic investment projects.
		Medium to long-term: Based on the calculation method of the Bureau of Energy, the average annual energy savings from 2025 to 2028 will reach 1.5%			
Waste and Hazardous Substances Management	Establishing waste management procedures based on ISO 14001 management system standards to prevent incidents of harmful substance leaks.	Short-term: Reduction of organic solvent consumption per wheel by 30-35% compared with the baseline year (pre-installation baseline)	Organic solvent consumption per wheel: Yunlin plant decreased by 28.0%; Pingtung plant decreased by 79.90%	- Recycling scrap, cuttings, and offcuts from the manufacturing process by re-melting them into recycled aluminium materials for use as raw materials. - Implementing organic solvent recovery equipment to continuously improve recovery rates. - Accompanying waste disposal vehicles to processing facilities occasionally, conducting annual inspections of waste treatment facilities, and weekly monitoring of waste disposal vehicle GPS records.	- Conduct annual audits of waste treatment vendors. - The occupational safety and health management unit (ESH team) regularly tracks and evaluates reduction measures - Maintain the effectiveness of ISO 14001 certification continuously.
		Medium to long-term: Reduction of organic solvent consumption per wheel by 50% compared with the baseline year (pre-installation baseline)			
Circular Economy	Upholding the sustainability mindset of "finite resources, infinite circulation," we are committed to circular resource utilization, minimizing waste generation, and reducing our carbon footprint. Through ongoing process research and development, we convert production by-products, including scrap, machining chips, and offcuts, into high-quality recycled aluminium materials.	Short-term: - Increase the use of recycled aluminium to over 50% - Construct a second melting facility to enhance internal recycling and processing capacity Medium to long-term: Expand the application of recycled aluminium to non-wheel products and cross-industry components	- Recycled aluminium usage rate reached 36.93% - Continue processing production scrap and recycled aluminium in our in-house smelting facilities to reduce reliance on primary aluminium	- Establish standard operating procedures for raw material collection, sorting, remelting, and quality control - Track recycled aluminium usage, yield rates, and waste generation through data-driven management	- Conduct annual reviews of raw material utilization efficiency and recycling performance - Enhance the quality and yield of recycled aluminium applications through R&D

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Air Pollution Control	Following the ISO 14001 management system, SAI continues to strengthen air pollution control equipment and emission management mechanisms to reduce the environmental impact of process emissions and ensure the stable operation of air pollution control facilities.	Short-term: - Emission intensity of air pollutants decreased by 15% compared to the baseline year 2022 - Ensure that air pollutant emissions comply with the competent authority regulations - Improve prevention and real-time response capabilities for abnormal emissions	- Air pollution control work in 2025 achieved the annual management target - Continue to maintain the stable operation of air pollution control equipment and reduce the risk of equipment abnormalities through regular inspections and maintenance - Strengthen operator management and abnormality reporting mechanisms to improve the timeliness and stability of air pollution control operations	- Plan the installation of air pollution control equipment, including exhaust collection, treatment, and monitoring facilities - Conduct air pollutant testing and reporting operations in accordance with regulatory requirements - Provide education and training for air pollution control equipment operators to strengthen daily management capabilities	- Regularly review the operation status and maintenance records of air pollution control equipment each year - Regularly track regulatory compliance and the implementation status of improvement measures through the environmental management system
		Medium to long-term: - Emission intensity of air pollutants decreased by 15% compared to the baseline year 2022 - Establish more comprehensive mechanisms for equipment maintenance, replacement, and performance tracking - Promote low-pollution processes and source reduction measures			

2. Social Issues

Material Topics	Our Pledge	Metrics and Targets	2025 Performance	Management Measures	Improvement Mechanism
Product Quality and Safety	Following ISO 9001 and IATF 16949 automotive quality management systems, we conduct design, production, installation, and services, and perform product safety certifications based on customer requirements to ensure the safety of customers and consumers.	Continually meet the requirements of ISO 9001, IATF 16949, and ISO/IEC 17025 management systems	- Continually met the requirements of ISO 9001, IATF 16949, and ISO/IEC 17025 management systems in 2025 - Total hours of quality education and training: 98,437 hours - Received 29 improvement proposals with a 100% implementation rate - Quality improvement actions are expected to reduce costs by NT\$48,289,900	- Continue to maintain the validity of Taiwan Accreditation Foundation (TAF) ISO/IEC 17025 laboratory accreditation - Introduction of the Makra external drum bi-axial testing equipment, the only bi-axial testing equipment in Taiwan, capable of testing products under the most stringent road and load conditions. - Regular implementation of quality education and training, with a quality improvement proposal incentive mechanism.	- The President's Office holds semi-annual management review meetings to track and evaluate policy objectives. - The Quality Assurance Department regularly conducts internal audits to ensure system effectiveness.

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Customer Relationship Management	With the service policy of "customer satisfaction, full participation, and continuous improvement," with the establishment of a "Customer Satisfaction Assessment Procedure" to regularly monitor customer conditions.	Achieve a customer satisfaction score of $\geq 80\%$	◆ Achieved a satisfaction score of over 80% among 91% of customers in 2025 ◆ No violations of marketing and labeling regulations ◆ No complaints received regarding customer privacy breaches	◆ Monthly tracking of customer scorecard results and planning improvement measures for any deficiencies. ◆ Provision of low-carbon product services to meet customers' net-zero carbon reduction needs, including 100% recycled aluminium wheels and CNC net-shape forged aluminium wheels to reduce material usage.	The Quality Assurance Unit (Customer Service Team) tracks customer scorecard results monthly and provides feedback to internal responsible units for improvement
Talent Attraction and Retention	To strengthen our corporate culture and values by promoting the talent philosophy of "right people in the right positions, teamwork, self-discipline and accountability, and a passion for learning and innovation," enhancing our employer brand image and deepening employees' sense of belonging, and co-creating a talent-sustainable and friendly workplace.	Short-term: ◆ Participation in Employee Stock Ownership Trust (ESOT) > 50% ◆ Employee engagement index > 4 Medium to long-term: ◆ Participation in Employee Stock Ownership Trust (ESOT) > 60% ◆ Employee engagement index > 4	◆ Participation in Employee Stock Ownership Trust (ESOT) reached 42% ◆ In 2025, SAI focused on implementing the improvement actions identified in the 2024 employee satisfaction survey. Follow-up tracking will continue, and effectiveness will be reviewed in the 2026 survey	◆ Evaluation of an employee stock ownership trust mechanism and continuous optimization of employee compensation and benefits to attract and retain talent. ◆ Interviews with voluntary resigning employees to analyze reasons for departure and plan improvement goals. ◆ Development of relevant courses and activities for international migrant workers to integrate into life in Taiwan.	◆ The management unit (Human Resources team) holds quarterly meetings with foreign migrant workers to address their living conditions ◆ Retention bonus system.
Occupational Health and Safety	Adhering to the ISO 45001 Occupational Health and Safety Management System, SAI has established its Occupational Health and Safety (OHS) policy to improve workplace safety and create a zero-accident work environment.	Short-term: ◆ Maintain the effectiveness of ISO 45001 certification continuously ◆ The number of disabling injuries was 0 Medium to long-term: Aim for zero workplace injuries, and create a safe working environment	◆ Maintained the effectiveness of ISO 45001 certification consistently in 2025 ◆ Health promotion activities involved 441 participants ◆ Occupational safety training involved 16,719 participants ◆ No fatal occupational accidents occurred ◆ In 2025, there were 2 recordable injuries resulting in lost work time.	◆ Conduct hazard identification and risk assessments every six months, and implement corrective actions progressively based on risk levels ◆ Provide annual health check-ups, special health examinations, and family health screenings for employees ◆ Strengthen employees' occupational health and safety awareness and knowledge through diversified training programs	◆ Management review meetings are held regularly. ◆ Monthly inspections are conducted.

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3. Governance Issues

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Material Topics	Our Pledge	Metrics and Targets	2025 Performance	Management Measures	Improvement Mechanism
Compliance with Laws and Regulations	Strengthen regulatory identification and management processes to ensure compliant operations, and enhance regulatory training to reinforce employees' awareness of legal compliance.	Short-term: Maintain a record of zero major compliance violations and continuously improve training content for all employees Medium to long-term: Establish effective management measures to reduce risks and strengthen business philosophy.	Reported no significant fines (exceeding NT\$1 million) related to corporate governance, environmental protection, human rights protection, sustainable workplace, or products and services.	Each department regularly identifies relevant regulations, assesses their legal applicability and impact risks on SAI, and takes corresponding actions to ensure compliance	Conduct annual audits based on applicable laws and internal operational standards, and update the audit scope and items as needed to prevent legal violations and ensure sustainable business operations
Innovative Products and Technologies	Focusing on product lightweighting, aerodynamic design, net shape wheels, and process automation as our R&D directions, we continuously create high profitability and sustainable operations for SAI.	Short-term: Continuously invest 2% of annual revenue into research and development. Medium to long-term: Recycled aluminium smelting production yield $\geq 98\%$	◆ In 2025, 2% of revenue was invested in R&D. ◆ Recycled aluminium smelting production yield = 96.68% ◆ Successfully developed two innovative technologies. ◆ Following the implementation of process improvements in 2025, polishing and grinding rework hours decreased by 90%, and rework expenses decreased by 4.8% ◆ Following the implementation of polishing process improvements in 2025, manual grinding hours decreased by 40%, and total polishing costs decreased by 23% ◆ Mass-produced 37 models of net shape forged aluminium wheels, with 60 models under development.	◆ Established aerospace-grade mechanical performance laboratories, corrosion laboratories, and fatigue performance laboratories to support R&D testing and verification. ◆ Collaborated with research institutions and universities, and participate in relevant seminars to promote technological advancement. ◆ Offered R&D incentive bonuses to encourage employee proposals.	Established corporate R&D strategy direction to be developed and executed by the R&D department.
Information Security	Following the "Information Security Policy" and ISO 27001 standards, we have established a comprehensive, feasible, and effective information security management system to provide optimal information security protection.	◆ Maintain the effectiveness of ISO 27001:2022 certification continuously ◆ No information security incidents occurred	◆ Obtained TISAX® AL3 information security and prototype protection certification. ◆ Maintain the effectiveness of ISO 27001:2022 certification continuously ◆ Achieved 100% participation in information security education and training for all employees. ◆ No information security incidents occurred.	◆ Implemented information security education and training, and social engineering drills for all employees to enhance information security awareness. ◆ Included customer confidential information protection in new employee training and annual education programs to enforce customer confidential information management. ◆ Conduct regular technical assessments and implement corrective measures for identified vulnerabilities to reduce or eliminate risks and enhance overall information system security.	◆ Conducted an annual internal audit by the Information Security Audit Team. ◆ Conducted an annual internal management review by the Information Security Committee. ◆ Conducted external audit reviews at least twice annually.

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Risk Management	Continuously strengthen risk control to reduce costs, ensure profitability, and create a high-quality work environment.	Short-term: Establish a risk control mechanism capable of providing real-time responses to customer and supply chain abnormalities. Medium to long-term: Establish a more resilient aluminium and manufacturing supply chain system.	Identify and analyze short, medium, and long-term risks and opportunities in response to external environmental changes and internal operational conditions.	◆ Establish an internal audit system and appoint independent directors to ensure the effective operation of internal controls and reporting mechanisms. ◆ Relevant departments undertake corresponding risk management responsibilities to mitigate operational risk impacts.	Conduct annual systematic analyses using a risk matrix to identify priority risk items, which serve as the basis for formulating and implementing the annual audit plan.
Sustainable Supply Chain	Establish supplier partnerships to ensure that the supply chain has a sustainability plan, provides a safe working environment, respects and upholds employee dignity, operates responsibly toward the environment, and adheres to business ethics.	Short-term: ◆ Top 200 suppliers signing "SAI Supplier Code of Conduct" ◆ At least 6 of the top 30 manufacturing suppliers conducted a greenhouse gas inventory Medium to long-term: ◆ 100% of all suppliers signing "SAI Supplier Code of Conduct" ◆ At least 10 of the top 30 manufacturing suppliers conducted a greenhouse gas inventory	◆ 186 out of the top 200 suppliers signed the "SAI Supplier Code of Conduct" ◆ Five of the top 20 suppliers obtained greenhouse gas inventory certification	◆ Establish a supply chain risk management and sustainability mechanism to build long-term partnerships and ensure supply stability and regulatory compliance. ◆ Support suppliers in establishing smart energy management platforms.	For existing suppliers, SAI introduced an ESG classification and grading mechanism. For new suppliers, SAI requires 100% signing of the SAI Supplier Code of Conduct to ensure that suppliers' conduct meets environmental and social responsibility standards

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IV | Stakeholder Communication

To meet the expectations of our stakeholders, SAI follows the AA1000 Stakeholder Engagement Standards (AA1000 SES), identifying seven key stakeholders based on five criteria: dependency, responsibility, closeness, influence, and diverse perspectives. The identified key stakeholders are customers, employees, shareholders, government organizations, banking institutions, suppliers, and community/local groups. We provide various communication channels to enhance feedback and dialogue with stakeholders. Risks are identified for the year, and reassessments are conducted every two years.

Communication Strategy and Targets

Transparency: Open and transparent communication and information disclosure.

Inclusivity: Respect diverse perspectives and values, and engage broadly with stakeholders.

Accountability: Disclose how consultation outcomes influence decisions and strategies.

Consistency: Regular and meaningful communication.



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Stakeholder Type and Significance

Stakeholder Type	Significance to SAI	
Employees	Employees are the most important asset of a company and a critical factor for operational success. At SAI, we adhere to the principles of meritocracy and proper talent allocation, ensuring that employees can work with peace of mind, fully demonstrate their expertise, and contribute their capabilities to achieve SAI's goal of sustainable operation.	
Engagement Methods and Frequency		Key Issues of Concern
· Labor-Management Meeting [Once every quarter] · Employee Performance Reviews [Three times a year] · Manager Communication Meetings [Once every 2 weeks] · Welfare Committee Meetings [Once a quarter]		· Talent Attraction and Retention · Labor Relations · Occupational Health and Safety
Engagement Results	Response by SAI	Response Approach
· Employee remuneration and benefits expenditures accounted for 17% of revenue in 2025. · The Welfare Committee held 6 meetings in 2025. · Held 4 labor-management meetings in 2025 · There were zero employee complaint reported in 2025.	We have established diverse and accessible communication channels, staffed by dedicated personnel to receive employee feedback and grievances, with prompt development and implementation of appropriate corrective measures. In parallel, we have strengthened our whistleblower protection system, rigorously adhering to complaint and reporting procedures as well as workplace misconduct management regulations, to ensure the fairness and effectiveness of our grievance mechanisms. SAI is committed to ensuring that all employees enjoy a fair, safe, and respectful working environment. Preventive, corrective, and disciplinary measures are taken as appropriate based on the severity of each case. While safeguarding the rights and interests of all parties involved, we strictly uphold the privacy and personal data security of those concerned.	3.1 Inclusive Workplace and Diverse Talent 3.2 Human Rights Management and Talent Development 3.3 Occupational Health and Safety

Stakeholder Type	Significance to SAI	
Customers	Customers are the driving force that leads SAI to continue technological innovation and pursue excellence. SAI is committed to providing high-quality products and timely, comprehensive services to meet the diverse needs of global customers. Through process transformation and the provision of low-carbon products, we become the best partner for customers on their path toward net-zero emissions.	
Engagement Methods and Frequency		Key Issues of Concern
· Customer Visits [Immediate] · Quality Issue Meetings [Immediate] · Assess customer satisfaction based on the Customer Scorecard [Monthly]		· Information Security · Risk Management · Product Quality and Safety
Engagement Results	Response by SAI	Response Approach
In 2025, the proportion of customers achieving a scorecard score of 80% or above was 91%	Under SAI's sustainability-driven operational strategy, continue delivering high value-added products and solutions to customers, and meet their needs and expectations through communication meetings and satisfaction surveys.	2.3 Quality Management 2.4 Customer Service and Relationship Management 4.4 Risk Management

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Stakeholder Type	Significance to SAI	
Shareholders/Investors	Shareholders and investors provide solid backing for SAI's long-term stable operations and alignment with international capital markets. Upholding transparent and ethical governance principles, we create long-term value for shareholders through sound financial performance and forward-looking sustainability strategies, establishing a partnership built on mutual trust and shared prosperity.	
Engagement Methods and Frequency		Key Issues of Concern
- Annual General Meeting of Shareholders [Once a year] - Monthly Revenue Announcements [Once a month] - Investor Conference [Once a quarter] - Overseas Investor Forums [Once a year]		- Information Security - Integrity in Business Operations - Innovative Products and Technologies
Engagement Results	Response by SAI	Response Approach
A total of 37 significant announcements were issued in 2025.	We continuously foster proactive and effective communication with investors, keeping them informed of SAI's financial performance, ESG progress, future targets, and operational developments. Investor feedback and expectations, including matters such as carbon reduction targets, supply chain management, executive compensation, and corporate governance, are duly conveyed to senior management in a timely manner, maintaining a healthy and constructive two-way dialogue.	4.2 Integrity Management and Legal Compliance 4.4 Risk Management 5.1 Advanced Technology Transformation: Cross-Domain Application Strategy 5.2 Innovation and R&D: Development of high-precision materials and new business applications

Stakeholder Type	Significance to SAI	
Suppliers	Suppliers are indispensable strategic partners for SAI in its sustainable transformation and journey toward net-zero emissions. We pursue supplier quality and stability while actively introducing ESG assessment mechanisms, working together to implement responsible procurement and enhance the sustainability resilience of SAI's supply chain.	
Engagement Methods and Frequency		Key Issues of Concern
- Supplier Evaluation [Once a year] - Supplier Audit [Irregular] - Environmental and Safety Risk Assessment [Immediate] - Supplier Code of Conduct [Immediate]		- Economic Performance - Information Security - Integrity in Business Operations
Engagement Results	Response by SAI	Response Approach
- Key Supplier Evaluation (Class A, Class B, Outsourced Suppliers) Completion Rate: 100% - Audited 9 critical suppliers, all of which had no major violations. 93% of the top 200 suppliers have signed the Supplier Code of Conduct	Upholding a spirit of shared growth with suppliers, we drive multiple collaborative projects. Through audits, participation in the Ministry of Economic Affairs' "Large Enterprises Leading Small Enterprises" Program to share SAI's operational experience, and platform-based monitoring of supplier status, we build a resilient and stable supply chain.	2.1 Supplier Management 4.2 Integrity Management and Legal Compliance 4.3 Economic Performance 4.4 Risk Management

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Stakeholder Type	Significance to SAI		
Government Organizations	Government organizations serve as guiding indicators for enterprises to operate and develop soundly under lawful and compliant conditions. SAI complies with government laws and regulations and proactively responds to national policies such as net-zero transformation, fulfilling its responsibility as a good corporate citizen and jointly driving the overall sustainable transformation of the industry.		
Engagement Methods and Frequency		Key Issues of Concern	
· Document Management and Circulation (Immediate) · Market Observation Post System (Immediate) · Company Official Website (Immediate) · External Audit [Irregular]		· Information Security · Integrity in Business Operations · Green Innovation Products · Raw Materials Management	· Waste Management · Labor Relations · Occupational Health and Safety
Engagement Results	Response by SAI	Response Approach	
All government audit findings for 2025 have been rectified.	Provide timely responses to government agencies on policy recommendations related to industrial and occupational safety regulations, environmental protection, pollution control, and greenhouse gas management.	1.4 Environmental Management Performance 3.1 Inclusive Workplace and Diverse Talent 3.3 Occupational Health and Safety	4.1 Corporate Governance 4.2 Integrity Management and Legal Compliance 4.4 Risk Management

Stakeholder Type	Significance to SAI		
Banking Institutions	Banking institutions are important funding partners that support SAI's sound financial structure and green transformation. We actively cooperate with sustainability-linked loans and green finance solutions, precisely allocating financial resources to sustainability-related projects such as low-carbon process transformation. Through concrete actions, we embody sustainability and achieve a win-win outcome for the economy and the environment.		
Engagement Methods and Frequency		Key Issues of Concern	
Environmental Compliance Statement (Once a year)		· Risk Management · Information Security · Integrity in Business Operations	
Engagement Results	Response by SAI	Response Approach	
Entered into a Sustainability-Linked Loan (SLL) agreement with Cathay United Bank to achieve sustainability targets and reduce interest expenses.	Actively respond to financial institutions' concerns regarding risk management, information security, and ethical business conduct, while continuously strengthening relevant management systems and internal controls to ensure regulatory compliance and reduce potential risks. By incorporating a Sustainability-Linked Loan mechanism, SAI integrates ESG objectives into financial decision-making and operational strategies, demonstrating its commitment to sustainable development. SAI will continue maintaining close communication and collaboration with financial institutions, advancing green finance practices and strengthening SAI's overall sustainability competitiveness.	4.2 Integrity Management and Legal Compliance 4.4 Risk Management	

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Stakeholder Type	Significance to SAI	
Community/Local Organizations	Communities and local groups are SAI's partners in promoting mutual prosperity. We are committed to giving back to local communities and implementing social welfare. Each year, we provide material and financial sponsorship to local disadvantaged groups and community activities. Through on-site care and interaction, we seek to inject positive and sustainable energy into local communities through concrete action.	
Engagement Methods and Frequency		Key Issues of Concern
· Document Management and Circulation (Immediate) · Market Observation Post System (Immediate) · Company Official Website (Immediate)		· Waste Management · Air Pollution Control · Social Welfare and Participation
Engagement Results	Response by SAI	Response Approach
In 2025, a total of 128 employee participations were recorded in volunteer services.	Through the Yunlin County SAI Fu-De Social Welfare and Charity Foundation, we invest in community care, educational development, and arts and culture, implementing various social welfare projects. We also encourage employee participation in volunteer activities by offering paid volunteer hours.	1.4 Environmental Management Performance 3.4 Spreading the Power of Warmth 3.5 SAI Fu-De Social Welfare and Charity Foundation

CH1 ADVANCED CIRCULARITY

We are dedicated to driving the circular economy and forging a complete sustainable value chain, from supply chain management and quality control to customer service.

In partnership with trade associations and value chain stakeholders, we collectively generate far-reaching positive impacts on the environment and society.



1.1
Journey to Net Zero



1.2
A New Circular Economy
Model



1.3
Greenhouse Gas Emissions
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1.4
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1.1 Journey to Net Zero

I | Net Zero Policy Commitment

SAI is acutely aware of its critical position within the global aluminium value chain. Faced with the profound challenges of climate change, we are not merely respondents but drivers of transformation.

To mitigate the potential impact of extreme climate events on SAI's operations and to actively respond to the net-zero emissions expectations of international automotive brands, SAI, as a global leader in forging solutions, has established a long-term target of achieving net-zero emissions by 2050. Using 2022 as the baseline year, SAI has set a short-term target of a 4% reduction in carbon emissions relative to the baseline by 2026, and a medium-term target of a 7% reduction by 2030, continuously monitoring decarbonization progress and advancing steadily toward the long-term vision of achieving net zero emissions by 2050. SAI will continue to drive low-carbon transformation, innovation and research and development, and supply chain collaboration, with the commitment to leading the forging industry toward sustainable development and creating a more resilient and sustainable future.

SAI conducts an annual inventory of energy use and greenhouse gas emissions. Through SWOT analysis, it assesses the external environment and internal resources from four perspectives: strengths, weaknesses, opportunities, and threats. Based on the results, SAI plans four strategic directions and detailed programs to gradually move toward net-zero emissions.

Strategic Directions	Implementation Details	2024 Implementation Results	2025 Implementation Results
Deployment of Renewable Energy	Each plant plans to install solar power generation equipment for use in production processes, in compliance with government regulations on renewable energy contract capacity.	In 2024, 1.8895 million kWh of green electricity was generated and 1,896 renewable energy certificates were obtained	In 2025, 1.8495 million kWh of green electricity was generated and 1,850 renewable energy certificates were obtained
	Proof of progress on power purchase agreements or contracts for green electricity	Currently, the solar power generated at the Pingtung Plant is used for self-consumption, and no purchases of green electricity have been made	
Fostering a Sustainable Culture	- Developed an annual energy education and training plan to enhance employees' awareness of energy conservation. - Incorporated energy policies and related information into the training courses for new employees. - Participated in energy conservation courses and observational events organized by relevant units of the Ministry of Economic Affairs.	- In 2024, dispatched personnel to participate in 13 sessions for a total of 145.5 hours of courses and forums regarding climate change, carbon fee regulations, and carbon reduction technologies - Actively participated in forums and briefing sessions organized by government agencies, such as the Yunlin County Forum on Climate Change Adaptation Implementation	- In 2025, dispatched personnel to participate in 20 sessions for a total of 155 hours of courses and forums regarding climate change, net-zero emissions, carbon fee regulations, and carbon reduction technologies - Actively participated in forums and briefing sessions organized by government agencies, such as the Draft of Yunlin County Self-Governing Ordinance for Promoting Net-Zero Sustainability and energy-saving and carbon reduction case studies and on-site observations organized by the Bureau of Industrial Parks, Ministry of Economic Affairs
Optimizing Process Energy Efficiency	- Installed power quality analyzers to measure equipment energy consumption, providing a basis for subsequent improvement and monitoring. - Replaced hot air circulation systems with direct fire heating systems, such as the Pingtung intermediate furnace and direct fire furnace, to reduce energy consumption. - Gradually revise equipment operation and maintenance schedules to include shutdown procedures for idle periods. - Replaced induction motors in forging machines with servo motors to reduce no-load energy consumption. - Adjusted shifts in each production unit to operate during off-peak hours. - Refer to the "Major Energy-Using Equipment Registration Form" to evaluate the replacement of high-energy-consuming equipment. New equipment is selected based on the Energy, Environment, and Health Safety Design and Procurement Evaluation Form to ensure high energy efficiency.	Implemented improvements on three major energy-using pieces of equipment, achieving total energy savings of 5,298.9 thousand kWh/year.	In 2025, submitted 3 energy-saving improvement proposals with an estimated annual electricity savings of 1,164,500 kWh/year.
Increase the recycled aluminium usage rate	Within SAI's Scope 3 emissions, primary aluminium production accounts for the highest proportion. Gradually increase the proportion of recycled aluminium used from 35% to 70%	In 2024, the proportion of recycled aluminium used was 35.3%	In 2025, the proportion of recycled aluminium used was 36.93%

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II | Deepening Commitment: Alignment with International Standards

Continuing SAI's long-standing commitment to environmental sustainability, we continue to align with the global temperature control targets established under the Paris Agreement. We are committed to limiting the increase in global average temperatures to well below 2.0°C above pre-industrial levels, and to actively pursuing efforts to limit the increase to 1.5°C, in order to reduce the catastrophic impacts of climate change.

To realize this vision, SAI has taken on the responsibility of achieving net-zero emissions by 2050, fully aligning with the Aluminium Stewardship Initiative (ASI) Performance Standard V3. We are committed not only to establishing a transparent, traceable, and scientifically grounded decarbonization roadmap, but also to placing low-carbon materials and green manufacturing at the core of our operations, ensuring that every product made by SAI represents a concrete step toward net-zero transformation.

III | Professional Competencies: Building the Capacity Foundation for Net-Zero Transition

To ensure that every step of this net-zero journey meets the requirements of scientific evidence and regulatory compliance, SAI has continued to strengthen the green professional capabilities of its internal talent. In 2025, SAI's sustainability team accumulated 155 hours of continuing education and successfully obtained the following nationally recognized professional certifications:

Ministry of Environment Net-Zero Green-Collar Talent Certification

A certification issued by the Ministry of Environment (MOENV), designed to verify that qualified professionals have a grasp of national net-zero policy trends and possess advanced practical knowledge of carbon reduction, enhancing enterprises' ability to respond accurately to emissions regulations and implement carbon reduction policies.

iPAS Net-Zero Carbon Emission Planning Administrator

A certification issued by the Ministry of Economic Affairs (MOEA), designed to verify that qualified professionals possess the practical capabilities to guide enterprises through upgrading and transitioning, and to execute net-zero emission planning, thereby bridging the gap between academic learning and practical application and strengthening the net-zero competitiveness of enterprises.



Basic Test on Sustainable Development

A certification jointly administered and issued by the Taiwan Insurance Institute, the Securities and Futures Institute, and the Taiwan Academy of Banking and Finance, designed to verify that qualified professionals possess sustainable development expertise common to both the financial and industrial sectors, enabling them to strengthen the quality of information disclosure, exert market influence, and assist enterprises in sustainable transformation.

Through a comprehensive elevation of professional competencies, SAI's sustainability team serves as a professional translator among internal units, accurately converting the collective carbon reduction achievements of all colleagues into sustainable value with international competitiveness.

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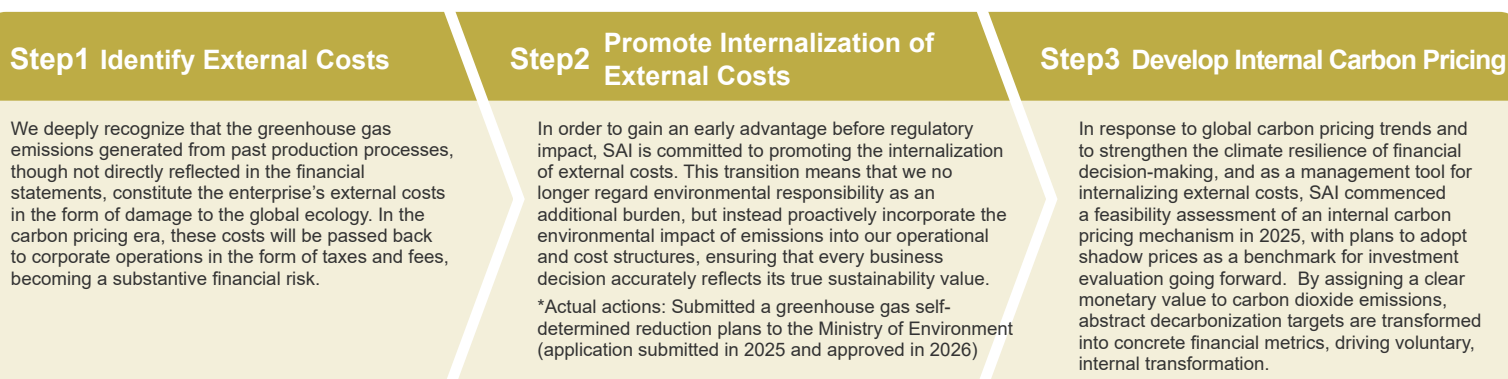
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IV | Climate Governance Transformation: Entering an Era of Carbon Pricing

In 2025, the world formally entered the era of carbon pricing, as the climate game shifted from environmental advocacy to trade and economic competition, with countries around the world establishing carbon pricing mechanisms to advance carbon reduction justice. The European Union's Carbon Border Adjustment Mechanism (CBAM) concluded its transitional phase in 2025 and will formally enter the substantive reporting and levy stage in 2026, while the United Kingdom, the United States, and other nations have also been formulating related trade carbon border tax legislation. This marks a fundamental shift in which carbon emissions have evolved from an invisible environmental impact into a tangible financial cost with direct implications for international trade competitiveness. Domestically, Taiwan officially launched its carbon fee collection mechanism in 2025, giving effect to the principle of environmental justice under which those who emit carbon bear the cost. Under the dual impetus of domestic and international policy developments, the cost of carbon emissions has become an indispensable factor in financial reporting that can no longer be overlooked.

Faced with this global shift in the rules of business, SAI not only monitors regulatory developments closely, but proactively transforms this challenge into an opportunity for governance advancement. We are progressively building SAI's competitiveness for the carbon pricing era:



What Is Internal Carbon Pricing?

This is an internal management tool that converts an enterprise's carbon-emitting behaviors into finance costs. By assigning a concrete monetary value to carbon emissions, companies can quantify their environmental impact, thereby guiding each department to voluntarily reduce emissions and make economic decisions that are more aligned with sustainability targets.

What Is Shadow Pricing?

A shadow price is a simulated unit cost of carbon emissions. When conducting evaluations of major investments, equipment replacement, or process development feasibility studies, a virtual carbon cost is pre-calculated on paper. This enables SAI to simulate, in advance of the actual imposition of regulatory carbon fees, the future impact of carbon fees on project profitability and investment payback periods, ensuring that SAI's capital expenditures possess a high degree of climate resilience.

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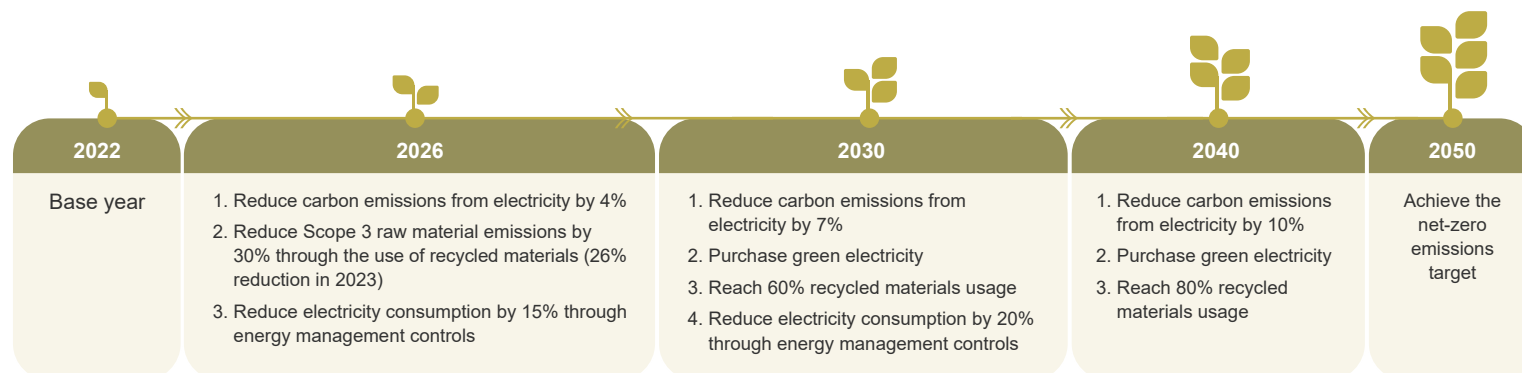
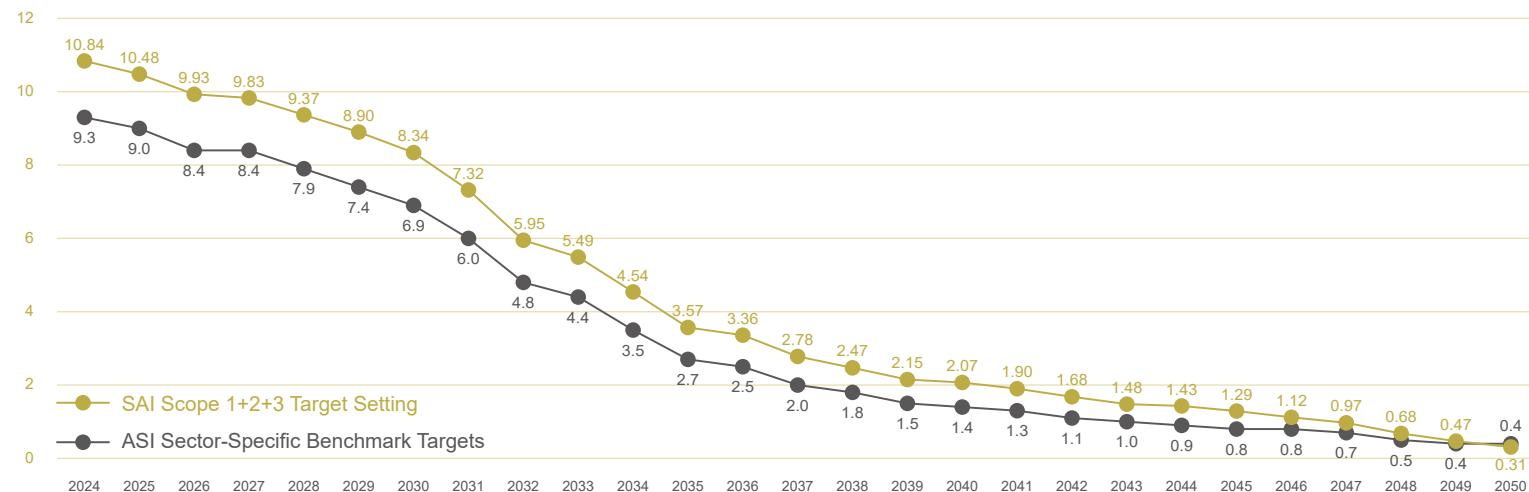
V | SAI's Decarbonization Path

The following metrics were established according to the reduction target trajectory established under the ASI Standards (Scope 1 + 2 + 3):

Short-term target: Steadily reduce annual carbon emission intensity by increasing the usage rate of recycled aluminium and improving process energy efficiency, ensuring a balance between SAI's operational development and environmental carrying capacity.

Long-term target: By 2050, progressively reduce emission intensity from the current level to 0.31 and achieve net-zero emissions.

Comparison Chart of ASI Standards and SAI Reduction Target Trends



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VI | Specific Carbon Reduction Measures and Action Plans for SAI

1. Energy Transition and Electrification (for Scope 1)

As the metal processing industry is an energy-intensive industry, Scope 1 focuses on natural gas sources used for heating.

Improved Reduction Plan	Improvement Contents	Implementation Phase	Estimated Annual Benefits (tCO ₂ e reduction)
Heating and Heat Treatment Furnaces	The heating furnace and heat treatment furnace are energy-intensive stages in the manufacturing process for aluminium alloy wheels. We are therefore considering the introduction of high-efficiency, energy-saving furnaces to optimize furnace insulation and reduce heat loss	2028 to 2030	600

2. Increased Efficiency of Processing Equipment (for Scope 2)

Upgrade energy efficiency for high energy-consuming equipment and peripheral equipment.

Improved Reduction Plan	Improvement Contents	Implementation Phase	Estimated Annual Benefits (tCO ₂ e reduction)
High-efficiency power equipment	Gradually phase out old air compressors, pumps, motors, etc., and introduce Grade 1 energy-efficient or variable-frequency equipment to reduce energy loss	January 2026–December 2026	1,400
Lighting system	Comprehensive switch to LED lighting, paired with motion-sensing switches	September 2025–October 2025	19
Air-conditioning system	Optimize the operating efficiency of the central air-conditioning chiller unit and implement heat recovery, such as using waste heat to preheat aluminium ingots or for plant heating	January 2026–December 2026	500
Purchased or self-built green energy	Prioritize signing green power purchase agreements (PPAs) with electric utilities or renewable energy providers, and increase the proportion of green power procurement annually in order to achieve the expected Scope 2 carbon reduction	2025–2028	5,000

3. Material Efficiency and Circular Economy (for Scope 3)

As primary aluminium accounts for the highest proportion of the overall total, customer material changes must be secured through sales efforts and procurement management.

Improved Reduction Plan	Improvement Contents	Implementation Phase	Estimated Annual Benefits (tCO ₂ e reduction)
Increase the recycled aluminium usage rate	Within SAI's Scope 3 emissions, primary aluminium production accounts for the highest proportion. Gradually increase the proportion of recycled aluminium used from 35% to 70%	2025–2035	110,000

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VII | Outcome of the 2025 Self-Determined Reduction Plans

	Electrical Equipment	Horsepower/Efficiency/RT Value	Quantity	Estimated Carbon Reduction (tCO ₂ e/year)
Yunlin Plant 2	 IE3 variable-frequency motor	7.5 HP × 2 units + 3 HP × 2 units		
		Efficiency: 89.5% + 86.5%	2+2	34.522
		Efficiency: 0.6 kW/RT, 17.95 kW (peripheral water pump)		
	 Office panel lights	25W panel lights x 511 units	511	6.840
	Total			41.362

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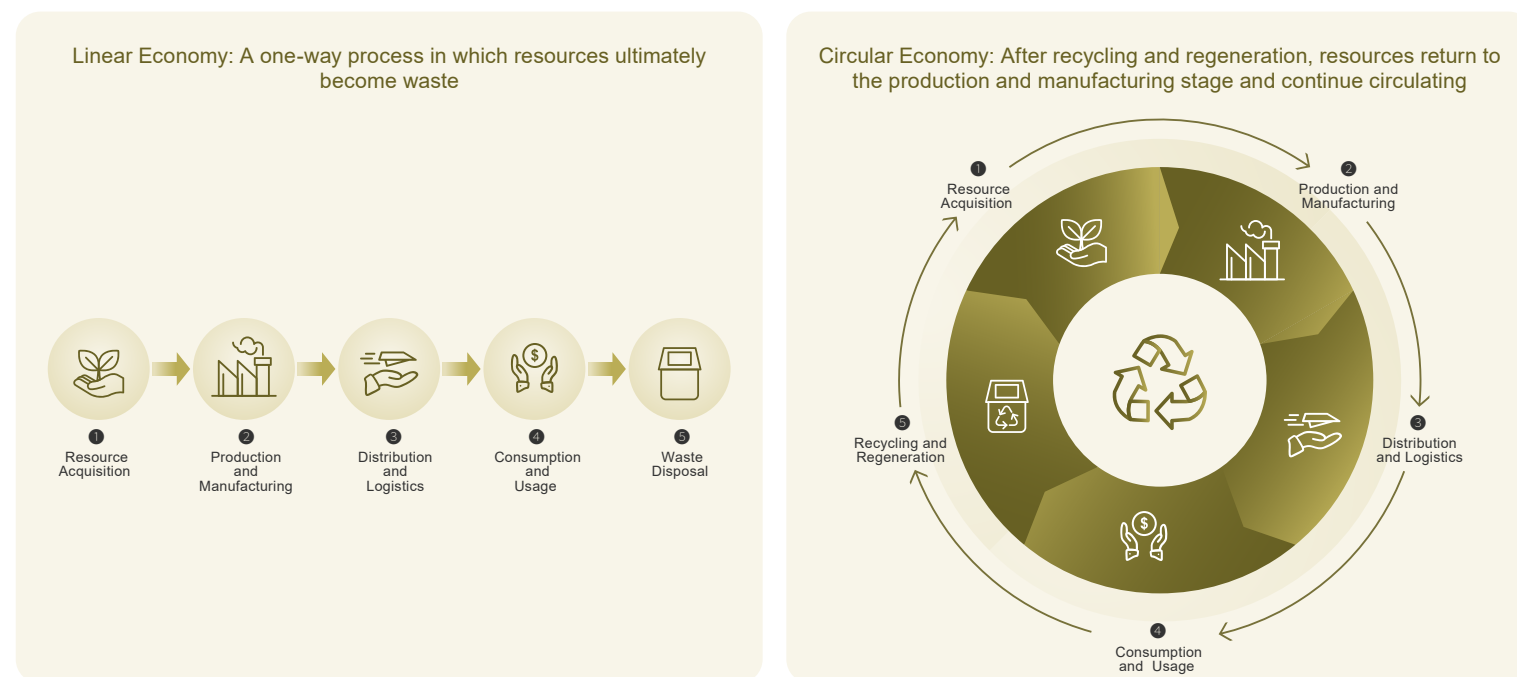
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1.2 A New Circular Economy Model

Since the Industrial Revolution in the 18th century, the linear economy model of “resource acquisition → production → distribution → consumption → disposal” has dominated human economic and technological development for nearly 300 years. In this one-way “cradle to grave” path, natural resources are regarded as an inexhaustible supply. However, this has led to resource depletion and environmental burden globally.

Amidst the severe challenges of climate change and resource scarcity, SAI is committed to breaking this linear endpoint. We thoroughly understand that true sustainability should not end with the conclusion of a resource’s life cycle, but should begin with how we define the rebirth of materials. We are comprehensively advancing the shift from a linear economy model to a “cradle to cradle” circular economy model, so that the product life cycle is no longer a one-way road to the grave, but an endless circle. Disposal is thus no longer the final end, but the starting point of another life cycle.

Comparison Between Linear Economy and Circular Economy



Aluminium is a core raw material for SAI’s products. SAI deeply recognizes its responsibility to protect natural resources and is actively transforming resource recycling into a core competitive advantage. In response to global resource scarcity and to reduce dependence on virgin minerals, we are committed to building a circular resource system that gives waste aluminium a second life.

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1.2 A New Circular Economy Model

I | Aluminium Waste Recycling: Transforming Waste into a Strategic Resource

Through process research and development, we transform scrap, cuttings, and offcuts generated during production into high-quality recycled aluminium materials. In 2025, SAI achieved a 100% aluminium scrap recovery rate at its facilities, effectively reducing raw material consumption and waste generation. In pursuit of low-carbon manufacturing and the circular economy, SAI continues to produce high-quality aluminium materials meeting international standards through highly efficient, automated HERTWICH smelting equipment, utilizing low energy-consumption processes and technologies. As the utilization rate of the Pingtung Plant grows steadily, SAI leverages recycled aluminium to realize circular economy benefits and assist customers in achieving their supply chain carbon reduction targets.



Caption for Figures 1 and 2: Recovery and reuse of high-temperature exhaust heat from the main furnace body

Through the furnace design, high-temperature exhaust heat is recovered and reused to dry aluminium scraps, enabling a 100% reduction of natural gas consumption during the pre-treatment process

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1.2 A New Circular Economy Model

I | Aluminium Waste Recycling: Transforming Waste into a Strategic Resource



From scrap aluminium to high-grade recycled materials, we establish a complete resource recycling ecosystem. Through innovative technology and efficient processes, we curb raw material intake and waste output while advancing low-carbon manufacturing—driving the circular economy to create sustainable value.

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1.2 A New Circular Economy Model

II Application of Circular Materials: Environmental Benefits of Using 100% Recycled Aluminium to Produce SAI RESAICAL® 100% Recycled Aluminium

Amid the global wave of net-zero emissions and green transformation, reducing the environmental footprint of raw materials and manufacturing processes has become a shared objective across industries. SAI has not only long been committed to the research and development of high-quality materials, but has also transformed its outstanding circular economy technology into a core competency. Its RESAICAL® recycled aluminium has become the preferred strategic partner for global collaborators in their pursuit of carbon neutrality targets.

According to 2019 Life Cycle Inventory data published by the International Aluminium Institute (IAI), the production of primary aluminium ingot is a resource-intensive process: on a global average, the production of 1 metric ton of primary aluminium requires approximately 1.91 metric tons of alumina, while the refining of 1 metric ton of alumina requires the mining of approximately 2.69 metric tons of bauxite. In other words, the creation of every ton of primary aluminium carries with it a substantial consumption of natural resources.

In comparison, SAI RESAICAL® Recycled Aluminium delivers significant benefits in resource conservation and environmental contribution .



Minimal Energy Dependency

The energy required to recover and smelt recycled aluminium is only 5% of that needed to smelt primary aluminium from bauxite.



Outstanding Carbon Reduction Performance

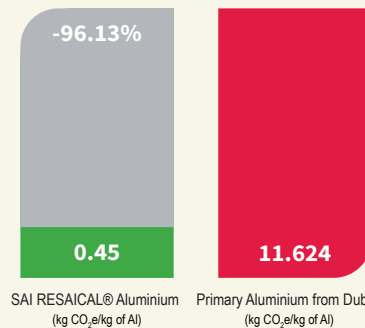
Based on 2023 data, the carbon footprint of SAI RESAICAL® Aluminium was 0.45 kg CO₂e/kg, compared with 11.624 kg CO₂e/kg for Dubai primary aluminium, representing a carbon reduction of 96.13%.



Natural Resource Conservation

Based on resource conversion ratios provided by the IAI, the production of every 1 metric ton of recycled aluminium reduces bauxite mining by approximately 5.14 metric tons. Extrapolating from SAI's annual remelting volume of 40,000 metric tons, this is equivalent to a reduction of over 200,000 metric tons of bauxite mining per year, effectively mitigating the impact of mining activities on ecosystems and biodiversity.

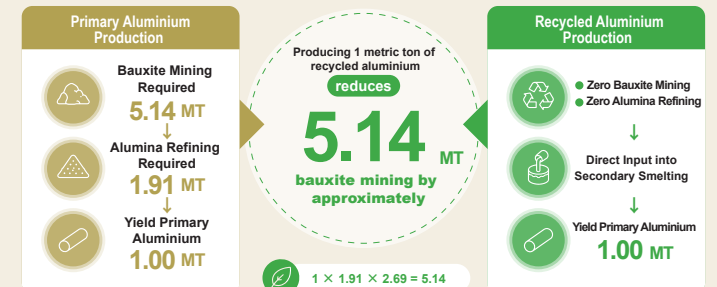
Carbon Reduction Performance



$$(0.45 - 11.624) / 11.624 \times 100\% = -96.13\%$$

Resource Efficiency of Recycled Aluminium

Producing 1 metric ton of recycled Aluminium reduces bauxite mining by approximately **5.14** metric tons.



Conversion Basis: Producing 1 metric ton of primary aluminium consumes 1.91 metric tons of alumina; refining 1 metric ton of alumina requires 2.69 metric tons of mined bauxite.

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III | 2025 Circular Performance of Raw Materials

In 2025, SAI actively incorporated recycled aluminium into its product manufacturing processes and continued to increase the proportion used in its products. Among these, 100% recycled aluminium is used for automotive wheels, with an input amount of 10,755.28 metric tons; aluminium materials used in chassis products were produced using a smelting blend technology comprising 60% recycled aluminium and 40% primary aluminium (please refer to the Other Recycled Aluminium Materials category in the table below). The recycled aluminium input was 527.55 metric tons. In 2025, the total actual input volume of recycled aluminium was 11,282.83 metric tons, accounting for 36.93% of total material usage for the year.

Raw Material Consumption Statistics (Unit: metric tons)

Raw Materials	2023	2024	2025	2025 Proportion
SAI's 100% recycled aluminium	11,323.45	12,103.87	10,755.28	35.21%
Other recycled aluminium materials – Recycled aluminium	368.73	257.35	527.55	1.73%
Total recycled aluminium	11,692.18	12,361.22	11,282.83	36.93%
Primary aluminium from Dubai	24,954.62	22,257.65	18,924.94	61.95%
Other recycled aluminium materials – Primary aluminium	245.82	171.56	340.76	1.12%
Total primary aluminium	25,200.44	22,429.21	19,265.70	63.07%

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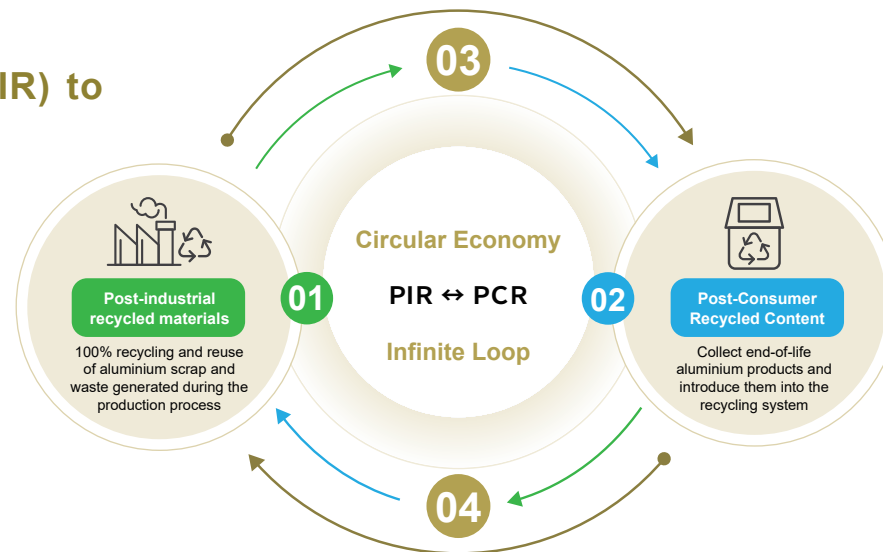
IV | From Post-Industrial Recycled (PIR) to Post-Consumer Recycled (PCR)

SAI has already established mature post-industrial recycling (PIR) technology in its practice of the circular economy, enabling the 100% recovery and reuse of aluminium scrap and waste generated during in-plant manufacturing processes. However, in order to further expand its environmental impact and respond to the requirements of global brands for "full product lifecycle management," SAI commenced planning for the collaborative development of post-consumer recycling (PCR) in 2025.



What Are Post-Industrial Recycled (PIR) and Post-Consumer Recycled (PCR) Materials?

- Post-Industrial Recycled (PIR): The centralized collection and recycling of waste generated during manufacturing processes, including scrap, cuttings, and offcuts, ensuring that aluminium material losses during production are minimized and achieving a high degree of raw material self-sufficiency.
- Post-Consumer Recycled (PCR): Technology that recycles and reuses products after end consumers have used them, such as scrapped aluminium wheels, solar panels, building aluminium materials, and other aluminium products. By redirecting end-of-life waste that has completed its useful service life and entered the disposal stage back into the production system, a higher level of resource circularity is achieved.



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1.3 Greenhouse Gas Emissions and Energy Management

I | Greenhouse Gas Management

In response to the global net-zero emissions trend, SAI has planned ahead by introducing the ISO 14064-1 greenhouse gas inventory system and establishing a systematic mechanism for monitoring, managing, and disclosing greenhouse gas emissions, ensuring the transparency and credibility of carbon inventory data generated by operating activities.

In 2025, SAI's total Scope 1 and Scope 2 greenhouse gas emissions amounted to 71,924.6831 metric tons CO₂e, representing a decrease of 12.2% compared to the baseline year (2022). Carbon emission intensity stood at 0.0103 (metric tons CO₂e / NT\$ thousand), a reduction of 19.5% compared to the baseline year.

1. Greenhouse Gas Emissions

(1) Scope 1 and 2 Greenhouse Gas Emissions Statistics (Unit: tCO₂e)

	2023	2024	2025
Scope 1	22,597.5517	21,299.9178	21,180.8729
Scope 2	60,647.9001	53,781.5701	50,743.8103
Total	83,245.4518	75,081.4879	71,924.6831
Operating Revenue (NT\$ Thousands)	7,779,316	7,473,579	6,977,352
Greenhouse Gas Emission Intensity (tCO ₂ e / NT\$ thousand)	0.0107	0.0100	0.0103

Note: GHG emissions intensity was calculated as total Scope 1 and Scope 2 GHG emissions divided by SAI's operating revenue (NT\$ thousands).

(2) Scope 3 Greenhouse Gas Emissions Statistics (Unit: tCO₂e)

Indirect Emissions	Category	2023	2024	2025
Category 3	Emissions from upstream transport and distribution	7,275.4845	4,283.1203	3,759.6736
	Emissions from downstream transportation and distribution	5,656.5668	5,537.6599	3,169.8226
	Emissions from employee commuting	565.2224	538.1380	520.6343
	Emissions from waste transportation	84.8378	306.8709	327.9528
	Subtotal	13,582.1115	10,665.7891	7,778.0833
Category 4	Emissions from purchased goods and services	261,346.9590	284,333.9840	250,854.9285
	Emissions from waste generated in operations	318.8943	424.7197	350.0695
	Subtotal	261,665.8533	284,758.7037	251,204.9979
Total		275,247.9648	295,424.4928	258,983.0812

Note 1: SAI uses 2022 as the base year. Scope 1 and Scope 2 carbon emissions in the base year were 81,942.2245 tCO₂e, and carbon emission intensity was 0.0128 tCO₂e per NT\$1,000.

Note 2: Greenhouse gas emissions data for Scope 1, Scope 2, and Scope 3 cover SAI Plant 1, Plant 2, Zhuwei Plant, and Pingtung Plant.

Note 3: The operational control approach was used for the calculation of Scope 1 inventory data.

Note 4: The global warming potential (GWP) values were based on the IPCC Sixth Assessment Report.

Note 5: The greenhouse gas emissions coefficient was based on the latest data announced by the Ministry of Environment. For 2024 and 2025, the electricity emission factor adopted is 0.474 kgCO₂e/kWh as announced by the Ministry of Economic Affairs for 2024.

Note 6: SAI conducted a greenhouse gas inventory in accordance with the ISO 14064-1:2018 standard.

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1.3 Greenhouse Gas Emissions and Energy Management

(3) Statistics of Seven Greenhouse Gas Emissions (Unit: tCO₂e)

	2023	2024	2025
Carbon Dioxide (CO ₂)	357,764.6860	369,912.2836	330,220.5333
Methane (CH ₄)	273.2173	133.0191	107.0999
Nitrous oxide (N ₂ O)	23.0703	21.1949	19.7300
Hydrofluorocarbons (HFCs)	432.3942	439.4343	560.3542
Perfluorocarbons (PFCs)	0	0	0
Sulfur hexafluoride (SF ₆)	0.0489	0.0489	0.0472
Nitrogen trifluoride (NF ₃)	0	0	0
Total GHG emissions	358,493.416	370,505.981	330,907.7654

Note: Scope 1, 2, and 3 GHG emissions are included

2. Carbon Reduction Actions and Outcomes

In response to climate change and the net-zero transition trend, SAI drives its decarbonization efforts through a systematic approach, focusing on three key strategic pillars: energy conservation and carbon reduction, management of Scope 3 indirect emissions, and renewable energy use. Through comprehensive improvements in energy use efficiency, optimization of carbon management across raw materials and the supply chain, and the continued expansion of renewable energy adoption, SAI not only effectively reduces greenhouse gas emissions from its operations, but also progressively drives the value chain toward low-carbon transition, laying a solid foundation for SAI's sustainable development.

(1) 2025 Energy Conservation and Carbon Reduction Plan

SAI comprehensively promotes energy conservation and carbon reduction initiatives. In addition to actively investing in renewable energy infrastructure to reduce greenhouse gas emissions, we regularly review the effectiveness of each project to ensure that energy conservation and carbon reduction targets are achieved. SAI rigorously manages electricity consumption across its facilities relating to power, lighting, and motors, striving to maximize overall energy use efficiency and reduce unnecessary energy consumption. In 2025, through a range of energy conservation and carbon reduction measures, SAI achieved cumulative electricity savings of approximately 1,164,458.92 kWh, equivalent to a reduction of 576.41 tCO₂e in greenhouse gas emissions.

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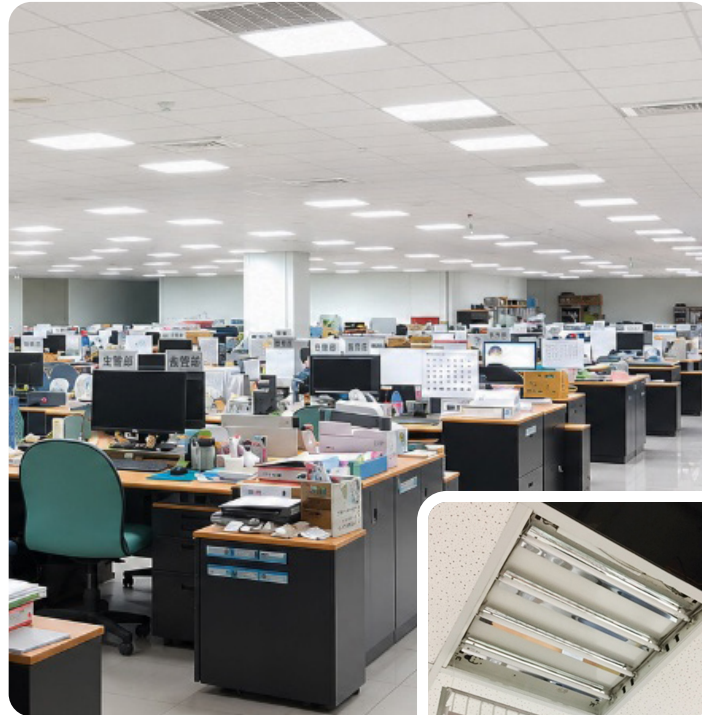
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2025 Greenhouse Gas Reduction Plan

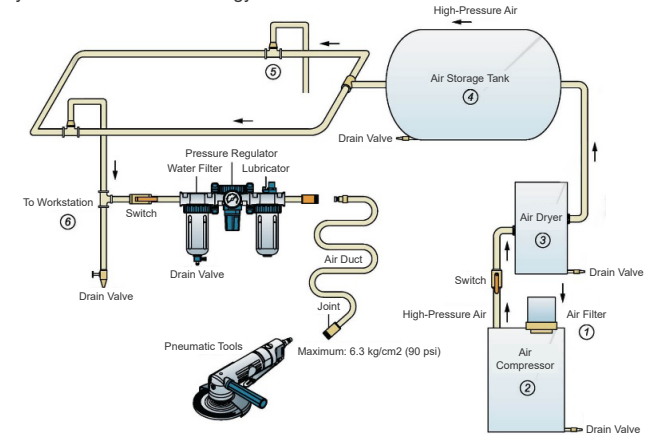
Major Carbon Reduction Measures	Program Implementation Date	Energy Savings (kWh)	Effectiveness of Energy Conservation (NT\$10,000)	CO ₂ Reduction (metric tons/year)
Upgraded IE3 cooling inverter motors at Plant 2	Implemented in 2025	69,741.41	30.20	34.52
Replaced panel lights in the Plant 2 office	Implemented on September 1, 2025	13,817.51	5.96	6.84
Repair air compressor piping leak at Plant 2	Implemented on July 20, 2025	1,080,900.00	468.04	535.05
Total		1,164,458.92	504.20	576.41

Replaced panel lights in the Plant 2 office



Plant 2 Air Compressor Pipeline Leakage Repair

In compressed air equipment, all connected switches and joints may leak due to aging and fatigue, resulting in waste. Therefore, an acoustic detector was used to identify leaks and conserve energy.



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1.3 Greenhouse Gas Emissions and Energy Management

(2) Scope 3 Indirect Emissions Management

The largest proportion of SAI's greenhouse gas emissions comes from Category 4, Purchased Goods and Services, mainly because procurement of primary aluminium results in higher carbon emissions. SAI continues to reduce overall carbon emissions from purchased goods and increase the use of SAI RESAICAL® recycled aluminium to enhance overall carbon reduction benefits.

Furthermore, SAI undertakes responsibility to reduce Scope 3 indirect emissions by collecting carbon emission data from major aluminium ingot suppliers. It also conducts greenhouse gas inventories with these suppliers and progressively requires them to implement greenhouse gas inventories and assist in smart energy management systems, leading the industry towards net-zero carbon emissions. SAI conducts an annual investigation into the greenhouse gas emissions data of its Dubai primary aluminium suppliers for the previous year. The survey results are as follows:

Carbon Emission Information for Raw Materials	Unit	2022	2023	2024	2025
Carbon emissions intensity of Dubai primary aluminium	tCO ₂ e / Total metric tons of aluminium materials	13.15	13.432	N/A (not yet disclosed by EGA)	N/A (not yet disclosed by EGA)
Total supplier emissions	tCO ₂ e	39,816,207	15,363,994	N/A (not yet disclosed by EGA)	N/A (not yet disclosed by EGA)

Note 1: The primary aluminium suppliers have offset Scope 2 emissions through renewable energy certificates.

Note 2: The data includes Scope 1 and Scope 3 emissions, verified by a third-party verification company, DNV.

(3) Renewable Energy Use

Purchased electricity is the most significant source of GHG emissions among SAI's use of energy resources. In addition to actively promoting energy conservation initiatives, SAI continues to introduce clean energy sources to reduce carbon emissions, in line with the government's sustainability transformation goals for expanding renewable energy development. SAI has invested NT\$66.8 million in establishing a 1,492.4 kW solar power generation facility at its Pingtung Plant to supply the facility's internal energy needs, with an average annual generation capacity of approximately 1.85 million kWh.

The solar power generation facility at the Pingtung Plant was officially completed in March 2023. In 2025, it generated a total of 1,849,450 kWh of green electricity, accounting for approximately 4.4% of the Pingtung Plant's total electricity consumption and approximately 45.6% of electricity consumption at the smelting plant. SAI also obtained 1,896 Taiwan Renewable Energy Certificates. Going forward, SAI will continue to expand its use of renewable energy, while actively planning to achieve 100% renewable energy usage in its recycled aluminium smelting process, leading the industry toward a new milestone in low-carbon sustainability.

	2023	2024	2025
Green Electricity Usage (kWh)	1,348,639	1,889,465	1,849,450
Total electricity consumption at the Pingtung Plant (kWh)	36,952,194	39,805,504	41,908,448
Proportion of Green Electricity	3.6%	4.7%	4.4%

Note 1: Total electricity consumption = purchased electricity + green electricity used

Note 2: Proportion of green electricity = green electricity used/(purchased electricity + green electricity used)

Note 3: All green electricity was self-generated and self-consumed

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1.3 Greenhouse Gas Emissions and Energy Management

II | Energy Management

1. Energy Management Policy

SAI upholds the principles of sustainable business practices, encouraging all employees to participate in and promote energy conservation and carbon reduction activities. We maintain a reduction plan for the continuous improvement of energy conservation, enhancing energy efficiency and optimizing energy-saving production process designs by purchasing energy-efficient and high-performance equipment. We commit to:



To realize the above commitments, SAI plans to actively undertake a diverse range of energy conservation and carbon reduction initiatives over the next five years. This will begin with increasing the proportion of recycled materials used (e.g., recycled aluminium from scrap refining) and strengthening resource resilience (e.g., wastewater recycling and reuse), while simultaneously promoting green products, developing low-pollution products and low-energy-consumption processes (e.g., mold release agent reduction testing and automated control systems). Through this comprehensive green transformation strategy, the intelligence of resource circulation imbues materials with a renewed essence, driving SAI's transformation from the inside out. Facing the defining challenge of net-zero emissions by 2050, SAI is not only reshaping its production logic, but is also pioneering a new vision of sustainable aesthetics at the intersection of industrial evolution and ecological balance.

In addition, in response to the urgent global supply chain demand for renewable energy, SAI has adopted a dual strategy combining the “internal deepening of self-generation and self-consumption” with “external expansion through strategic investment.”

Strategic Investment and Timeline	2025 Progress Tracking	Proactively Strengthening Energy Security and Establishing Long-Term Green Power Supply Support
To secure a long-term, stable source of green electricity, SAI formally signed a contract in April 2024 to invest in the Kai-Hong Energy green energy investment platform. This strategic action represents SAI's transition from being merely an energy consumer to becoming a participant with the capacity to manage energy resilience.	Entering 2025, SAI has continued to track the development progress of the project sites under Kai-Hong Energy. The platform is currently focused on developing a diverse range of renewable energy facilities across western Taiwan, including: ◆ Solar power — advancing agrivoltaic project sites to achieve multiple objectives such as multi-purpose land use and energy generation; ◆ wind power — establishing project sites in regions with favorable wind resources; ◆ and energy storage — given that renewable energy generation is subject to natural factors such as the day-night cycle (solar) and wind intensity (wind), resulting in intermittent and unstable power supply, energy storage systems serve as a power regulation reservoir, ensuring smooth and stable power supply and grid resilience.	Through this investment, SAI has secured priority procurement rights for green electricity within the scope of its investment amount. This not only represents a green asset allocation from a financial perspective, but also serves as important support for SAI's future green electricity procurement plans. By securing a stable source of supply, we can effectively mitigate the risks arising from supply-demand imbalances in the green electricity market and address future energy gaps resulting from increasingly ambitious carbon reduction targets, thereby transforming potential procurement challenges into a competitive advantage for SAI.

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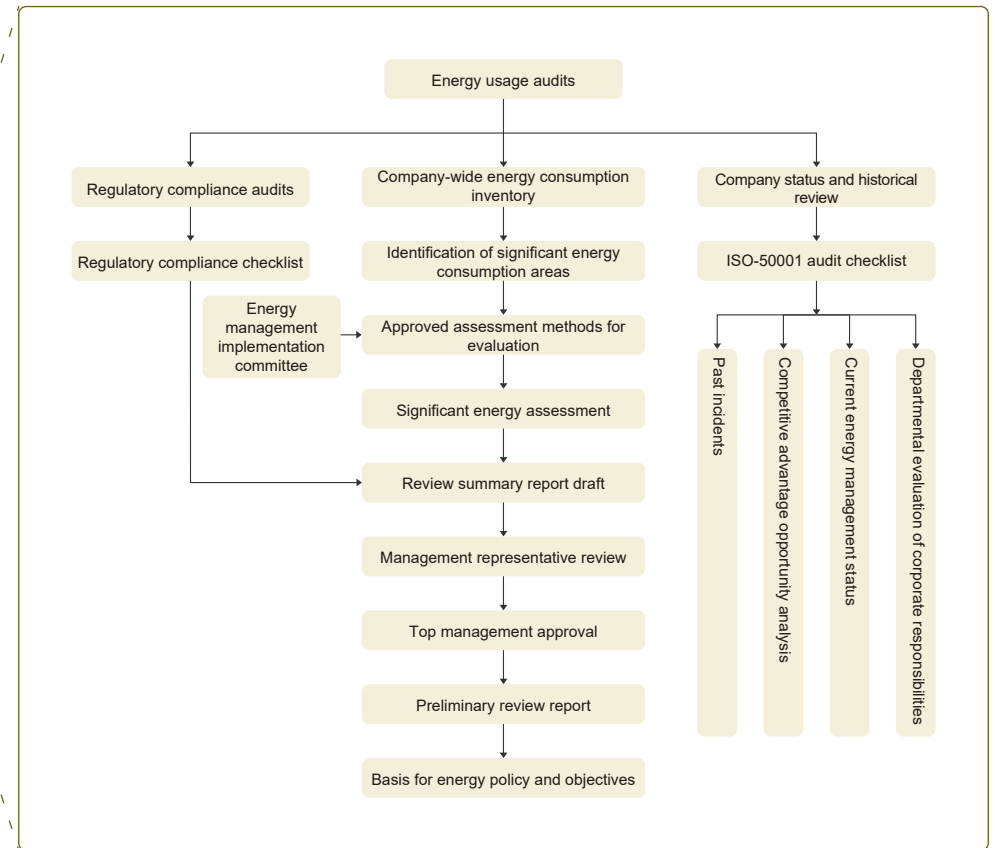
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1.3 Greenhouse Gas Emissions and Energy Management

2. Implementation of the Energy Management System (EMS)

In alignment with the national energy transition objectives, SAI has planned and implemented actions centered on carbon reduction and expanding renewable energy deployment. Through the Energy Management System (EMS), SAI effectively monitors and controls energy usage, formulates energy efficiency improvement plans, and advances green electricity development initiatives. The scope of application of the EMS covers SAI's manufacturing sites, including Yunlin Plant 1, Yunlin Plant 2, Yunlin Zhuwei Plant, and Pingtung Plant.



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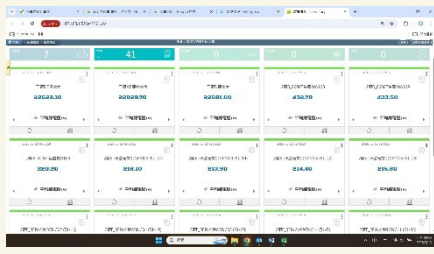
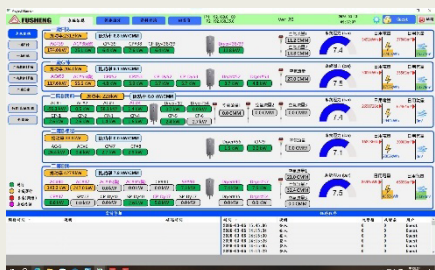
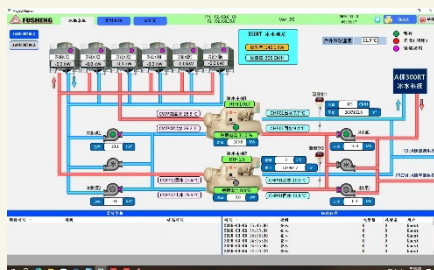
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EMS Energy Management Platform Implementation Results			
 Scope of implementation	Compressed Air System: Yunlin Plant 1 and Plant 2 Power System: Yunlin Plant 1, Yunlin Plant 2, Zhuwei Plant, and Pingtung Plant Air Conditioning System: Yunlin Plant 2 Dust Collection System: Yunlin Plant 1 and Plant 2		
	Power system & dust collection system	Compressed air system	Air conditioning system
			

3. Energy Management Measures

ISO 50001 Energy Management System	Energy Monitoring System	High- and Low-Voltage Electrical Equipment Management
Energy Inventory - Equipment Load Measurement, Power Demand Management, and Power Quality Maintenance		
◆ Conduct electricity consumption monitoring and inventory for major energy-consuming equipment. ◆ Develop and implement energy-saving improvement plans based on data analysis. ◆ Implement monitoring and measurement to verify data and outcomes before and after improvements. ◆ Report performance results and pursue continuous improvement to achieve energy conservation and carbon reduction benefits. ◆ Enhance energy use efficiency, such as through water resource and waste heat recycling, to strengthen climate change response capabilities.	◆ Digitize water, electricity, and natural gas consumption data for visualized management, identifying actual instances of waste and implementing improvements to achieve significant energy-saving benefits. ◆ Adjust optimal contracted capacity based on continuous monitoring data, reducing basic electricity charges and minimizing penalties for exceeding contracted capacity. ◆ Use instruments to measure and analyze aging or abnormally energy-consuming equipment, establishing standards for replacement and renewal.	◆ Routine inspections of high- and low-voltage power equipment are conducted, and external units are commissioned to perform equipment safety inspections. ◆ Routine thermal imaging inspection of low-voltage equipment (in-plant equipment inspection). ◆ Replacement and renewal program for high-voltage electrical equipment to maintain electrical safety (Yunlin Plant). ◆ Implementation of improvements for identified deficiencies to reduce the rate of electrical anomalies (unrelated to Taipower incidents).

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1.3 Greenhouse Gas Emissions and Energy Management

4. 2025 Major Energy Management Improvement Program - Improvement of Compressed Air Pipeline Leakage at Yunlin Plant 2



Current Status

Multiple leaks were identified in the compressed air piping system across the plant. Due to the relatively noisy plant environment, minor leaks are difficult to detect. During the power outage at Yunlin Plant 2 on July 20, 2025, when equipment was not operating, system air consumption from 6:00 a.m. to 8:00 a.m. was detected and used as the plant's air leakage volume.



Improvement Methods

An ultrasonic leak detector was used to detect and repair leakage points. A total of 271 leakage points were addressed.



Project Objective

Reduce compressed air leakage across the plant site by 30%



Improvement Results

Air leakage decreased by 21%, with continuous improvement underway to achieve the 30% target.

Average gas leakage volume three hours before outage on July 20, 2025			Average gas leakage volume three hours before outage on October 12, 2025		
Average hourly leakage volume	Average hourly electricity consumption from leakage	Hourly electricity cost from leakage	Average hourly leakage volume	Average hourly electricity consumption from leakage	Hourly electricity cost from leakage
3,557	400	1,761	2,616	318	1,399
Average daily leakage volume	Average daily electricity consumption from leakage	Daily electricity cost from leakage	Average daily leakage volume	Average daily electricity consumption from leakage	Daily electricity cost from leakage
85,360	9,606	42,268	62,784	7,630	33,572
Improvement Benefits					
◆ Daily electricity consumption due to leakage prior to improvement: 9,606 kWh; after improvement: 7,630 kWh. Daily electricity savings: 9,606 – 7,630 = 1,976 kWh. Annual electricity savings: 1,976 × 360 days = 711,360 kWh ◆ Annual electricity cost savings: 711,360 × NT\$4.4 = NT\$3,129,984 ◆ Payback period: 0 years ◆ Reduction in greenhouse gas emissions: 711,360 × 0.474/1,000 = 337.185 tCO₂e					
Leakage reduced	Daily reduction in leakage volume	Daily reduction in electricity consumption	Daily reduction in electricity cost	Annual cost savings	Annual carbon reduction
21%	22,576m ³	1,976 kWh	NT\$ 8,694	NT\$ 3,129,984	337 tCO ₂ e

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1.3 Greenhouse Gas Emissions and Energy Management

5. Energy Usage Statistics over the Past Three Years

The total organizational energy consumption at SAI was 789,203.06 gigajoules (GJ), representing a 0.2% increase from 2024. At the same time, energy intensity in 2025 was 0.1131GJ/NT\$ thousand, an increase of 7.3% from the previous year. Looking ahead, SAI will continue to promote energy efficiency management and energy-saving measures.

Overall Energy Consumption of Operations at SAI				
Energy consumption (GJ)	Heat consumption (GJ)	Cooling consumption (GJ)	Transportation consumption (GJ)	Overall energy consumption (GJ)
382,108.59	388,087.0612	3,287.44	9,061.9531	789,203.0614

Note 1: Power consumption was calculated by deducting cooling consumption from total electricity usage as determined from electricity bills; natural gas bills were used to calculate heating consumption; fuel bills were used to calculate transportation consumption; and cooling consumption was calculated based on the electricity usage of refrigeration and cold storage equipment.

Note 2: The totals of the following energy consumption items are expressed in gigajoules (GJ) and kilowatt-hours (kWh).

Quantitative Indicator	Unit	2023	2024	2025
Natural Gas Consumption (heating)	m ³ /year	10,126,977.84	9,603,827.00	9,418,053.76
	GJ	381,596.68	361,883.37	388,087.0612
Gasoline Consumption	L/year	22,638.15	17,686.50	15,581.78
	GJ	739.29	563.45	494.8939
Diesel Consumption	L/year	309,134.20	267,772.4	236,939.2
	GJ	11,389.69	9,688.63	8,567.0592
Electricity Consumption (excluding refrigeration)	kWh/year	121,636,251.45	112,595,785.91	106,141,275
	GJ	437,890.51	405,417.8	382,108.59
Electricity Consumption (refrigeration)	kWh/year	690,164.55	867,442.09	913,177
	GJ	2,484.59	3,123.35	3,287.44
Solar Power Generation	kWh/year	1,348,638.99	1,889,465	1,849,450
	GJ	4,855.10	6,803.3	6,658.0199
Energy Consumption	GJ	838,955.86	787,483.9	789,203.0614
Operating Revenue	NT\$ thousand	7,779,316	7,473,579	6,977,352
Production Volume	PCS	792,542	714,730	626,648
Energy Intensity	GJ/NT\$ thousand	0.1078	0.1054	0.1131
	GJ/PCS	1.06	1.10	1.26

Note: The denominator of energy intensity is each plant's production volume; energy consumption only covers internal organizational use, including electricity, natural gas, gasoline, and diesel

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1.3 Greenhouse Gas Emissions and Energy Management

6. Energy Performance Statistics for Each Plant over the Past Three Years

This year, production capacity at Yunlin Plant 2 and Pingtung Plant declined, resulting in an increase in energy performance. Production capacity at Yunlin Plant 1 increased, and energy performance also declined.

Plants	Pingtung Plant			Plant 2			Plant 1		
	Production Volume	Electricity Efficiency	Natural Gas Efficiency	Production Volume	Electricity Efficiency	Natural Gas Efficiency	Production Volume	Electricity Efficiency	Natural Gas Efficiency
2023	141,256	260.22	36.77	584,696	109.57	7.8	66,590	115.2	5.49
2024	190,339	209.13	28.38	477,619	112.48	8.34	46,772	155.45	4.68
2025	187,247	223.81	29.88	372,678	126.40	9.83	66,723	111.28	2.26
Performance for the current year		⬆️ 7% increase year over year	⬆️ 5% increase year over year		⬆️ 12% increase year over year	⬆️ 17% increase year over year		⬇️ 28% decrease year over year	⬇️ 51% decrease year over year

Note 1: The energy performance indicator is consumption or gas consumption/production volume (Unit: kWh/PCS)
 Note 2: The electric power and natural gas performance of the Pingtung Plant include the smelting facility, but the corresponding production volume was not included in the calculation

Energy Consumption Outside of the Organization				
	Unit	2023	2024	2025
Upstream Categories				
Includes purchased goods and services, capital goods, upstream transportation and distribution, emissions generated in operations, business travel, employee commuting, upstream leased assets, and other upstream categories (Note)	GJ	2,044,831.29	2,180,835.64	1,935,189.18
Downstream Categories				
Includes downstream transportation and products, processing of sold products, use of sold products, end-of-life treatment of sold products, downstream leased assets, franchises, investments, and other downstream activities (Note)	GJ	46,035.87	47,670.84	26,140.25
Overall energy consumption outside of the organization	GJ	2,090,867.16	2,228,506.49	1,961,329.43

Note: Energy was converted by back-calculating the electricity carbon emission coefficient using greenhouse gas inventory data from each year.

2025 Energy-Saving Plan and Estimated Annual Outcomes			
Plants	Energy-Saving Item	Item Description	Energy Savings (kWh/year)
Yunlin Plant 2	Replacement of high-efficiency water pump	The cooling water pumps used in Plant 2's process equipment were IE1 and non-certified pumps, which were replaced with IE3 motors and government-certified high-efficiency pumps.	69,741.41
Yunlin Plant 2	Replacement of energy-efficient lighting fixtures	The office lighting fixtures in Plant 2, originally T5 fluorescent lamps with lightweight steel frames, were replaced with LED flat panel fixtures	13,817.51
Yunlin Plant 2	Leak repair of compressed air pipeline	Analysis of EMS system data for Plant 2's compressed air system revealed that gas used for production accounted for only approximately 60% of total gas output, indicating multiple leaks in the compressed air piping. Leak points were identified and repaired	1,080,900.00
Total			1,164,458.92

Energy reduction calculation method: Calculated based on the difference in power consumption before and after equipment replacement combined with annual operating hours, or based on EMS statistical data.

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1.4 Environmental Management Performance

I | Environmental Safety Policy

To reduce the environmental impact of its operations, SAI has established an “Environmental Safety and Health Policy” and conducts environmental-related education and training to enhance employees’ environmental awareness, working together to minimize the environmental impact of business activities. This is undertaken with the dual objectives of responding to stakeholder expectations and strictly adhering to regulatory requirements, thereby strengthening SAI’s corporate resilience and sustainable value. Guided by the principles of an occupational safety and health management system, SAI follows a systematic management approach of “say, write, do” consistency throughout all stages — from identifying risks at the source and assessing hazard characteristics to conducting post-incident investigations.

Hazard Identification	Risk Assessment	Incident Investigation and Improvement
 Conducting on-site inspections, ensuring employee participation, and performing process change assessments	 Risk classification into levels (e.g., high, medium, low risk), with protective measures and audit frequencies established for high-risk operations (such as smelting and forging)	 Upon the occurrence of an incident, an investigation mechanism is immediately activated, not only to identify surface-level causes but also to thoroughly examine deficiencies in the management system. Improvement measures are subsequently established and their implementation effectiveness is tracked

Environmental Safety Policy	Management Actions	2024 Implementation Results	2025 Implementation Results
Promoted environmental safety awareness among employees and relevant stakeholders	Conducted related education and training for dedicated personnel and all employees.	Environmental Safety and Occupational Safety Team: A total of 203 personnel participated in external training for a total of 1,451 training hours. SAI currently holds a total of 572 occupational safety and health-related certifications, with 35 trained personnel resulting in the acquisition of 31 certifications, representing a certification acquisition rate of 80%, with a total of 857 training hours (excluding internal audit personnel certifications). All Employees: A total of 4,395 participants engaged in training sessions, with topics covering environmental safety and occupational safety and health. The total training hours were 2,198 hours.	Environmental Safety Team: A total of 8 personnel participated in external training for a total of 201 training hours. All Employees: A total of 16,719 participants engaged in training sessions, with topics covering environmental safety and occupational safety and health. The total training hours were 8,360 hours.
Comply with environmental safety regulations and related requirements.	Monitor regulatory changes and enhance improvements and prevention measures for any violations.	No major violations occurred; all incidents of non-compliance were properly addressed and prevented. No significant violations under the Waste Disposal Act No violations of the Air Pollution Control Act No violations under the Water Pollution Control Act	No major violations occurred; all incidents of non-compliance were properly addressed and prevented. No significant violations under the Waste Disposal Act No violations of the Air Pollution Control Act No violations under the Water Pollution Control Act
Achieved environmental safety targets by promoting energy conservation, carbon reduction, green environmental protection, and physical and mental well-being.	Aimed for net-zero carbon emissions by 2050, following the ISO 14001 and ISO 50001 management system cycles, and actively replacing high-energy-consuming equipment.	21.5% reduction in carbon intensity compared to the base year Energy-saving improvements in multiple energy installations saving approximately 5,299,000 kWh annually	19.5% reduction in carbon intensity compared to the base year

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1.4 Environmental Management Performance

Promoting Environmental and Safety Awareness

To achieve SAI's environmental goals, education and training are provided to dedicated personnel and all employees. Through the leadership of dedicated personnel, SAI aims for environmental sustainability. All employees are encouraged to practice sustainability in their daily work.

Training Participants	Training Focus	Training Content	2025 Training Outcomes
Dedicated Personnel	 Management System	Internal Auditors for ISO 14001 Environmental Management System	None
		Internal training for ISO 45001 and ISO 14001	None
	 Wastewater Treatment	Water pollution prevention policies and regulations Current status and future development of wastewater treatment technology Net-zero emissions foundational course	 1 person  total of 7 hours
		Class B wastewater treatment specialist training	 1 person  total of 56 hours
	 Waste Management	Policies and regulations related to waste and resource circulation Current status and future development of waste treatment technology Net-zero emissions foundational course	 4 persons  total of 28 hours
		Training for Class A Level waste management professional technicians	 1 person  total of 103 hours
	 Air Pollution Control	Air pollution prevention policies and regulations Current status and future development of air pollution prevention technology Net-zero emissions foundational course	 1 person  total of 7 hours
	 ISO 14064-1 Organizational Greenhouse Gas Inventory	ISO 14064-1 Internal Auditors for Organizational Greenhouse Gas Inventory	 9 persons
	 Environmental Knowledge	The path of oyster shell regeneration, Los Angeles wildfires and environmental climate risks, the plastic reduction journey, marine debris, PET bottle recycling technology and applications, the relationship between ISO 14001 and procurement, zero food waste	 A total of 9,652 participants  A total of 4,826 hours
All Colleagues			

Note: Number of individuals holding ISO 14064-1 and ISO 14001 certifications (including those currently on leave)

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1.4 Environmental Management Performance

II | Air Pollution and Waste Management

1. Air Pollution Emissions Management

SAI's primary controlled pollutants for emissions prevention include volatile organic compounds (VOCs), total suspended particulates (TSP), nitrogen oxides (NOx), and sulfur oxides (SOx). In accordance with the permits issued by the relevant environmental protection authorities, SAI conducts regular stack emission testing, with all test results falling within statutory limits.

2. 2025 Air Pollution Emissions Statistics

	2023	2024	2025
Total Air Pollution Emissions/Revenue (kg/NT\$ thousand)	0.0105	0.0116	0.0119
Operating Revenue (NT\$ thousand)	7,779,316	7,473,579	6,977,352
Total Air Pollution Emissions (kg)	81,841	86,589	82,771
VOCs Emissions (kg)	53,291	56,233	55,752
TSP Emissions (kg)	8,969	7,300	2,462
SOx Emissions (kg)	2,172	3,951	5,049
NOx Emissions (kg)	17,409	19,106	19,509

3. Strengthening Air Pollution Control Equipment

Facing increasingly stringent environmental regulations and stakeholders' expectations for air quality management, SAI will continue to reduce air pollutant emissions from its manufacturing processes, mitigate the impact of its operational activities on the surrounding environment, and strengthen the effectiveness of its environmental governance with the goal of achieving compliance with and exceeding regulatory requirements. The status of air pollutant control equipment is shown in the table below:

Name of Control Equipment	Reduced Pollutants	Status
Cyclone Dust Collector	Particulate matter	Existing
Baghouse Dust Collector	Particulate matter	Existing
Scrubber	Particulate matter	Existing
Electrostatic Precipitator	Particulate matter	Existing
Tail Gas Combustor	Volatile organic compounds	Existing
Wet Flue Gas Desulfurization (FGD)	Sulfur oxides (SOx)	Planned for introduction at the Pingtung Plant
Selective Catalytic Reduction (SCR) Equipment	Nitrogen oxides (NOx)	Planned for introduction at the Pingtung Plant

4. Waste Management

SAI strictly complies with the Waste Disposal Act and its related subordinate regulations. The majority of waste generated by SAI consists of general industrial waste, primarily waste oil mixtures. Hazardous waste generated during operations totaled 80.01 metric tons (including the Yunlin and Pingtung plants), accounting for 1.16% of SAI's total waste generation in 2025. In 2025, SAI did not experience any leakage incidents involving oil, paint, waste, chemicals, or similar substances. SAI adheres to two core principles in waste management: "source reduction" and "on-site auditing."

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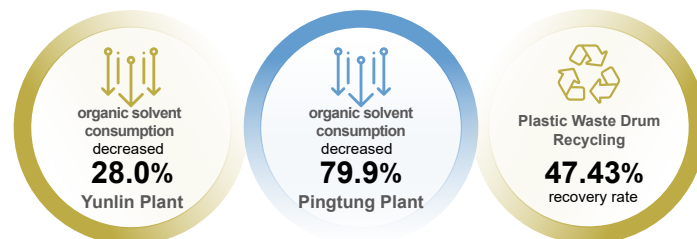
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Source Reduction

With regard to source reduction, SAI has implemented organic solvent recovery equipment. In 2025, organic solvent consumption per wheel unit decreased by 28.0% at the Yunlin Plant and by 79.9% at the Pingtung Plant compared to the previous period, effectively reducing solvent usage and waste liquid generation. In addition, to extend waste management to the value chain, SAI has implemented the “Plastic Waste Drum Recycling and Reuse Program,” whereby suppliers are commissioned to recycle and reprocess empty drums, achieving a recovery rate of 47.43%. SAI has also continued to optimize product packaging design to reduce the consumption of cardboard boxes and support boards, with the plastic separator recovery rate reaching 89.26% in 2025.

Packaging Material Recovery Percentage — Plastic Separators				
Product type	Items	2023	2024	2025
Plastic Separators	Weight of Recovered Products and Their Packaging Materials (kg)	330,256	341,684	574,713
	Consumption of Products and Their Packaging Materials (kg)	769,437	696,714	566,923
	Number of Products and Packaging Materials Recovered (pcs)	78,917	87,375	129,880
	Number of Products and Packaging Materials Used (pcs)	199,580	180,680	145,510
	Product and Packaging Material Recovery Rate (%)	39.54%	48.36%	89.26%

Note: SAI's packaging material recovery rate is calculated as: recovery quantity (pcs) / total quantity issued (pcs)



On-site Auditing

With regard to on-site auditing, in order to ensure that the waste treatment process is legal, compliant, and meets environmental standards, SAI not only commissions qualified contractors for waste removal and treatment in accordance with applicable regulations, but also periodically dispatches personnel to accompany waste transport vehicles to treatment facilities on-site, verifying the execution of each step in the process. SAI also conducts annual audits of waste treatment vendors. In 2025, on-site audits were conducted at 2 waste treatment vendors.

2025 Waste Supervision and Management Results		
	Partner Vendors	22 qualified waste removal contractors and 21 qualified treatment contractors
	Daily	◆ Issue a triple-copy waste clearance form ◆ Audit waste transport processes for regulatory compliance
	Weekly	◆ Review GPS records of waste transport vehicles ◆ Compile transport records
	Monthly	◆ Track records of waste processing flow ◆ Report waste storage and output records
	Annually	A total of 2 treatment facilities were audited in 2025

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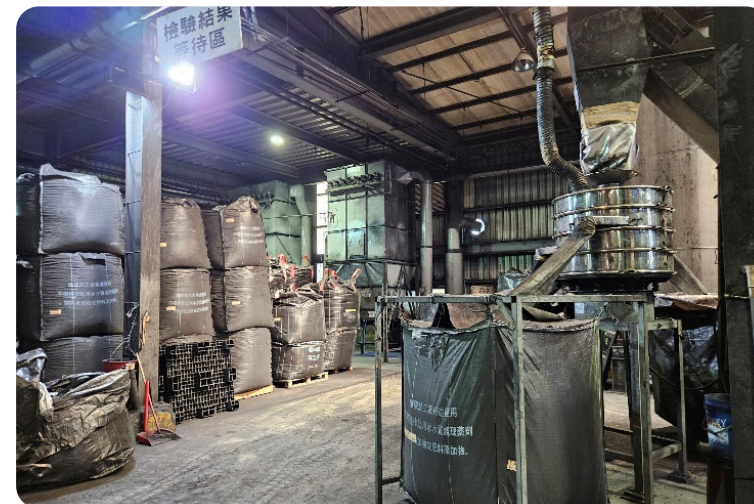
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SAI On-site Audits of 2 Waste Treatment Vendors in 2025

Inspection of a hazardous waste liquid treatment facility



Inspection of an activated carbon treatment facility



5. Statistics on Waste Generation in 2025 (Unit: metric tons)

Among the waste generated by SAI during its operations, the primary type is waste oil mixtures, totaling 5,163.32 metric tons in 2025. To effectively manage various types of general and hazardous industrial waste, SAI has established a comprehensive waste management procedure covering the classification, transportation, removal, and treatment of waste, and carries out outsourced disposal and reuse processes in accordance with applicable regulations, thereby reducing potential environmental impacts.

	 Non-Hazardous Waste		 Hazardous Waste		Total	
	Production volume (metric tons)	Proportion (%)	Production volume (metric tons)	Proportion (%)	Production volume (metric tons)	Proportion (%)
Yunlin Plant	3,359.31	48.71	73.83	1.07	3,433.14	49.78
Pingtung Plant	3,457.4	50.13	6.18	0.09	3,463.58	50.22
Total	6,816.71	98.84	80.01	1.16	6,896.72	100

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1.4 Environmental Management Performance

Non-Hazardous Waste (unit: metric tons)

Composition of Waste		Offsite			
		Treatment Method	2023	2024	2025
Yunlin Plant	General waste generated from business activities	Incineration	251.18	229.89	163.42
	Waste paint, paint residue		97.74	142.86	176.17
	Waste plastic mixtures		5.51	6.14	0
	Waste fibers or other cotton, cloth mixtures		251.68	151.52	140.54
	Waste oil mixtures		---	46.204	0
	Non-hazardous oil sludge	Physical treatment	105.13	71.19	86.3
	Inorganic sludge		436.57	352.31	306.13
	Waste oil mixtures		2,334.04	2,034.46	2,163.35
	Waste fibers or other cotton, cloth mixtures		4.18	0	0
	Waste lubricant oil		0	0	14.91
	Non-hazardous waste dust or mixtures	Landfilling	211.07	155.57	132.17
	Sandblasting waste		6.91	10.15	0
	Waste oil mixtures	Thermal treatment	67.86	0	0
	Waste wood	Approved reuse	199.31	128.28	142.82
	Waste ceramics		52.53	0	0
	Waste plastic		153.89	63.43	33.5
	Waste lubricant oil		---	14.85	0
	Waste activated carbon		0	0	1.69
Total			4,177.60	3,406.854	3,359.31
Approved Reuse Proportion			9.71%	6.06%	5.30%

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1.4 Environmental Management Performance

Composition of Waste		Offsite			
		Treatment Method	2023	2024	2025
Pingtung Plant	Organic sludge	Incineration	4.08	27.08	73.88
	General waste generated from business activities		131.67	138.73	44.99
	Waste plastic mixtures		49.28	34.67	25.12
	Waste fibers or other cotton, cloth mixtures		63.50	76.45	103.46
	Waste oil mixtures		---	179.496	0
	Waste paint, paint residue		---	14.24	0
	Inorganic sludge	Physical treatment	0	0	0
	Waste oil mixtures		1,655.70	2,758.65	2,999.97
	Waste refractory materials		44.31	20.47	39.29
	Waste lubricant oil		0	0	0
	Non-hazardous waste dust or mixtures	Landfilling	65.50	96.58	95.54
	Waste oil mixtures	Thermal treatment	100.69	0	0
	Waste wood	Approved reuse	87.65	94.32	75.15
	Waste plastic		17.694	12.97	0
Total			2,220.07	3,453.656	3,457.4
Approved Reuse Proportion			4.75%	3.11%	2.17%

Note: Heat treatment does not include incineration.

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1.4 Environmental Management Performance

Hazardous Waste (Unit: metric tons)

Composition of Waste		Offsite			
		Treatment Method	2023	2024	2025
Yulin Plant	Waste liquid with a flash point below 60°C (excluding alcoholic waste with an ethanol volume concentration of less than 24%)	Incineration	8.46	99.46	73.83
	Waste liquid with a flash point below 60°C (excluding alcoholic waste with an ethanol volume concentration of less than 24%)	Physical treatment	56.40	0	0
Pingtung Plant	Waste liquid with a flash point below 60°C (excluding alcoholic waste with an ethanol volume concentration of less than 24%)	Incineration	16.38	26.96	6.18
Total			81.24	126.42	80.01

Waste Generation Intensity Over the Past Three Years

(Unit: metric tons/NT\$million)

	2023	2024	2025
Waste production per unit of revenue	0.83	0.93	0.99
Non-hazardous waste production per unit of revenue	0.82	0.92	0.98
Hazardous waste production per unit of revenue	0.01	0.02	0.01
Annual operating revenue (Unit: NT\$million)	7,779.316	7,473.579	6,977.352

6. Leakage and Seepage Management Plan

In the event of a major leakage or seepage incident, we will assess the leakage/seepage of air pollutants, wastewater, and waste based on the following risk assessment table, and implement corresponding emergency response measures according to the assessment results of the leakage/seepage level:

Level 3 Leakage/Spillage



The leakage/spillage level is high and may affect the surrounding areas outside the plant. In this situation, we will promptly activate the emergency response plan and utilize both internal and external resources to handle and control the emergency. Simultaneously, we will collaborate with relevant regulatory authorities and local officials to address the situation cooperatively and minimize the environmental and community impacts of the leakage/seepage to the greatest extent possible.

Level 2 Leakage/Spillage



The leakage/spillage level is medium, and the leakage/spillage scope has expanded within the plant area. In addition to utilizing on-site resources for response, we may require the mobilization of off-site resources and specialized personnel to more effectively manage and control the leakage/seepage, preventing its spread to the surrounding environment.

Level 1 Leakage/Spillage



The leakage/spillage level is low, and the scope is limited to the unit. In this scenario, we will promptly utilize internal resources for containment and repair to prevent the leak from spreading and causing further impact.

Over the past three years, SAI has not experienced any major leakage or seepage incidents involving air pollutants, wastewater, or waste (defined as incidents resulting in fines of NT\$1 million or more), demonstrating the consistent effectiveness of its environmental management system. Going forward, SAI will continue to uphold the principle of sustainable operations, strengthening the monitoring and treatment of pollutant emissions in accordance with the relevant operating procedures of the ISO 14001 environmental management system and the permits issued by competent authorities, to ensure that all environmental risks continue to be effectively managed.

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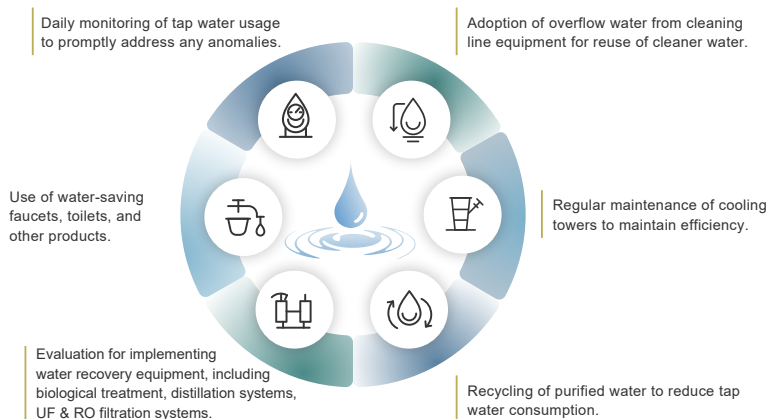
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1.4 Environmental Management Performance

III | Water Resource Management

SAI recognizes the importance of conserving water resources and continues to strengthen water use efficiency and risk management. According to analysis using water risk assessment maps, SAI's Yunlin Plant 1 (including Plant H), Yunlin Plant 2, Zhuwei Plant, and Pingtung Plant are all located in areas of relatively low water risk, with none of SAI's facilities situated in regions of high water stress. In 2025, total water withdrawal was 637.09 km³, total water discharge was 474.07 km³, and total water consumption was 163.02 km³. Compared to 2024, overall water withdrawal remained stable, while both discharge and consumption volumes declined slightly.

SAI has implemented water management measures to enhance the efficient utilization of water resources:



1. Water Resource Risk Assessment

According to the assessment results of the World Wide Fund for Nature (WWF) Water Risk Filter, all of SAI's operational sites located in Yunlin and Pingtung are situated in regions of low to moderate water stress risk. The assessment indicates that overall water supply conditions in these regions are relatively stable, with well-developed public tap water infrastructure capable of effectively accommodating seasonal demand fluctuations and reducing the risk of operational disruption.

With regard to water sourcing, SAI does not rely on groundwater extraction or direct withdrawal from surface water bodies, nor does it utilize water resources from local rivers, reservoirs, or aquifers. All process and domestic water is supplied by local water utility companies through government-managed distribution systems, ensuring that water withdrawal does not compete with or impact local community water needs or ecosystems. Accordingly, the impact of SAI's water use on local water stress is considered controllable and limited.

To continuously monitor potential water stress risks, we conduct daily readings of tap water meters at each facility for real-time consumption monitoring, with monthly cross-verification against water utility bills. The relevant records are managed under the ISO 14001 environmental management system and serve as the basis for annual reporting of water use and discharge. If any abnormal fluctuations in water consumption are detected, root cause analysis is immediately initiated to rule out potential issues such as equipment leakage, reduced process efficiency, or operational anomalies.

In addition, the Environmental Safety Team conducts an annual review of water performance and, taking into account climate change trends, assesses potential future risks relating to drought, water scarcity, or instability of public water supply. The results of this assessment are incorporated into SAI's medium- to long-term sustainability strategy, serving as an important basis for water conservation investments, equipment upgrades, and employee behavior management. In recent years, SAI has continued to implement a range of water conservation measures, including optimizing cooling system efficiency, strengthening pipeline inspections and leak prevention, and adjusting process designs to reduce water use intensity per unit of output.

Overall, SAI's total water withdrawal has remained relatively stable over the past three years, with only minor fluctuations attributable to production volume adjustments and seasonal climate factors. At present, SAI's operations do not impose significant pressure on local water resources, nor have any instances of competition with residential or agricultural water use arisen. Looking ahead, we will continue to monitor changes in water demand and, where technically and economically feasible, progressively evaluate the expanded use of recycled and reclaimed water, in order to further reduce water stress risk, ensure operational resilience, and implement responsible water resource management.

According to the results of the WWF water risk assessment, SAI's four facilities are rated as having a Baseline Water Stress (BWS) level of "Low–Medium (approximately 10–20%)," indicating that local water resources are relatively abundant and that current water withdrawal demand has not placed significant pressure on local water supply and demand dynamics.

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1.4 Environmental Management Performance

Yunlin Plant 1 (including Plant H)



Yunlin Plant 2



Zhuwei Plant



Pingtung Plant



A further review of hydrological variability risk indicators shows that both the interannual variability (IAV) and seasonal variability (SEV) for the Huwei River and Kaoping River basin fall within the low-to-medium range, indicating that while rainfall and river flow exhibit a certain degree of fluctuation, this remains within a predictable and manageable range. This suggests that, under normal climatic conditions, the risk to short-term water supply stability is relatively low.

With regard to extreme events, drought risk is rated as low to medium, while flood-related indicators (riverine flood risk and coastal flood risk) are rated as medium to medium-high, reflecting the impact of typhoons and concentrated rainfall on Taiwan's river basins, and indicating that attention to short-term drainage and flood management remains warranted. However, such risks are primarily physical and short-term event risks, with limited impact on long-term water access.

In addition, the groundwater stress and depletion risk at each of SAI's facilities is rated as low, and SAI's operations do not rely on groundwater extraction, substantially reducing potential impacts on aquifers and cumulative risk. Overall, none of SAI's operational sites are classified by the WWF Aqueduct tool as areas of high water stress or water scarcity, and water resource risk is considered both manageable and of low exposure.

In summary, SAI's operational activities have not placed significant pressure on local water resources, and there is no competition with community or agricultural water use. Future management priorities will focus on improving water use efficiency, building resilience to extreme climate events, and continuing to monitor changes in potential water risks, in order to ensure long-term operational stability and the sustainable use of water resources.

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1.4 Environmental Management Performance

2. Water Usage Statistics over the Past Three Years

	2023	2024	2025
Water Withdrawal (thousand cubic meters)	660.41	658.68	637.09
Water Discharge (thousand cubic meters)	473.53	493.61	474.07
Water Consumption (thousand cubic meters)	186.88	165.07	163.02
Water Withdrawal Intensity (thousand cubic meters/NT\$ million revenue)	0.085	0.088	0.091

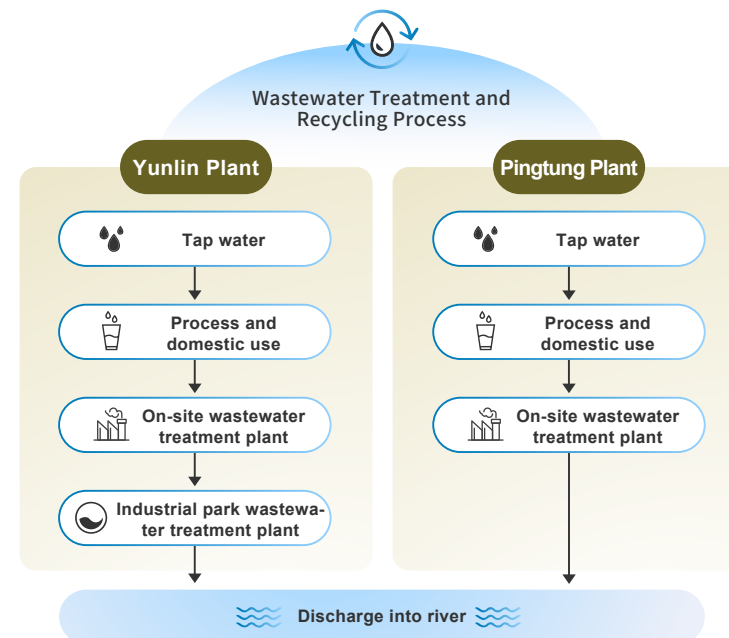
2025 Wastewater Quality Testing Status				
Plants	Measurement items	Suspended solid (SS)	Chemical oxygen demand (COD)	pH value
Yunlin Plant	Regulatory standards	320	480	6~9
	Measurement results	5.1~269	22.6~341	6.2~7.8
Pingtung Plant	Regulatory standards	30	100	6~9
	Measurement results	6.85	23.9	8.05

3. Wastewater Treatment and Recycling Process

The primary sources of wastewater at SAI's Yunlin and Pingtung plants are industrial wastewater generated from manufacturing processes and domestic sewage from employees. All wastewater is incorporated into the on-site wastewater pre-treatment system and properly treated in accordance with water pollution control regulations. Each plant is equipped with a comprehensive wastewater treatment system, including units such as fine screens, equalization tanks, pH adjustment tanks, electrocoagulation systems, sedimentation tanks, biological treatment tanks, and effluent tanks, along with real-time monitoring equipment to track changes in water quality. On-site personnel conduct inspections and record data at fixed intervals on a daily basis, with the relevant data simultaneously uploaded to the internal water resource management system to ensure that the treatment process remains stable and compliant with environmental regulations. Treated

wastewater is discharged into the industrial park's wastewater treatment plant, with final effluent from the Yunlin Plant discharged into the Huwei River and effluent from the Pingtung Plant discharged into the Kaoping River.

With regard to water recycling, recovered water is primarily applied to cooling water circuits and certain greywater recovery systems, including cooling tower makeup water, cleaning purposes, and non-critical process uses, effectively reducing reliance on tap water resources. Through daily monitoring of water quality and volume, the stability of system operation can be tracked in real time, and fluctuations arising from seasonal production capacity changes, equipment maintenance, or process adjustments can be identified. Long-term accumulated monitoring data also helps assess the effectiveness of water conservation measures and improvements in process water efficiency, serving as an important basis for future system optimization and expansion planning. Although there remains room for improvement in the current recycling ratio, SAI is continuously evaluating ways to enhance recovery and treatment capacity, improve the quality of reclaimed water, and expand its scope of application, in order to promote broader water resource recycling and reduce overall freshwater consumption.



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To reduce wastewater discharge, SAI leverages the benefits of water resource reuse through water recovery equipment, improved water use efficiency, and the installation of distillation and filtration systems, and conducts a review of emission reduction performance at least once per quarter.

Yunlin Plant Wastewater Recycling Rate

2024	21.84%
	⋮
2025	19.85%



Wastewater recycling system at the Yunlin Plant

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I | Climate Change Management Strategy

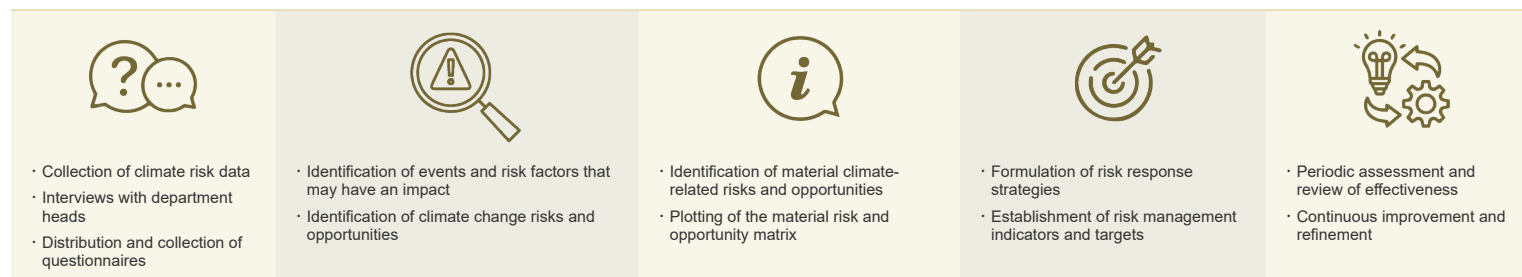
The risk management policy of SAI and its subsidiaries is defined in accordance with the overall business guidelines, establishing a risk management mechanism that enables early identification, accurate measurement, effective supervision, and stringent control of various risks. Within the acceptable risk range, this mechanism aims to prevent potential losses. It continuously adjusts and improves best risk management practices based on changes in internal and external environments to protect the interests of employees, shareholders, partners, and customers, enhance company value, and achieve the optimal allocation of company resources.

1. SAI's Climate Change Governance and Management Framework

The governance structure for climate change issues is overseen by the Board of Directors as the highest regulatory body. The control mechanisms for related issues are established under the Sustainable Development Committee, which comprises various functional groups, including the Environmental Sustainability Group, Corporate Governance Group, Social Care Group, and Value Chain Management Group. These groups address the concerns of different stakeholders and collaborate with relevant company departments to plan, promote, and implement related initiatives. The committee meets at least once a year and reports its activities to the Board of Directors at least once annually.



2. Climate Change Risk and Opportunity Identification Process



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II | Identification of Climate Risks and Opportunities

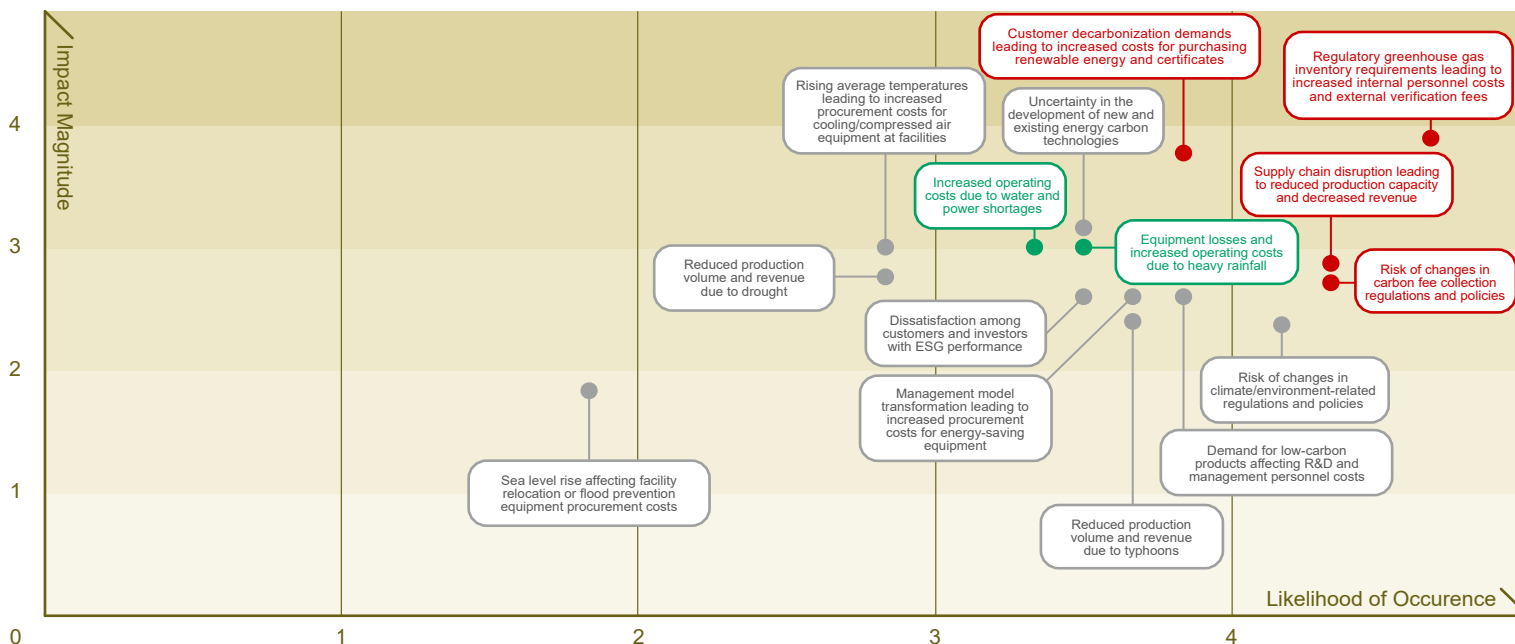
SAI brought together representatives from its sustainability unit and external experts to identify climate-related risk and opportunity issues based on the framework recommended by the TCFD. Through the collection of 32 senior management questionnaires, a total of 6 material risks and 2 opportunities were identified.

This questionnaire defines the likelihood of occurrence of climate-related risks and opportunities (X value) as follows: short term, less than one year (5 points); short to medium term, one to three years (4 points); medium term, three to seven years (3 points); medium to long term, seven to ten years (2 points); and long term, more than ten years (1 point). The degree of impact and benefit (Y value) is defined as follows: extreme, resulting in long-term operational shutdown / long-term benefits to operations (5 points); significant, material financial or operational impact/benefit (4 points); high, high financial or operational impact/benefit (3 points); moderate, moderate financial or operational impact/benefit (2 points); and minor, no obvious harm or benefit (1 point).

For the identification of material climate-related risks, topics with an X value > 4 or a Y value > 3.5 are listed as material risks. In this identification result, as the first four items are all transition risks, two physical risks with an X value > 3 and a Y value > 3 are also listed as material risks, resulting in a total of six material risks. For material climate-related opportunities, an X value > 4 or a Y value > 4 is used as the screening threshold.

Relevant risks are managed according to SAI's "Risk Management Policy." Through processes such as risk identification, risk analysis, risk assessment, risk response and monitoring, and risk reporting and disclosure, each risk-responsible unit must conduct risk assessment for identified risks. Based on the residual risk level assessed, they are required to propose risk response improvement plans to effectively manage risks.

Climate Change Risk Matrix



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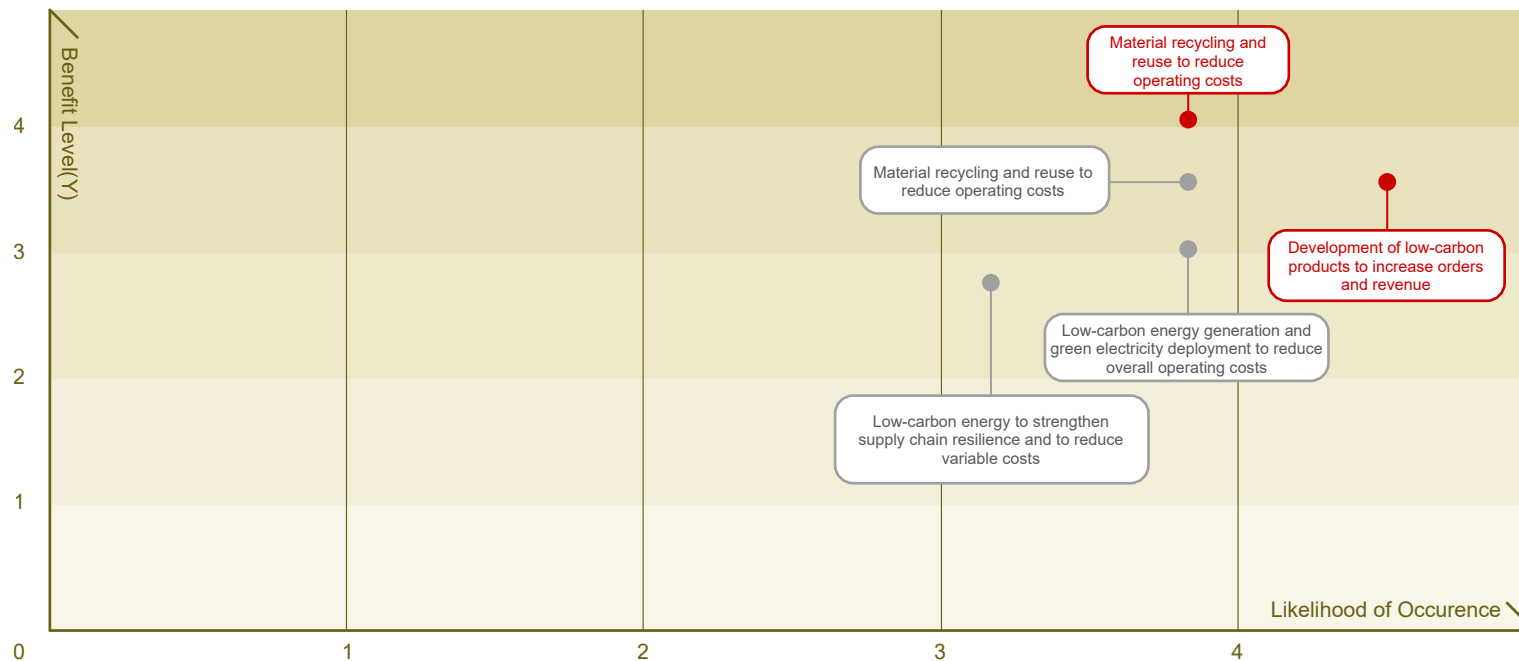
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Climate Change Opportunity Matrix



1.5 Climate Change Management: Task Force on Climate-related Financial Disclosures (TCFD)

Material Climate-Related Risks and Opportunities

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	Risks and Opportunities	Impact Timeline	Financial Impact	Key Response Strategy
Transition Risk	Regulatory greenhouse gas inventory requirements leading to increased internal personnel costs and external verification fees	Short-Term	Increased expenditure on greenhouse gas inventory execution and external verification fees	Strengthening internal training of greenhouse gas inventory professionals
	Customer decarbonization demands leading to increased costs for purchasing renewable energy and certificates	Medium-Term	- Increased costs for installing energy conservation, decarbonization, and pollution reduction equipment, approximately NT\$51.13 million - Increased costs for purchasing renewable energy	- Increase the scale of renewable energy generation to enhance the proportion of self-supplied electricity. - Set up an energy management platform to monitor electricity usage in the production process, plan energy consumption reduction initiatives, and lower overall energy use.
	Supply chain disruption leading to reduced production capacity and decreased revenue	Short- and medium-term	- Production capacity affected by 2% - Raw material supply disrupted for approximately one month	- Expanding the input and application of recycled aluminium to reduce dependence on primary aluminium from a single region, mitigating supply disruption risks arising from geopolitical factors - SAI has maintained recycled aluminium inventory sufficient for more than one year of use over the long term
	Risk of changes in carbon fee collection regulations and policies	Short- and medium-term	In 2025, Scope 1 and Scope 2 greenhouse gas emissions from Plant 2 amounted to 30,512.490 tCO ₂ e, resulting in a carbon fee of NT\$551,249	In accordance with ISO 14064-2 standards, we plan to replace high-energy-consuming machinery, increase the use of renewable energy, and reduce greenhouse gas emissions.
	Equipment losses and increased operating costs due to heavy rainfall	Medium-Term	- Increased operating costs due to operational disruption - Write-off of existing assets and early retirement of equipment	Diversifying the location of operational sites and machining partners to enable production transfer in the event of operational disruption at a given facility
Physical Risk	Increased operating costs due to water and power shortages	Medium to long-term	Increased production costs due to changes in input costs and output requirements Note: Each day of production stoppage is estimated to increase costs by NT\$12.1 million (average daily production cost plus potential increase in air freight costs)	- Sign contracts with water suppliers to provide water trucks during water shortages to maintain production. - Increase the proportion of renewable energy to supply electricity to the factory during power outages.
	Development of low-carbon products to increase orders and revenue	Short-Term	- Increase revenue through demand for low-carbon products and services - Increase revenue by meeting customers' low-carbon transition needs through new solutions - Improved competitive positioning to reflect shifting consumer preferences, increasing revenue	In response to the rising demand for sustainable and low-carbon products, SAI evaluates product life cycles and offers low-carbon products to customers. Through product design, we enhance the efficiency of usage cycles and recycle aluminium scrap from the smelting process to produce recycled aluminium as a raw material, reducing carbon footprints by over 95%.
Opportunity	Material recycling and reuse to reduce operating costs	Short- and medium-term	The shift to low-carbon technology (e.g., using recycled aluminium) increases equipment costs by approximately 3 to 4 times and reduces material costs by about 23.53%.	Evaluate the cost of equipment introduction and the environmental and financial benefits of the product, select higher energy-efficient machinery, and opt for low-pollution raw materials to reduce environmental pollution.

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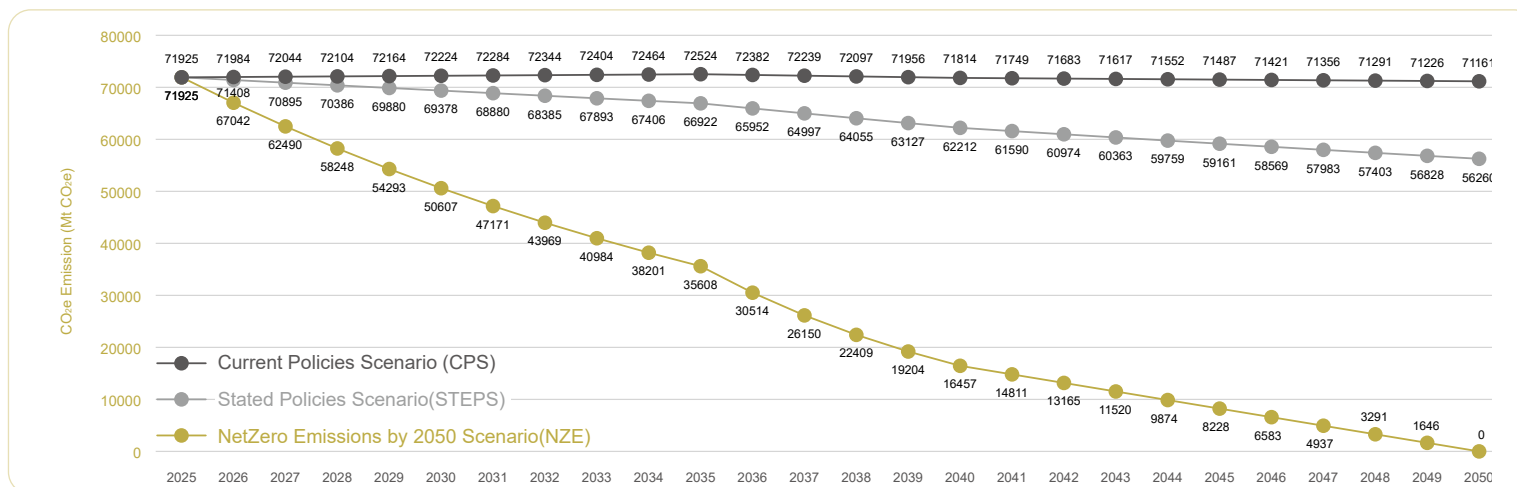
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III | Carbon Cost Scenario Analysis

SAI applies three carbon emission evolution scenarios proposed by the International Energy Agency (IEA): the Stated Policies Scenario (STEPS), the Current Policies Scenario (CPS), and the Net Zero Emissions by 2050 Scenario (NZE). SAI combines carbon fee price forecasts from the Taiwan Ministry of Environment and the EU Emissions Trading System, as well as the NGFS 2050 Net Zero decarbonization cost model, to assess SAI's carbon fee costs and risk results from 2025 to 2050 under the alternating evolution of different scenarios.

Climate Scenario	Stated Policies Scenario (STEPS)	Current Policies Scenario (CPS)	Net Zero Emissions by 2050 Scenario (NZE)
 Definition	Incorporates policies already implemented as well as policy directions announced or declared by various countries (e.g., energy transition plans, climate policies)	Incorporates only policies and measures currently in effect, reflecting a development pathway without the addition of new policies	Assumes that the world achieves net-zero emissions by 2050, consistent with the transition pathway required to meet the 1.5°C climate target
 Economic Benefits	Energy transition progresses gradually, with fossil fuel demand peaking around 2030 and low-carbon technologies (renewable energy, electric vehicles) growing rapidly	Fossil fuel demand continues to grow or remains at elevated levels, energy transition progresses slowly, and carbon emissions continue to rise	Substantially reduced reliance on fossil fuels, with renewable energy becoming the dominant source, significant improvements in energy efficiency, and large-scale investment required in low-carbon and negative-carbon technologies
 Timeframe of Impact	A clear transition emerges over the medium term (2030–2050), with emissions gradually declining but not reaching net zero	Persists over the long term through to 2100, with no significant turning point in emissions	Immediate action required (2020s), with rapid emissions reductions before 2030 and net zero achieved by 2050
 Representative Temperature Increase	Approximately 2.1°C–2.4°C	Approximately 2.5°C–2.7°C (with potentially higher risk)	Approximately 1.5°C

1. IEA Carbon Emissions Scenario Evolution



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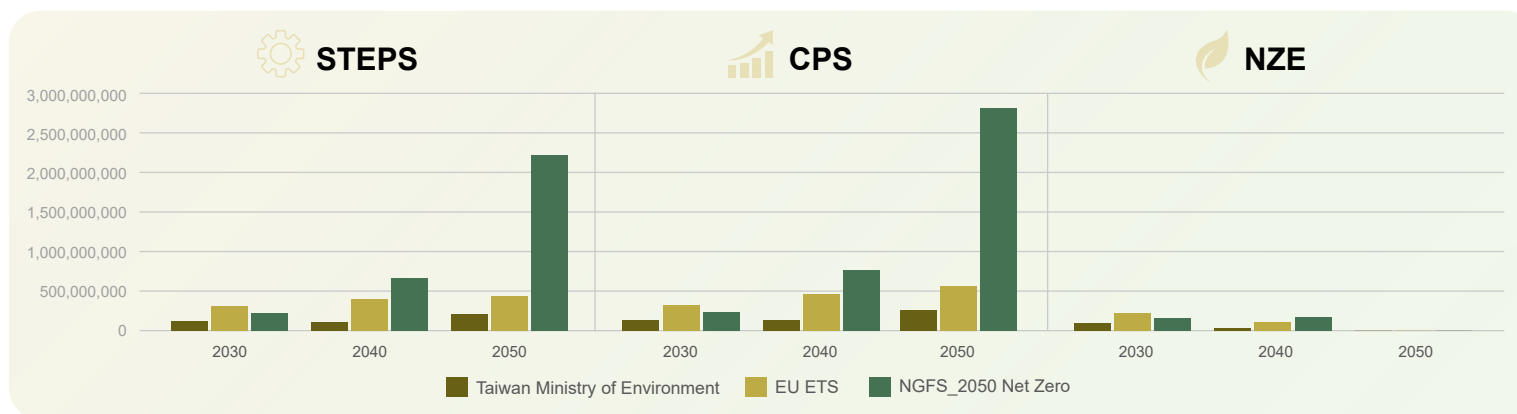
2. Estimated Carbon Costs for SAI

Based on SAI's projected 2025 greenhouse gas emissions, carbon fee costs were estimated under three policy scenarios — Stated Policies Scenario (STEPS), Current Policies Scenario (CPS), and Net Zero Emissions by 2050 Scenario (NZE) — and three carbon pricing models: Taiwan Ministry of Environment carbon fee, EU ETS, and NGFS Net Zero 2050. The results indicate that carbon fee costs vary significantly depending on policy stringency and emissions levels. Under the CPS scenario, as emissions remain relatively high, carbon fee costs rise rapidly by 2050. In particular, the NGFS estimates that the net-zero cost in 2050 will reach as high as NT\$2.8 billion.

In comparison, although the STEPS scenario already shows a slowdown in emissions, under the high carbon fee assumption, Taiwan's carbon fee would still reach NT\$200 million in 2050, while the carbon price under the EU Emissions Trading System would reach as high as NT\$440 million. This indicates that if SAI manages greenhouse gases solely in accordance with existing policies, it will be difficult to effectively control carbon fee risks. However, under the NZE scenario, as emissions decrease significantly after 2040, the decarbonization cost estimated by NGFS in 2040 can be controlled within NT\$170 million, significantly reducing long-term financial impacts compared with the other two policy scenarios.

In conclusion, aligning early with the 2050 net-zero emissions pathway not only supports meaningful emissions reduction but is also a key strategy for lowering future exposure to carbon fee risks.

Carbon Emission Scenarios	Carbon Fee Scenarios	Estimated Year		
		2030	2040	2050
Stated Policies Scenario STEPS	Taiwan Ministry of Environment	124,880,413.00	111,982,437.00	207,362,630.00
	EU ETS	304,791,461.00	400,206,566.00	441,357,422.00
	NGFS_2050 Net Zero	222,103,825.00	657,405,204.00	2,224,556,304.00
Current Policies Scenario CPS	Taiwan Ministry of Environment	130,002,928.00	129,265,455.00	262,284,239.00
	EU ETS	317,293,813.00	461,973,192.00	558,254,377.00
	NGFS_2050 Net Zero	231,214,382.00	758,867,061.00	2,813,747,389.00
Net Zero Emissions by 2050 Scenario NZE	Taiwan Ministry of Environment	91,092,620.00	29,622,352.00	-
	EU ETS	222,326,721.00	105,865,349.00	-
	NGFS_2050 Net Zero	162,011,150.00	173,901,274.00	-



1.5 Climate Change Management: Task Force on Climate-related Financial Disclosures (TCFD)

IV | Indicators and Targets

To effectively manage climate-related risks, SAI has established the following targets and management measures and defined corresponding indicators to track annual performance:

Climate Risks and Opportunities	Core Objective	Indicators	Short-Term Management Measures	Medium- to Long-Term Management Measures
Physical Risk - Equipment losses and increased operating costs due to heavy rainfall	Strengthen plant flood prevention, flood control, and extreme rainfall response capabilities to reduce the impact of heavy rainfall on equipment, plant utility systems, and operational continuity	Incidents of plant flooding, water seepage, or equipment damage	Diversifying the location of operational sites and machining partners to enable production transfer in the event of operational disruption at a given facility	-
Physical Risk - Increased operating costs due to water and power shortages	Enhance the resilience of water resources and power supply to reduce the impact of water shortages, power shortages, or unstable supply on production and operations	Operational incidents caused by abnormal water or power supply	◆ Sign contracts with water suppliers to provide water trucks during water shortages to maintain production. ◆ Increase the proportion of renewable energy and integrate energy storage systems to optimize the energy structure during normal operations and provide emergency backup during power outages, comprehensively enhancing grid resilience	-
Transition Risk - Customer decarbonization demands leading to increased costs for purchasing renewable energy and certificates	Energy Conservation	Energy audit and reporting	Reduced energy consumption by 1.5% in 2025	Achieve a further 1.5% reduction in 2026
Transition Risk - Uncertainty in the development of new and existing energy carbon technologies	Installation of Renewable Energy Generation Facilities	Obtained a total of 1,850 renewable energy certificates in 2025	Regularly upload power generation data to obtain renewable energy certificates	-
Opportunity - Material recycling and reuse to reduce operating costs	Green Growth	Recycling and reuse of smelting aluminium materials	Maintain a recycling and reuse rate of more than 50% for smelting aluminium materials	Maintain a recycling and reuse rate of more than 55% for smelting aluminium materials
	Smelting Production Yield	Achieve a smelting production yield of over 98%	Achieve a smelting production yield of over 98%	-
Transition Risk - Regulatory requirements for greenhouse gas inventories lead to increased internal personnel costs and external verification fees Transition Risk - Risk of changes in carbon fee collection regulations and policies Opportunity — Development of low-carbon products to increase orders and revenue	Greenhouse Gas Management	Greenhouse Gas Emissions	Achieve a carbon reduction target of >1% compared to the base year	Achieve a carbon reduction target of >7% compared to the base year
	Greenhouse Gas Inventory	Simultaneously conduct greenhouse gas inventories for the Pingtung Plant, Zhuwei Plant, and Plant 1	Obtain annual verification under ISO 14064-1	Align with the GHG Protocol in accordance with competent authority policies
	Greenhouse Gas Reduction	◆ Install chiller units and energy-saving monitoring systems for air compressors ◆ Develop greenhouse gas reduction plans and implement low-carbon and smart transition projects in the manufacturing sector	◆ Pass the greenhouse gas self-determined reduction plans and the Ministry of Environment's implementation progress review ◆ Reduce Scope 1 and Scope 2 greenhouse gas emissions intensity compared with the 2022 baseline year	-
	Product Carbon Footprint Verification	◆ Establish a product carbon footprint inventory ◆ Conduct ISO 14067 verification ◆ Provide CBAM-related information in accordance with EU customer requirements	Pass ISO 14067 verification each year	-

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I | Ecological and Environmental Protection Policy

In response to the global challenges of ecosystem degradation and increasing natural capital risks, companies must not only focus on the responsible use of resources but also actively identify and manage their dependencies and impacts on biodiversity and ecosystem services throughout their development process. SAI recognizes the importance of biodiversity conservation to operational resilience and long-term sustainable value creation. Accordingly, nature-related issues have been incorporated into SAI's risk assessment and operational planning processes. We are committed to minimizing our impacts on ecosystems and promoting a sustainable business model that supports coexistence and mutual prosperity with nature.

2025 Ecological and Environmental Conservation Policy of SAI

2025 Management Policy

SAI is committed to preserving the natural environment and promoting ecological sustainability, recognizing biodiversity as a fundamental pillar of SAI's long-term development. We are committed to closely monitoring international trends and continuously advancing and implementing ecological conservation initiatives.

Support for Global Biodiversity Conservation Conventions

SAI is committed to supporting international biodiversity conservation efforts and will respond to global biodiversity conventions and related initiatives in the future. We will continue to monitor issues related to natural resource management, habitat conservation, and ecosystem protection, while progressively strengthening biodiversity conservation strategies and management mechanisms within our operations.

Stakeholder Engagement

With respect to ecological and environmental conservation issues, SuperAlloy Industrial will continue to monitor environmental impacts, implement improvement measures, and plan conservation initiatives. SAI will regularly assess ecological risks arising from its operations and collaborate and communicate with both internal and external stakeholders.

Grievance and Communication Mechanism

SAI provides grievance channels through which employees, local communities, and stakeholders may raise opinions, concerns, and incidents related to ecological conservation and environmental management.

2025 Achievements

1. Since publication of the 2024 Sustainability Report, SAI has included a dedicated TND section to address the impacts of its operations on nature and ecosystems.
2. In the 2025 Sustainability Report, SAI further utilized the ENCORE tool to assess dependencies and impacts associated with the automotive components industry and identify key industry hotspots.
3. Continued implementation of water resource management measures to reduce water withdrawal and water consumption.

Future Plans

Short-Term Targets (1–3 Years)

Environmental Performance Targets

Target Category	Expected Target
Water Conservation	◆ Reduce total water consumption: Improve water-use efficiency through equipment upgrades, process optimization, and employee awareness programs. ◆ Reduce wastewater discharge: Strengthen recycling and reuse systems, such as circulating cooling water and process recycled water, to reduce the consumption of natural water resources and lower environmental impacts. ◆ Increase water-use management transparency: Establish regular monitoring and recording mechanisms, such as monthly water consumption reports and abnormal water-use alerts, to facilitate timely tracking and continuous improvement. ◆ Introduce water-saving technologies or equipment: Plan to introduce water-saving equipment such as automatic sensor faucets and water-saving valves to gradually reduce both process and general water consumption.
Noise Impact Mitigation	◆ Continue to monitor changes in operational noise levels: Conduct regular on-site and off-site noise measurements (e.g., quarterly monitoring) and establish long-term noise records to assess the extent of operational impacts on the surrounding environment. ◆ Ensure compliance with noise regulations: Ensure that all measured noise values comply with applicable noise regulations and environmental impact assessment standards issued by central and local authorities. Corrective actions will be implemented immediately if any exceedances occur. ◆ Improve noise-generating equipment: Apply soundproofing, install vibration-dampening materials, or replace high-noise machinery to reduce noise transmission and enhance the quality of the working environment. ◆ Establish a noise incident reporting and improvement mechanism: If an abnormality is detected during noise monitoring, establish a rapid reporting and corrective process to ensure that the issue is promptly addressed.
Waste Management	◆ Source reduction: Continue to reduce solvent use and waste liquid generation. ◆ Waste recycling : Continue to optimize product packaging design and reduce the use of cartons and support boards.
Advancing Our Nature-Related Actions	◆ Deployment of Renewable Energy: SAI aims to optimize natural resource utilization and mitigate the impacts of climate change on ecosystems. The Pingtung Plant has installed a 1,492.4 kW solar PV system. In the future, based on the space and operational planning of each plant, we will increase the proportion of green electricity through multiple channels, such as self-built renewable energy generation equipment or externally purchased green electricity, to reduce the environmental impact caused by fossil fuel power generation and further deepen SAI's environmentally friendly practices. ◆ Optimizing Process Energy Efficiency: SAI evaluates the replacement of aging high-energy-consuming equipment. For new equipment, based on the Energy, ESH Design and Procurement Evaluation Form, priority is given to equipment with both high energy efficiency and low environmental impact. By improving overall energy efficiency, SAI indirectly mitigates the impact of upstream energy production processes on biological habitats and natural ecosystems. ◆ Increase the recycled aluminium usage rate: Gradually increase the proportion of recycled aluminium used from 35% to 50%.

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II | Governance of Nature-Related Risks and Opportunities

SAI has established a comprehensive sustainability governance framework to ensure the effective implementation of its sustainability strategy throughout the organization. SAI has formed a Sustainable Development Promotion Team, led by the Vice President as General Secretary and Assistant Vice President as Deputy General Secretary. The Team integrates resources across departments and is organized into four dedicated working groups: Environmental Sustainability, Social Care, Corporate Governance, and Value Chain Management. Each group is convened by the head of the relevant department and is responsible for setting annual priorities, monitoring implementation progress, and facilitating cross-functional collaboration to ensure the systematic advancement of sustainability initiatives.

Among these groups, the Environmental Sustainability Task Force serves as the primary management unit for nature-related risks and opportunities. In alignment with SAI's sustainability objectives, the task force is responsible for identifying nature-related issues, developing management policies and action plans, and driving implementation efforts covering mitigation, conservation, monitoring, and improvement. In addition, the Environmental Sustainability Task Force is responsible for stakeholder engagement and communication, ensuring that external expectations and recommendations are reflected in SAI's sustainability strategy and incorporated into a cycle of continuous optimization.

To strengthen the effectiveness and oversight of sustainability governance, the General Secretary and Deputy General Secretary serve as the central coordinators of the overall program. Their responsibilities include coordinating progress across working groups, tracking cross-departmental implementation outcomes, and reviewing changes in nature-related risks and the effectiveness of related improvement measures. The results of related work and the assessment results of material topics will be regularly compiled and reported to the Sustainable Development Committee as a basis for its decision-making. Through submission of decisions to the Board of Directors, the Board can fully understand the implementation status of sustainability strategies and provide necessary resources and guidance.

Through this governance structure, SAI ensures that nature-related risks and opportunities are integrated into SAI's overall sustainability management system. It also ensures that all related initiatives remain aligned with corporate strategic objectives, thereby enhancing the maturity and resilience of sustainability management.

In addition, for specific nature-related risks and opportunities, including resource-use efficiency, ecosystem conservation, and biodiversity protection, the Environmental Sustainability Task Force has designated responsible personnel to oversee and manage each corresponding area.

III | Identification of Nature-Related Dependencies, Impacts, Risks, and Opportunities

1. LEAP Assessment Method

SAI places great importance on the harmonious coexistence of human activities and the natural environment. During the preparation of its 2024 Sustainability Report, SAI incorporated a biodiversity perspective for the first time. Through a systematic assessment process, we examined the potential impacts of our business activities across multiple dimensions, including environmental impacts, species conservation, and habitat protection, while strengthening our awareness and forward-looking management of natural resources. This year's report also references the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) and supports biodiversity conservation initiatives. Following the LEAP assessment approach proposed in TNFD v0.4, SAI has clearly defined the nature- and biodiversity-related aspects of its business activities and further evaluated SAI's dependencies and impacts on natural resources. Through cross-departmental discussions, we reviewed the adequacy of existing strategies, considered potential future adjustments, and fully disclose the results of these assessments in this section.

In accordance with the recommendations of the TNFD framework, SAI adopted a four-stage assessment process—Locate, Evaluate, Assess, and Prepare (LEAP)—to systematically identify and analyze the nature-related impacts, dependencies, risks, and opportunities arising from its operations. This framework enables SAI to gain a more comprehensive understanding of the interactions between its business activities and the natural environment and serves as an important foundation for future strategic adjustments and natural resource management initiatives.

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No.	Assessment Step	Assessment Approach
1	 Locate	The assessment considered SAI's three facilities in Taiwan — Yunlin Plant (including Plant 1 and Plant 2 due to their close proximity), Yunlin Zhuwei Plant, and Pingtung Plant. Biodiversity- and ecosystem service-related risk assessments were conducted for each facility.
2	 Evaluate	SAI's business processes and principal operating activities were analyzed. The ENCORE tool was utilized to assess dependencies and impacts associated with the automotive parts and accessories manufacturing industry, identify industry hotspots, and determine the relationships between SAI's operations and relevant business activities, assets, ecosystem services, and impact factors.
3	 Assess	Step 1 Based on the results of the previous two stages, we incorporated nature-related impact topics identified through the ENCORE tool and reviewed benchmark practices within the automotive, semiconductor, and technology industries to identify nature-related risks and opportunities relevant to SAI. A comprehensive list of risks and opportunities associated with SAI's operations was then developed. In assessing nature-related risks and opportunities, SAI considered potential impacts across the four environmental realms—land, atmosphere, oceans, and freshwater—and established an initial pool of assessment topics.
		Step 2 A nature-related risks and opportunities questionnaire was developed and distributed to department managers, plant managers, and independent directors to evaluate and identify material nature-related risks and opportunities.
		Step 3 After excluding invalid responses, we conducted further analysis and statistical evaluation of the survey results. Based on the established list of risks and opportunities, existing management measures and governance processes were reviewed. This assessment was intended to provide senior management with a clearer understanding of current management mechanisms and to offer practical recommendations to help SAI effectively avoid, reduce, or mitigate nature-related risks.
4	 Prepare	We established metrics for assessing and managing nature-related risks and opportunities, then set targets related to nature-related dependencies, impacts, risks, and opportunities, as well as performance corresponding to those targets.

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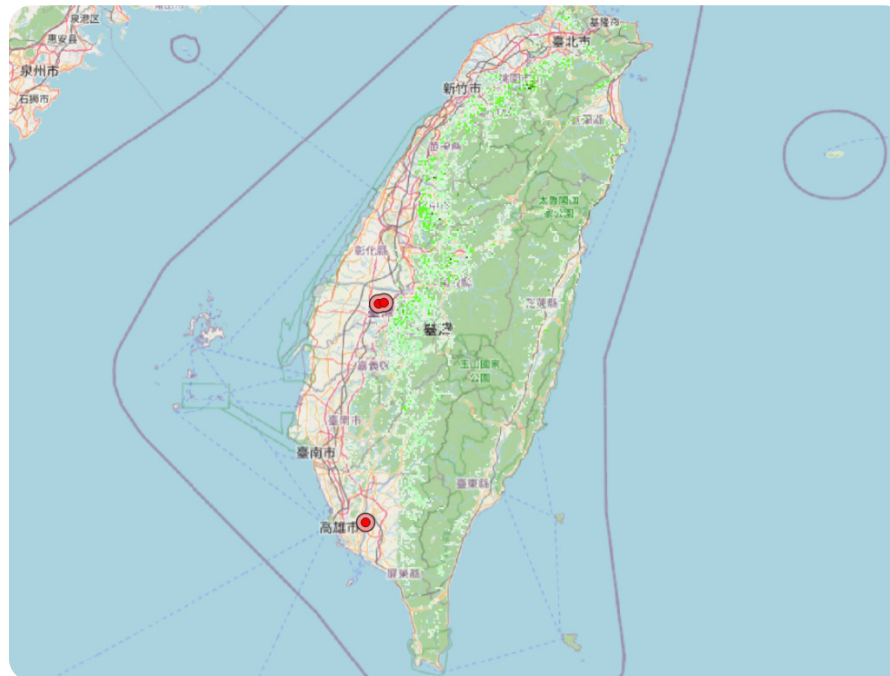
2. Locate

(1) Biodiversity Hotspots

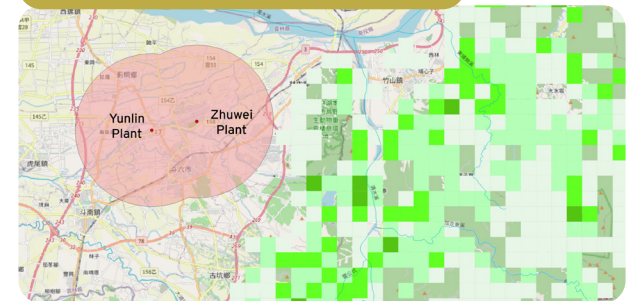
The Forestry and Nature Conservation Agency under the Ministry of Agriculture has implemented the Taiwan Ecological Network (TEN) program. By consolidating historical ecological survey data, habitat conditions, landscape information, region-specific conservation concerns, and expert input, the program has analyzed biodiversity hotspots, key socio-ecological production landscapes and seascapes (SEPLS), and waters of concern throughout Taiwan. As a result, 44 TEN Priority Areas have been identified nationwide to support ecological conservation and land-use planning.

The biodiversity hotspot analysis was based on species distribution data from the Taiwan Biodiversity Network (TBN) database maintained by the Taiwan Biodiversity Research Institute, covering the period from 2000 to 2019. Non-native species were excluded from the assessment, and analyses were conducted for mammals, birds, amphibians, reptiles, and butterflies. Grid cells ranking within the top 5% in terms of species richness were identified as biodiversity hotspots. For this assessment, SAI evaluated its three operational sites—the Yunlin Plant, Yunlin Zhuwei Plant, and Pingtung Plant—and expanded the assessment boundary to include areas within a five-kilometer radius of each facility. The results indicated that none of the three facilities, nor their surrounding areas, are located within designated biodiversity hotspots. However, SAI's biodiversity efforts are not limited to ecosystems surrounding its operational sites. SAI has broadened its focus to include endemic and protected species in regions such as Yunlin and Pingtung. Through this broader ecological perspective, SAI seeks to develop a more comprehensive understanding of Taiwan's diverse and valuable natural resources and to contribute to the conservation and promotion of local species. By doing so, SAI aims to raise awareness of the rich and unique ecological value found in Central and Southern Taiwan.

Overlay Analysis Results of Biodiversity Hotspots – Taiwan



Overlay Analysis Results of Biodiversity Hotspots – Yunlin and Zhuwei Plants



Overlay Analysis Results of Biodiversity Hotspots – Pingtung Plant



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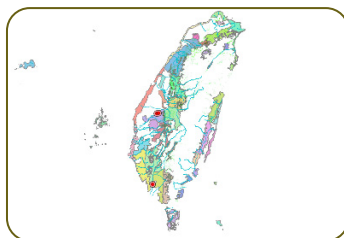
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(2) Taiwan Ecological Network Priority Rivers and Conservation Areas

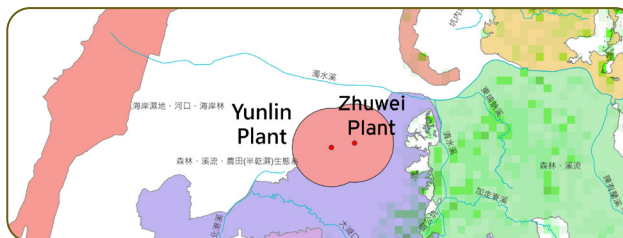
None of SAI's plants are located in ecological hotspots. However, considering the potential impacts of nature- and ecology-related risks, SAI still used map data from the Taiwan Ecological Network to identify and understand key species of concern in the counties and cities where the plants are located. The TEN Priority Areas encompass both Taiwan's main island and offshore islands. These areas are delineated based on regional ecological characteristics and provide detailed information on major habitat types, priority flora and fauna species, and conservation objectives, serving as important references for ecological conservation and land-use planning. SAI conducted an overlay analysis to assess whether its three plants are located within or adjacent to any designated priority conservation areas within a five-kilometer radius. The assessment also enabled SAI to identify key ecosystems and species of concern in the vicinity of its facilities.

Plants	TEN Priority Areas, Rivers	Priority Species of Concern in the County/City of the Plant
Yunlin Plant	Forests, streams, and agricultural (semi-wetland) ecosystems	Chinese Pangolin, Crab-eating Mongoose, Russet Sparrow, Fairy Pitta, Grey-faced Buzzard, Little Ringed Plover, Yellow-margined Box Turtle, Chinese Mountain Snake (<i>Sinonatrix percarinata</i>), Grass Snake, Farmland Green Treefrog
Yunlin Zhuwei Plant		
Pingtung Plant	Grasslands, pond wetlands, paddy fields and dry farmlands, SEPLS, forests, and the Kaoping River	Eastern Grass Owl, Ring-necked Pheasant, Black Kite, Fairy Pitta, Grey-faced Buzzard, Black-naped Oriole, Chain Snake, Golden-striped Frog, Japanese Eel

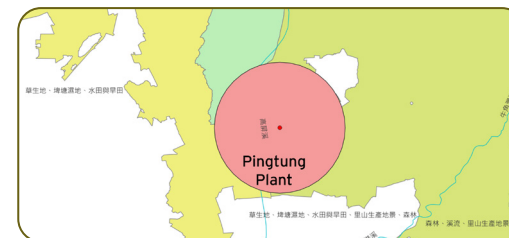
TEN Priority Areas
– Overall Map



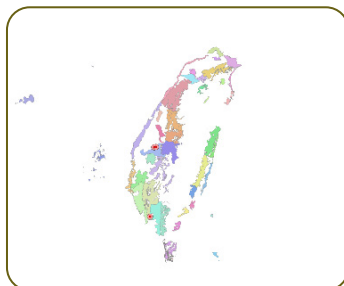
TEN Priority Areas – Overlay Results of Administrative Areas
Where the Yunlin Plant and Yunlin Zhuwei Plant Are Located



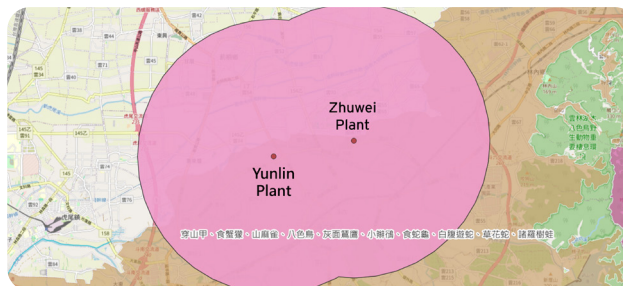
TEN Priority Areas – Overlay Results of Administrative Areas
Where the Pingtung Plant Is Located



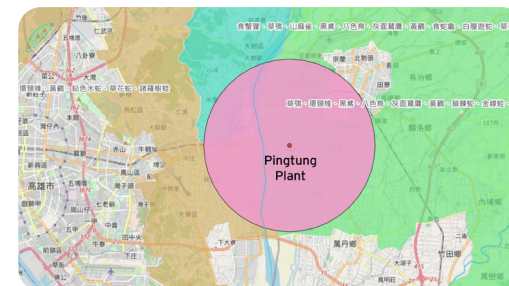
TEN Priority Areas – Species
Distribution – Overall Map



TEN Priority Areas – Species Distribution – Overlay Results of Administrative Areas
Where the Yunlin Plant and Yunlin Zhuwei Plant Are Located



TEN Priority Areas – Species Distribution – Overlay Results of Administrative Areas
Where the Pingtung Plant Is Located



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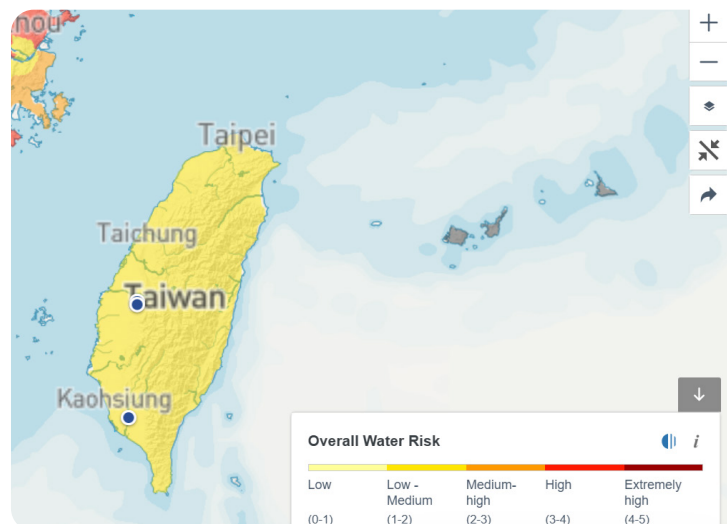
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(3) Water Stress Areas

AQUEDUCT is a global water risk assessment tool developed by the World Resources Institute (WRI). Using publicly available data and scientific modeling, it helps organizations identify water-related risks, including water scarcity, flooding, and other water security challenges. The tool is widely applied in sustainability reporting, climate risk assessments, and policy analysis, with a strong emphasis on data transparency and traceability. According to the Aqueduct Water Risk Atlas, SAI's facilities located in Yunlin and Pingtung are situated in areas classified as having relatively low water stress risk. Although none of SAI's facilities are located in high water stress regions, SAI continues to closely monitor its water resource usage and has established corresponding management policies, performance indicators, and targets related to water resource management. Further information can be found in Section 1.4, "Environmental Management Performance."

Overlay Analysis Results for Water Stress Areas



3. Evaluate – Assessment of Nature-Related Dependencies and Impacts

SAI employed the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool to conduct an assessment of its nature-related dependencies and impacts. As our primary business activity is the manufacture of automotive-related components, the assessment was based on the automotive parts and accessories manufacturing sector within the ENCORE framework. The evaluation was conducted from two perspectives: "impacts on nature" and "dependencies on nature." The assessment results are summarized below:

Encore Assessment Dimension	Topic	Impact Level
Dependency	Operational disruption risks arising from extreme weather events (e.g., typhoons, heavy rainfall, flooding)	Moderate
	Water pollution and water scarcity	Pollution: Moderate Water scarcity: Low
	Solid waste generation and pollution	Low
	Environmental disturbance caused by noise or light	Very Low
	Environmental impacts and soil contamination associated with operational sites	Moderate
Impacts	Environmental disturbance caused by noise or light	Extremely High
	Air pollution from non-greenhouse gas emissions	Low
	Water pollution and water scarcity	Water pollution: Moderate Water scarcity: Low
	Solid waste generation and pollution	Low
	Environmental impacts and soil contamination associated with operational sites	Moderate

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Impacts of the Automotive Components Industry on the Environment

Operational disruption risk due to extreme climate (typhoons, heavy rainfall, flooding)

Impact Level: Moderate

Automotive component manufacturing typically involves processes such as metal processing, casting, mold production, heat treatment, surface treatment, and energy-intensive operations. These activities generate greenhouse gas emissions, including carbon dioxide and methane. As industry-wide emissions increase, they accelerate global warming.

Water pollution

Impact Level: Moderate

Water scarcity

Impact Level: Low

Automotive component manufacturing involves metal processing, cleaning, electroplating, and machining processes, which may generate wastewater containing oil contaminants, heavy metals, and chemical substances. If such wastewater is discharged without proper treatment, it may contaminate surrounding rivers and groundwater resources.

Solid waste generation and pollution

Impact Level: Low

Manufacturing processes generate waste materials such as metal scrap, oil-contaminated absorbents, and packaging materials. Although most of these wastes can be recycled or managed through licensed contractors, inadequate waste management may still result in environmental pollution.

Environmental disturbance caused by noise or light

Impact Level: Very Low

Plant equipment operations may generate noise and artificial lighting. However, manufacturing facilities are generally located within industrial zones, resulting in relatively limited impacts on the surrounding natural environment and wildlife. Such impacts can typically be effectively controlled through measures such as soundproofing and light shielding.

Environmental impacts and soil contamination associated with operational sites

Impact Level: Moderate

Leakage of oils, coolants, or chemical substances used in factory operations may infiltrate soil and groundwater, resulting in long-term environmental contamination.

Dependencies of the Automotive Components Industry on the Environment

Environmental disturbance caused by noise or light

Impact Level: Extremely High

If environmental regulations in the surroundings of plant areas become more stringent or if sensitive receptors such as residential communities or schools emerge nearby due to urban development, restrictions may be imposed on operating hours or equipment noise levels. Such limitations could directly affect production scheduling and operational efficiency.

Air pollution from non-greenhouse gas emissions

Impact Level: Low

Manufacturing processes generate emissions such as oil mist, particulate matter, and volatile organic compounds (VOCs). As a result, facilities depend on adequate surrounding ventilation, favorable climatic conditions, and sufficient environmental capacity to dilute and disperse these emissions. If local air quality deteriorates or regulatory requirements become more stringent, additional investments in pollution control equipment may be required.

Water pollution

Impact Level: Moderate

Water scarcity

Impact Level: Low

Manufacturing processes and facility operations require water resources for production activities. Issues such as water pollution or water scarcity may disrupt production line operations and affect operational continuity.

Solid waste generation and pollution

Impact Level: Low

If local waste treatment capacity is insufficient or regulatory requirements change (such as landfill restrictions or increased disposal fees), the frequency of waste collection and disposal at the plant area may be affected. This could result in waste accumulation on-site, occupying facility space and disrupting production operations.

Environmental impacts and soil contamination associated with operational sites

Impact Level: Moderate

Manufacturing facilities depend on stable, uncontaminated land and groundwater resources. If a plant is located in an area with actual or potential soil or groundwater contamination, it may be subject to remediation requirements, land-use restrictions, or construction limitations imposed by regulations, resulting in increased operating costs.

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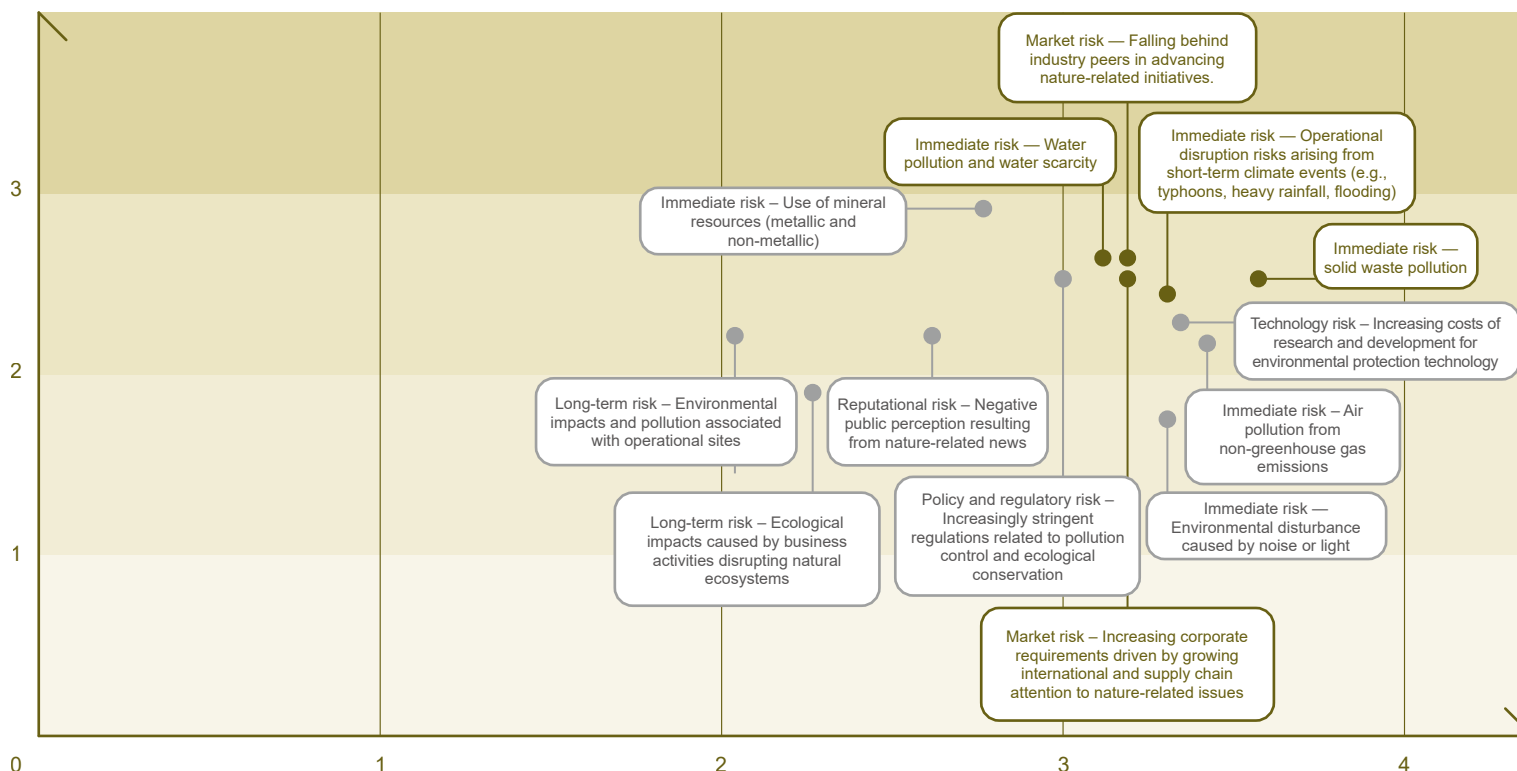
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After using the ENCORE tool to identify topics with potential environmental impacts and environmental dependencies, SAI further referenced nature-related risk and opportunity topics disclosed by benchmark companies in the automotive industry and incorporated them into its nature-related risks and opportunities topic pool. As SAI has recently expanded into the semiconductor supply chain market, risk and opportunity topics from the benchmark cases of other leading technology companies were also incorporated into the assessment. Based on this process, a materiality assessment questionnaire was developed covering 13 nature- and ecology-related risk topics and 6 nature- and ecology-related opportunity topics. The questionnaire was distributed to department heads and plant managers across SAI for evaluation and completion.

This questionnaire defines the likelihood of occurrence of nature-related risks and opportunities (X value) as follows: short term, less than one year (5 points); short to medium term, one to three years (4 points); medium term, three to seven years (3 points); medium to long term, seven to ten years (2 points); and long term, more than ten years (1 point). The degree of impact and benefit (Y value) is defined as follows: extreme, resulting in long-term operational shutdown / long-term benefits to operations (5 points); significant, material financial or operational impact/benefit (4 points); high, high financial or operational impact/benefit (3 points); moderate, moderate financial or operational impact/benefit (2 points); and minor, no obvious harm or benefit (1 point). For the identification of material nature-related risks and opportunities, threshold values are set. Topics with an X value > 3.1 and a Y value > 2.4 are listed as material risks. For material nature-related opportunities, opportunity topics with an X value > 3.3 and a Y value > 2.5 are selected as material nature-related opportunities.

Nature-Related Risk Matrix



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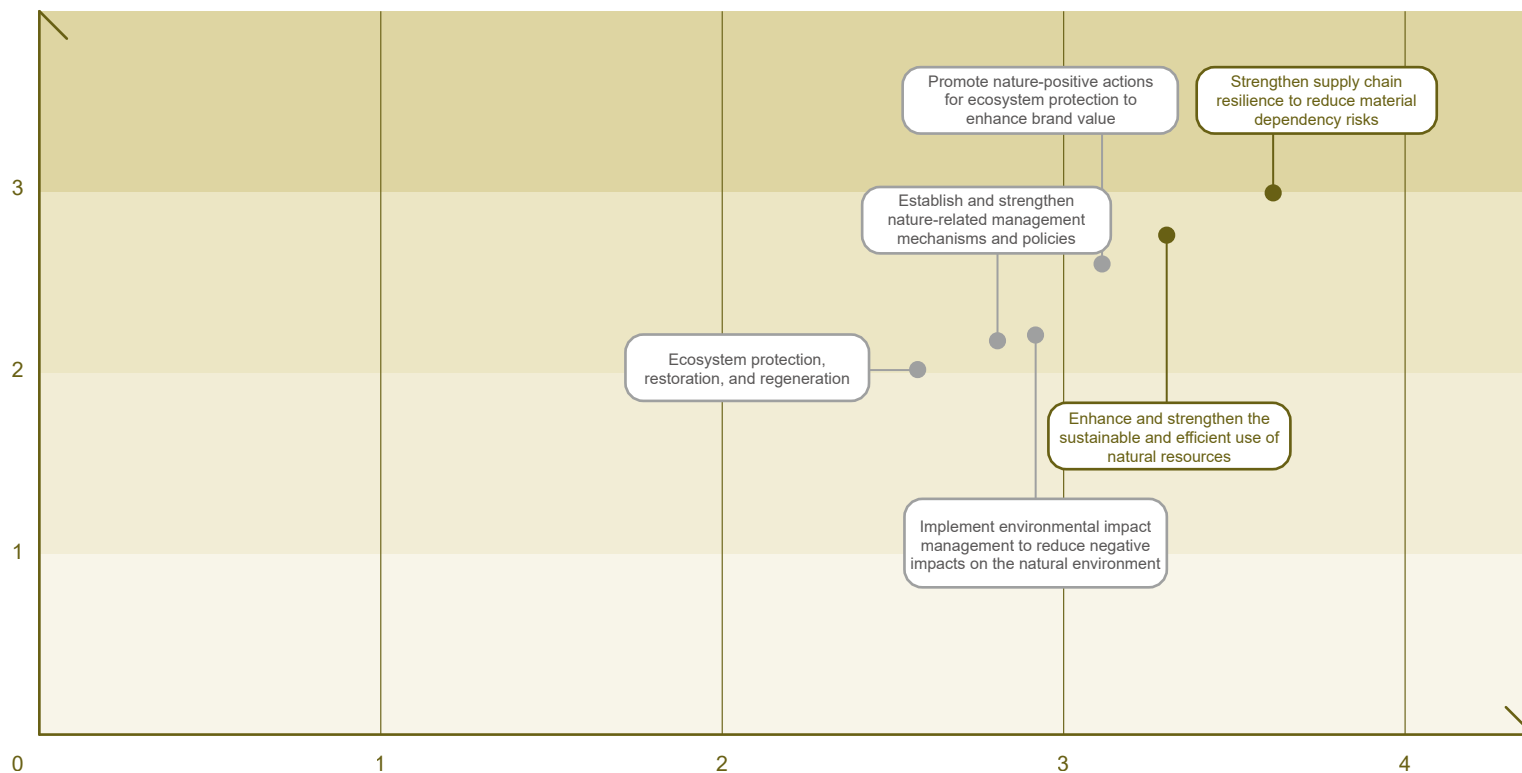
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Nature-Related Opportunity Matrix



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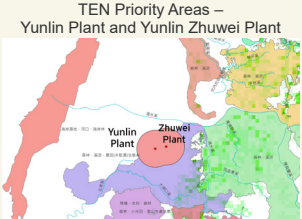
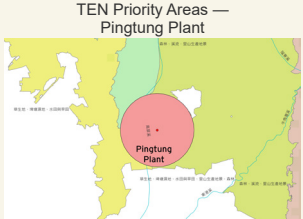
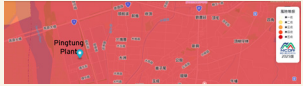
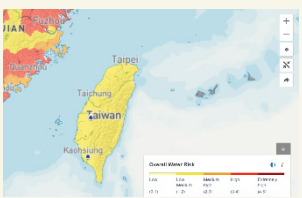
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4. Assess – Biodiversity Assessment

Environmental impacts on local ecosystems were taken into consideration during the initial planning and development of SAI's plant facilities, and we are committed to minimizing the impacts of its development and operational activities on the natural environment wherever possible. All of SAI's production sites are located within well-planned industrial parks designated by local authorities. Based on assessments conducted by the relevant government authorities, activities within these areas are considered to pose a low level of risk to local biodiversity and ecosystems. In addition, as part of its biodiversity assessment process, SAI utilized geographic overlay analysis to evaluate the distribution of natural resources and biodiversity in the areas surrounding the three plant sites. This assessment helps ensure that SAI's business activities do not place excessive pressure on the natural environment.

Impact Area	Nature and Biodiversity Issue	Overlay Data Source	Overlay Analysis Source and Results	Explanation
 Land, Freshwater	Solid waste pollution	TEN - Map Data of Priority Areas	 	Only the area within a five-kilometer radius of the Pingtung Plant is traversed by the Kaoping River. Therefore, any solid waste pollution incident could potentially affect freshwater ecosystems. Across SAI's three plants in Yunlin and Pingtung, the terrestrial ecosystems potentially affected include grasslands, agricultural lands, streams, forests, and SEPLS. However, all waste generated by SAI is managed by designated personnel in accordance with established procedures and regulatory requirements, thereby reducing the potential risks associated with solid waste pollution.
 Atmosphere, Freshwater	Operational disruption risks arising from short-term climate events (typhoons, heavy rainfall, and flooding)	National Science and Technology Center for Disaster Reduction (NCDR)	  	Under a global warming scenario of 2°C, the population exposure risk associated with flooding is projected to increase to Level 5, indicating a relatively high risk of operational disruption to SAI from short-term extreme weather events such as heavy rainfall and flooding.
 Freshwater	Water pollution and water scarcity	AQUEDUCT Water Risk Atlas — Water Stress Map		The overall water stress scores, considering both water quality and water quantity factors, are assessed as Low to Medium (scores ranging from 1 to 2). This indicates that water pollution and water scarcity are expected to have a relatively limited material impact on SAI.

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In addition, SAI identified a potential nature-related risk associated with the importation of raw materials. Wooden packaging materials, such as shipping crates and pallets, may inadvertently harbor invasive species, posing potential risks to local ecosystems. Accordingly, SAI applied its existing internal risk assessment methodology to evaluate this issue, considering factors including the likelihood of occurrence, potential severity of impact, and overall risk level. The assessment results indicate that activities associated with this risk source at SAI's three plant sites present a low level of risk to surrounding ecosystems, with no material impacts identified. SAI will continue to review related risks on a regular basis in accordance with established procedures and implement appropriate response measures to ensure that facility operations maintain a stable and positive relationship with the natural environment.

Risk Source		Scope of Impact	Risk Assessment		
			Probability of Occurrence	Severity of Impact	Risk Level
Invasive species	Wooden crates and pallets may harbor invasive biological species, impacting local ecology.	Animals, plants	Low	Low	Low

5. Prepare - Nature and Climate Action Policies

SAI has established clear action policies and targets for each identified nature-related risk issue and has allocated corresponding budgets to support risk mitigation measures. SAI will also continue to evaluate the effectiveness of these measures on a rolling annual basis to ensure the effective implementation of nature-related risk management.

SAI recognizes the potential environmental impacts of solid waste generated through its operations and regards waste management as one of its key nature-related risk issues. General and industrial waste generated from operational activities, if not properly managed, may result in environmental pollution and increase operational risks as pollution control regulations become increasingly stringent. To mitigate both immediate and long-term risks, SAI continues to promote waste reduction, waste segregation, recycling and reuse, and circular economy initiatives. Through process optimization and efficient resource allocation, SAI seeks to reduce the consumption of virgin resources and minimize the volume of waste requiring final disposal.

To address transition risks, SAI actively aligns with global market trends and the sustainability expectations of downstream customers regarding sustainable supply chains. SAI continues to develop resource-circulation technologies, with particular emphasis on the application and process enhancement of recycled aluminium materials. Ongoing investments in research and development aim to increase material circularity, reduce waste generation, and minimize environmental impacts. At the same time, SAI closely monitors industry practices related to waste management and the circular economy to avoid losing competitiveness due to lagging nature-related initiatives.

In practice, SAI promotes source reduction, resource reuse, and compliant outsourced waste treatment through its internal management systems and regular performance reviews, integrating these activities into its operational management processes. In 2025, SAI did not experience any negative incidents related to nature, ecological conservation, or waste management. Looking ahead, SAI will continue to strengthen its waste management performance, enhance facility management and emergency response capabilities, and advance its circular economy initiatives. Through these efforts, SAI aims to reduce the environmental impacts of its operations and achieve its sustainable development objectives.

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Risk Category	Action Plan - Immediate Risks	Action Plan - Long-Term Risks	Action Plan - Transition Risks
Corresponding material risk items	◆ Solid waste pollution ◆ Operational disruption caused by short-term climate risks (typhoons, heavy rainfall, flooding) ◆ Water pollution and water scarcity	◆ Falling behind industry peers in advancing nature-related initiatives ◆ Increasing corporate requirements driven by growing international and supply chain attention to nature-related issues	◆ No corresponding material nature-related risks were identified; however, the following two corresponding risks exist: ◆ Environmental impacts and pollution associated with operational sites ◆ Ecological impacts caused by business activities disrupting natural ecosystems
Actual Actions and Development Opportunities	1. Promote waste reduction, resource circulation, and reuse to enhance SAI's circular economy performance. 2. Strengthen climate-resilient operational strategies to enhance customer and supply chain confidence. 3. Continue implementing water conservation measures and promoting wastewater reuse to improve water-use efficiency. 4. Continue expanding and advancing recycled aluminium technologies. 5. Continue enhancing the effectiveness of air pollution control equipment and developing applications for low-pollution raw materials. 6. Continue conducting noise monitoring.	Continue to monitor and assess the impacts of operational activities on natural ecosystems.	Develop low-carbon manufacturing processes and products in line with global market trends and the expectations of downstream brand owners.
Invested Costs	Increased costs for installing energy conservation, decarbonization, and pollution reduction equipment, approximately NT\$51.13 million.	In 2025, SAI invested manpower in research and surveys related to nature and ecological conservation.	SAI invests 2% of operating revenue in R&D each year.
Future Goals	SAI will continue to strengthen facility management and emergency response capabilities.	Continue monitoring industry practices related to nature and ecological conservation and further enhance SAI's corresponding action policies.	Continue monitoring industry practices related to nature and ecological conservation and further enhance SAI's corresponding action policies.

SAI, in advancing its sustainable development efforts, not only identifies nature-related risks but also evaluates nature-related opportunities to enhance corporate resilience and create long-term value. As global attention to natural capital management and ecosystem conservation continues to grow, SAI actively seeks growth opportunities arising from nature-related issues. Current initiatives include improving resource circularity efficiency, strengthening supply chain resilience, and collaborating with external organizations to assess the feasibility of ecosystem conservation, restoration, and regeneration projects.

SAI continues to monitor nature-related opportunities and has established corresponding action policies. At this stage, its focus is on strengthening supply chain resilience to reduce material dependency risks; improving the sustainable use and management efficiency of natural resources; promoting nature-positive actions that support ecosystem protection and strengthen brand value; implementing environmental impact management to reduce adverse effects on the natural environment; and continuously establishing and strengthening nature-related management mechanisms and policies. Through these efforts, SAI seeks to further advance ecosystem protection, restoration, and regeneration while enhancing corporate brand value and social trust. At the same time, SAI actively implements environmental impact management by systematically reviewing the potential adverse impacts of its operations on the natural environment and progressively introducing prevention, mitigation, and improvement measures to reduce pressures on ecosystems and advance toward a development model that coexists harmoniously with nature.

From a governance perspective, SAI continues to establish and strengthen nature-related management mechanisms and internal policies by incorporating nature-related topics into risk assessment, investment decision-making, and operational management processes. SAI also places increasing emphasis on long-term development opportunities related to ecosystem protection, restoration, and regeneration. During 2025, SAI proactively engaged in consultations and exchanges

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with relevant non-governmental organizations (NGOs) on biodiversity and ecological conservation topics to gain external expertise and practical experience and to explore potential collaboration opportunities. These engagements serve as important references for future actions and project planning.

In terms of resource commitment, SAI has devoted substantial personnel and management resources to evaluating and planning nature-related management systems while simultaneously studying the feasibility of projects related to ecosystem protection, restoration, and regeneration. SAI carefully assesses the potential impacts of such initiatives on operations, cost structures, and long-term value, while also exploring collaborative approaches with external organizations to enhance the effectiveness and depth of natural resource management. Looking ahead, SAI will continue to monitor international trends and regulatory developments related to nature, the environment, and ecology. It will progressively strengthen the role of nature-related issues within its sustainability governance framework, deepen its sustainable brand value, and maintain a leading position within the industry.

In addition, SAI will leverage its influence across the value chain by actively promoting and supporting upstream suppliers in developing awareness and capabilities related to nature and sustainability management. SAI will gradually collect and integrate TNFD (Taskforce on Nature-related Financial Disclosures) information from upstream suppliers to support future strategic planning, risk management, and investment decision-making. Through these efforts, SAI aims to work collaboratively with its supply chain partners to advance toward a nature-positive and sustainable future.

Opportunity Category	Action Policy - Nature-Related Opportunities	
Corresponding Material Opportunity Item	◆ Strengthen supply chain resilience to reduce material dependency	◆ Enhance and strengthen the sustainable and efficient use of natural resources
Actual Actions and Development Opportunities	◆ Expanding the input and application of recycled aluminium to reduce dependence on primary aluminium sources from a single region, mitigating supply disruption risks arising from geopolitical factors ◆ SAI has maintained recycled aluminium inventory sufficient for more than one year of use over the long term	◆ Evaluate the cost of equipment introduction and the environmental and financial benefits of the product, select higher energy-efficient machinery, and opt for low-pollution raw materials to reduce environmental pollution.
Future Goals	◆ Expanding the input and application of recycled aluminium	◆ Continue to purchase machinery or equipment with higher energy efficiency ◆ Improve resource efficiency to reduce operating costs and strengthen the brand's sustainability value

IV | Strategic Roadmap and Progress of Actions

While pursuing industrial growth, we recognize that business operations are closely interconnected with the natural environment. In 2025, SAI officially launched its "Commitment to Nature Stewardship" initiative, incorporating biodiversity into the core framework of its sustainable development strategy. In addition to focusing on the environmental impacts of our operational sites, we have proactively extended our efforts beyond our facilities to explore conservation opportunities and resource partnerships for two endangered species native to Taiwan—the farmland green treefrog (Class II Protected Species) and the eastern grass owl (Class I Protected Species).

The year 2025 also marks SAI's inaugural year of biodiversity action. Guided by the three principles of scientific monitoring, community co-prosperity, and employee engagement, SAI has completed a preliminary assessment of potential habitats for target species and has actively engaged in discussions and collaboration with academic institutions, government agencies, and non-governmental organizations (NGOs). Looking ahead, we will continue to advance ecological compensation and habitat restoration initiatives while establishing long-term, resilient partnerships for biodiversity conservation. Through these efforts, we aim to contribute meaningfully to the preservation and enhancement of Taiwan's natural environment.

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SAI Ecological Conservation Projects

Key Initiative 1: A Sanctuary for the Emerald Spirit – Farmland Green Treefrog Habitat Development

Background

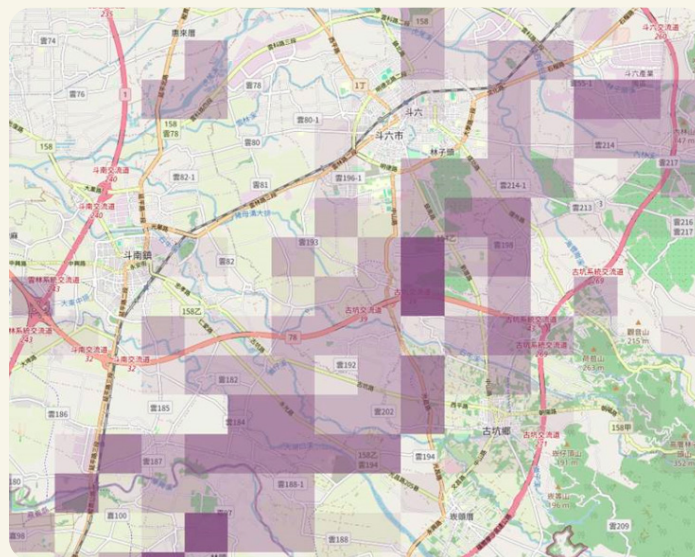
SAI's headquarters is located in Yunlin. Although SAI operates within an industrial park and is not situated in an environmentally sensitive protected area, we recognize that industrial development and urban expansion may still have indirect impacts on surrounding ecological corridors.

As a responsible corporate citizen, we have extended our conservation efforts beyond the boundaries of our facilities and conducted ecological surveys in nearby areas. The results indicated that locations surrounding the industrial park, including Mayuan Village in Gukeng Township, the Tahoukou River, and the Lunzi River watershed, serve as important habitats for the farmland green treefrog. We believe that protecting the farmland green treefrog is not only an environmental responsibility but also an important step toward safeguarding the ecological network that supports coexistence among local communities, agriculture, and biodiversity.

Current Progress

Preliminary discussions have been conducted with the Yunlin Branch of the Society of Wilderness and Watch Nature Ecological Consultant Co., Ltd. to explore the role SAI can play and the support it can provide within this biodiversity conservation project.

Distribution of the Farmland Green Treefrog in Yunlin



(Source: Catalogue of Life in Taiwan, TaiCOL)

Future Goals and Project Actions

Short-Term

Plan to sign MOUs with relevant conservation organizations

Medium-Term

1. Promote biodiversity-friendly certification programs through field visits to frog-friendly agricultural sites, enabling participants to learn about habitat-friendly management certification systems and engage with certified farmers and agricultural cooperatives.
2. Deepen environmental education efforts by organizing citizen science survey activities and corporate environmental education workshops. Professional instructors will introduce ecological survey concepts and enhance employees' understanding of the Convention on Biological Diversity and international conservation trends.

Long-Term

Habitat restoration and creation: Evaluate opportunities for habitat creation within plant facilities and assess the feasibility of reconnecting fragmented or degraded farmland green treefrog habitats to ensure sufficient living space for sustainable population growth.



Farmland Tree Frog Ecological Imagery

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Key Initiative 2: Guardians of the Grassland Hunter – Eastern Grass Owl Ecological Restoration Program

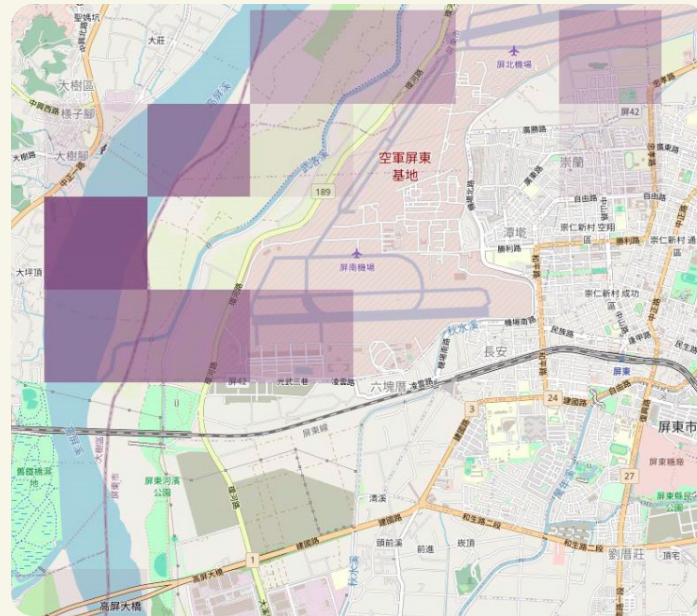
Background

Similar to the Yunlin Plant, SAI's Pingtung Plant is located within an industrial park rather than an environmentally sensitive area. However, its geographic location is close to the Kaoping River basin, one of the primary distribution areas of the eastern grass owl. We understand that the loss of lowland grassland habitats is one of the major threats facing this species. Based on this understanding, we have chosen not to limit our focus solely to the operational impacts within our facilities. Instead, we are actively evaluating opportunities to contribute to eastern grass owl conservation through habitat adoption and habitat creation initiatives aimed at supporting the species' long-term survival.

Current Progress

Technical exchanges have been conducted with the Pingtung Branch of the Forestry and Nature Conservation Agency, the NPUST Bird Ecology Lab, and the Kaohsiung Wild Bird Society.

Distribution of the Eastern Grass Owl Near the Pingtung Plant



(Source: Catalogue of Life in Taiwan, TaiCOL)

Future Goals and Project Actions

- Habitat Adoption and Restoration:** Evaluate the adoption of conservation sites in Mili Village, Ligang Township of Pingtung or the Old Railway Bridge & Wetlands in Dashu District, including the removal of invasive plant species and the planting of cogongrass.
- Support for Scientific Monitoring:** Provide funding for the installation of perches, infrared cameras, and audio recording equipment to support monitoring activities and prevent habitat degradation or disturbance.
- Educational Experiences and Exhibitions:** Organize an eastern grass owl conservation exhibition and dedicated wildlife experience programs, including guided tours led by animal caretakers for employees.
- Conservation of Diverse Species:** Provide financial support for broader conservation efforts benefiting protected species such as the eastern grass owl, black-naped oriole, and pheasant-tailed jacana, including nest monitoring, bird banding and release programs, and community-based conservation outreach initiatives.



Grass Owl Habitat Imagery

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Biodiversity Conservation Targets

Short-Term Targets (1–2 Years)

Target Category	Expected Target
System Development	Sign Memoranda of Understanding (MOUs) with at least two professional organizations. SAI is currently maintaining communication with Watch Nature Ecological Consultant Co., Ltd. and the Kaohsiung Wild Bird Society and continues to evaluate collaboration opportunities.
Quantifiable Outcomes	Complete a preliminary survey report on the farmland green treefrog and eastern grass owl populations in areas surrounding the industrial park, and evaluate the initiation of a habitat creation project covering approximately 0.5–1 hectare.
Employee Participants	Organize one to two biodiversity education programs or habitat restoration volunteer activities.
Social Impact	Support environmentally friendly agriculture and eco-label promotion initiatives to facilitate community transformation and sustainable farming practices.

Medium-Term Targets (3–5 Years)

Target Category	Expected Target
Supply Chain Engagement	Engage with upstream suppliers to better understand the potential impacts of their operations and production processes on biodiversity and natural ecosystems.

Long-Term Targets (Over 5 Years)

Target Category	Expected Target
Supply Chain Engagement	Provide education and training to upstream suppliers on nature-related financial disclosures.

V | TNFD Disclosure Framework and Implementation Status

To respond to the growing importance that international investors and stakeholders place on nature-related disclosures, SAI has referenced the framework published by the TNFD. SAI is progressively incorporating considerations related to governance, strategy, risk management, and indicators and targets to assess nature-related dependencies and risks and integrate them into its operational and decision-making processes.

SAI has initiated internal assessments and cross-functional collaboration to conduct preliminary evaluations of natural resources and ecological risks surrounding its facilities. Biodiversity and water resource management topics have been incorporated into supplier management regulations, while governance mechanisms and management participation have been strengthened to progressively establish corresponding response strategies and disclosure capabilities.

Looking ahead, SAI will continue to monitor developments in the TNFD framework and gradually expand the scope of its assessments to include global operating locations and upstream and downstream value chain activities. Through these efforts, SAI aims to further enhance its resilience to nature-related risks and strengthen its long-term sustainability competitiveness.

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Pillar	TNFD Disclosures	Content
Governance	The Board's oversight of nature-related dependencies, impacts, risks, and opportunities	- SAI has integrated climate change and natural resource-related risks, including emerging issues such as biodiversity, into its overall risk management framework, with regular oversight by senior governance bodies. Relevant information is reported to the Board of Directors at least annually as a basis for sustainability strategy and risk response decision-making. - Functional committees also participate in the governance of climate and environmental issues. For example, the Audit Committee convenes quarterly meetings, during which the head of Internal Audit reports on audit activities and key findings by the Audit Office related to the design and operating effectiveness of the internal control system addressing climate-related risks, thereby strengthening SAI's ability to manage and respond to environmental risks.
	Management's role in assessing and managing nature-related dependencies, impacts, risks, and opportunities	
	The organization's human rights policies and engagement activities in assessing and responding to nature-related dependencies, impacts, and risks, and oversight by the Board and management with respect to Indigenous Peoples, Local Communities, and affected and other stakeholders	- SAI's sustainability team analyzes and evaluates nature-related frameworks (such as TNFD) and applies relevant methodologies. SAI is gradually deepening its understanding of biodiversity-related issues and their implications for business operations while formulating implementation strategies and action plans. - Biodiversity considerations have also been incorporated into the Supplier Code of Conduct. Through collaboration with suppliers, SAI seeks to reduce dependencies on and impacts to critical natural capital.
Strategy	Identified short-, medium-, and long-term nature-related dependencies, impacts, risks, and opportunities	- Based on the results of the ENCORE assessment, we identified issues that are material to SAI in terms of environmental dependencies and impacts. Benchmark practices from the automotive, semiconductor, and high-technology industries were also referenced to identify nature-related risks and opportunities relevant to SAI. - Using a five-kilometer radius surrounding plant operating areas as the assessment boundary, overlay analyses were conducted using protected area and Key Biodiversity Area (KBA) datasets to confirm that SAI's operations are not located within protected ecological areas or KBAs. - In addition to evaluating natural resources and biodiversity surrounding our three plant sites in Yunlin and Pingtung, we also communicated with the local competent authorities to better understand nearby ecological and cultural conservation conditions. All Company facilities are located within well-planned industrial or technology parks, and local authorities have assessed related activities within these areas as posing a low level of risk to local biodiversity and ecosystems.
	The effects of nature-related dependencies, impacts, risks, and opportunities on the organization's business model, value chain, strategy, and financial planning, as well as any transition plans or analysis in place	- Through ongoing engagement with government agencies, industry, academia, and research institutions, SAI continues to monitor the ecological environment, respect ecological balance, and support the protection of endangered species. - In the future, we plan to continue developing and implementing nature- and biodiversity-related training programs to strengthen internal awareness and professional capabilities. - In the future, we will consider expanding the scope of biodiversity risk assessments to include overseas manufacturing plants, areas surrounding office locations, and upstream and downstream value chain activities. Through more comprehensive identification and analysis, we will further develop management strategies for nature-related risks and opportunities, assess their potential operational impacts, and enhance overall environmental resilience and response capabilities.
	The resilience of the organization's strategy to nature-related risks and opportunities, taking into consideration different scenarios	- To strengthen risk management, SAI has established comprehensive natural disaster response plans to address potential events such as storms, floods, and earthquakes, thereby safeguarding business continuity and employee safety. To reduce supply chain risks, we also adopt diversification strategies that reduce dependence on any single region or resource source and improve adaptability. - SAI actively pursues renewable energy adoption and environmentally friendly technological innovation. In addition to exploring renewable energy sources, we are committed to developing resource circulation technologies to address future regulatory changes and market demands while creating opportunities for new markets and business development.

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Pillar	TNFD Disclosures	Content
Strategy	Disclosure of assets and/or activities in direct operations located in areas that may meet priority location criteria, and relevant upstream and downstream value chain(s)	- SAI has conducted a preliminary assessment of nature-related dependencies and impacts associated with its direct operations, covering existing plants and office locations. Assessment dimensions include ecosystem integrity, biodiversity significance, and water stress levels to determine whether operations involve locations that meet TNFD priority location criteria. - Based on current assessment results, SAI's operating sites are not located in areas of high water stress and do not appear to have significant impacts on local biodiversity. - In addition, SAI has reviewed potential physical and reputational risks associated with its operating locations. All locations are situated within well-planned industrial parks or technology parks that have undergone review and approval by the competent authorities and have completed the required environmental impact assessment procedures, enabling effective management of operational risks. - Following completion of baseline assessments for its own operations, SAI will evaluate expanding the scope of nature-related risk and opportunity identification to gradually include upstream raw material suppliers, manufacturing partners, and downstream logistics and product-use stages. This will strengthen nature-related risk management and governance across the overall value chain and further align SAI with international sustainability trends.
Risk and Impact Management	Processes for identifying and assessing nature-related dependencies, impacts, risks, and opportunities	- Nature capital-related impacts, such as water scarcity, vary depending on geographic location and regional conditions. Accordingly, related targets and strategies must be tailored to local circumstances. We applied the LEAP approach under the TNFD disclosure framework to carry out integrated disclosures. - This assessment represents a preliminary evaluation of the industry to which SAI's own operations belonged, including industry-specific dependencies on and potential impacts from ecosystem services and natural capital. Upstream suppliers and downstream customers were not included in the scope. Using the ENCORE tool, SAI identified five dependency-related topics and five impact-related topics relevant to SAI. - In addition, SAI incorporated benchmark practices from the automotive, semiconductor, and technology industries and identified 13 nature-related risks and 6 nature-related opportunities that are particularly relevant to SAI for further assessment. - Assessment results indicate that the four most material risks are solid waste pollution; failure to advance nature-related initiatives resulting in lagging behind industry peers; operational disruption risk arising from short-term climate events; and water pollution and water scarcity. Among nature-related opportunities, strengthening supply chain resilience to reduce material dependency risks and enhancing the sustainable and efficient use of natural resources were identified as the most significant opportunities.
	Processes for identifying and assessing nature-related dependencies, impacts, risks, and opportunities across upstream, direct operations, and downstream/investment and financing activities	
	Integration of identification, assessment, and management processes into the organization's overall risk management framework	SAI's risk management framework considers and integrates nature-related risks. According to SAI's "Risk Management Policy," through processes such as risk identification, risk analysis, risk assessment, risk response and monitoring, and risk reporting and disclosure, each risk-responsible unit must conduct risk assessment for identified risk scenarios. Based on the residual risk level assessed, they are required to propose risk response improvement plans to effectively manage risks.
Metrics and Targets	How the organization engages with and responds to stakeholders when assessing nature-related dependencies, impacts, risks, and opportunities	- SAI continues to conduct environmental pollution monitoring and follow-up assessments at its two plant sites in Taiwan. - In addition, SAI will continue to evaluate opportunities to deepen local engagement through environmental education, sustainability awareness initiatives, community partnerships, and ecological conservation programs, thereby contributing to local communities and supporting maintenance of the local ecosystem and sustainable development.
	- Metrics used to assess and manage nature-related risks and opportunities in line with the organization's strategy and risk management process - Metrics used to assess and manage nature-related dependencies and impacts - Targets used to manage nature-related dependencies, impacts, risks, and opportunities, and performance against those targets	- For future investment projects and new operating locations, environmental impact assessments will be incorporated as a key review criterion and considered as part of investment decision-making and project completion requirements. - Suppliers are prohibited from conducting operations in locations that contain biodiversity of global or national significance. - Existing plants monitor and manage environmental emissions, including water consumption, wastewater recycling and discharge rates, and noise levels. No material environmental incidents occurred in 2025. - In the future, we will evaluate the expansion of nature-related risk and opportunity assessment processes to upstream and downstream supply chains. Following completion of the analysis, relevant assessment metrics will be updated based on the risks and opportunities identified.

CH2 LINKAGE & VALUE

We strive to foster close ties with customers, suppliers, and local communities, creating sustainable value rooted in integrity, partnership, and shared success.

Empowered by innovation and collaboration, we reinforce value chain resilience to shape a brighter future together.



2.1

Supplier Management



2.2

Trade Associations &
Advocacy Organizations



2.3

Quality Management



2.4

Customer Service &
Relationship Management



2.1 Supplier Management

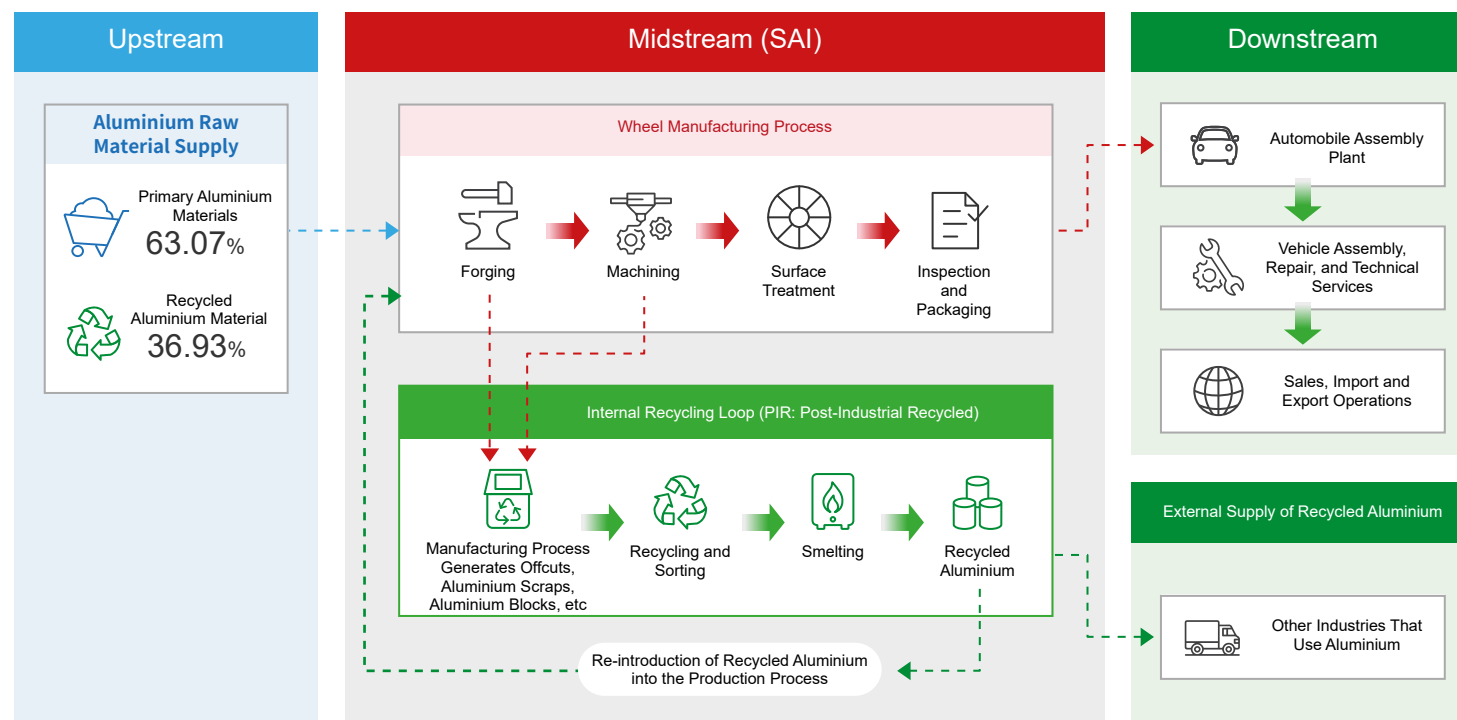
SAI Value Chain

SAI specializes in aluminium alloy forging solutions, covering the development, production, and sales of products such as automotive wheels and suspension parts. In addition to continuously developing new forging technologies, researching new material applications, and enhancing design and engineering capabilities, SAI is also committed to improving the lightweight performance of forged products. At the same time, we continue to explore opportunities to provide forging services for other suitable industrial components, thereby expanding our service portfolio. Given the diversity and high complexity of surface treatment processes, SAI provides customers with professional optimization recommendations during the product design stage to meet their needs for product personalization and uniqueness.

Forging is positioned within the middle-tier metal processing industry of the manufacturing sector. Forging alters metal structure to refine, homogenize, and fibrate the material, thereby enhancing its mechanical properties suitable for manufacturing high-strength, lightweight products or components.

In response to sustainability transformation and the promotion of circular economy, SAI has built upon its core automotive wheel and forging technologies and further expanded its scope into resource circulation. We have established a closed-loop ecosystem for post-industrial recycling (PIR) within our processes, recycling 100% of process offcuts such as aluminium scraps and aluminium blocks, smelting them into recycled aluminium, and then reusing them as raw materials in production. At the same time, we are developing a cross-industry external supply chain for recycled aluminium, expanding high-quality, low-carbon recycled aluminium to other industries that use aluminium and deepening SAI's green influence. The relationship between SAI's upstream, midstream, and downstream industry chain and recycled aluminium circulation is shown below:

SAI-Centered Industry Chain and Recycled Aluminium Circulation



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2.1 Supplier Management

I | Supplier Overview

SAI's supplier network encompasses raw material suppliers, machinery and equipment providers, engineering contractors, and other business partners. SAI continues to strengthen a robust and resilient supply chain management framework. In 2025, SAI worked with a total of 884 domestic and international suppliers, of which 835 were based in Taiwan, accounting for 94.46% of the total. This demonstrates that SAI's supply chain is centered on local partners. Over the past three years, the proportion of local suppliers has consistently remained above 94%, reflecting the effectiveness of SAI's long-term commitment to local procurement and the deepening of collaboration with local supply chain partners.

Guided by the principles of sustainable corporate development, SAI prioritizes local suppliers in its procurement strategy for all non-raw-material purchases. The only major exception is aluminium ingots, which must be sourced internationally. Prioritizing local suppliers not only shortens procurement lead times, enhances production efficiency, and reduces carbon emissions, but also contributes to local economic stability and job creation.

1. Proportion of Local Procurement Ratio

Local Procurement	2023	2024	2025
Proportion of Local Procurement Amount ^(Note 2)	48.33%	43.65%	46.12%
Total Number of Suppliers	906	916	884
Number of Local Suppliers	859	865	835
Proportion of Local Suppliers	94.81%	94.43%	94.46%

Note 1: Definition of Local: The location of the trading partner.

Note 2: Since Taiwan does not produce aluminium, SAI primary sources raw materials from the EGA Group, purchasing aluminium ingots from Dubai. Excluding the procurement amount of aluminium ingots supplied by EGA, the proportion of local procurement amount in Taiwan for SAI in 2025 was 86.51%.

SAI classified its major suppliers into five categories—Category A, Category B, Category C, outsourcing contractors, and contractors—based on the extent of each supplier's impact on operations and products. Among them, Category A, Category B, and outsourcing contractors were designated as critical suppliers because they had a direct and immediate impact on product quality and finished goods shipments. In 2025, SAI conducted transactions with a total of 884 suppliers, including 19 Category A suppliers, 106 Category B suppliers, and 22 contractors, for a total of 147 key suppliers. The procurement value from these key suppliers accounted for more than 60% of SAI's total annual procurement spending.

Category A Suppliers	After purchase of the product, used for the product itself or its components
Category B Suppliers	After purchase of the product, used for production-related needs
Category C Suppliers	Suppliers other than those described above
Outsourced Suppliers	Providing raw materials or semi-finished products internally, outsourced for production or processing
Contractors	Plant construction, facility renovation, utilities and electrical works, equipment maintenance, and related services

2. Risk Management of Critical Raw Materials

SAI arranged purchase volumes with critical raw material suppliers for the coming year to ensure supply continuity and closely monitors customer demand fluctuations to make necessary adjustments. We have also conducted material testing with other international aluminium suppliers and have qualified alternative suppliers to ensure smooth transitions if supplier changes are needed. Additionally, SAI can produce recycled aluminium, which has superior material quality and can provide a stable supply.

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2.1 Supplier Management

II | Supplier Standards

To fulfill its supply chain management responsibilities, SAI has established a range of specific management requirements and collaboration standards for its suppliers. These requirements cover a variety of topics, including environmental sustainability, information security, and human rights. Through the joint efforts of its supply chain partners, SAI aims to build a responsible and resilient supply chain system. The relevant requirements are outlined below:

Environmental, Health, and Safety Management Requirements

SAI has established occupational safety and health management units, namely the ESH team and occupational safety team, to promote related matters. It has also established procedures related to supplier and contractor occupational safety and health management. Through supplier audit activities, SAI expects to enhance suppliers' attention to and actions on ESH issues. In practice, suppliers must comply with government EHS regulations and cooperate with SAI's EHS audits. Additionally, for on-site construction, suppliers must sign a "Contractor EHS Management Acknowledgment" and complete pre-entry EHS training.

Conflict-Free Minerals Declaration Requirements

SAI requires raw material suppliers to provide declarations of non-use of conflict minerals. Through enhanced supply chain management, SAI effectively screens and traces material sources to eliminate the use of conflict minerals. Any raw materials with conflict-related concerns are excluded from procurement consideration.

Information Security and Prototype Protection Management Requirements

To strengthen information security management and ensure the confidentiality, integrity, and availability of our information assets, SAI has specifically established relevant policies and regulations to comply with legal requirements and customer demands regarding information security and prototype protection. To maintain close cooperation within the supply chain, suppliers accessing "Confidential" or "Highly Confidential" information assets or handling prototype products related to new development projects must continuously enhance their management of information security and prototype protection, as well as meet and adhere to our related terms and audit activities.

Supplier Code of Conduct Requirements

SAI is committed to ensuring that supplier selection assessments exceed economic standards. In recognition of the importance of human rights, labor standards, business ethics, environmental protection, and occupational safety, SAI requires suppliers to meet sustainability standards and expects them to adopt similar or equivalent principles, ensuring that all business activities comply with this Code as well as the laws and regulations of the countries in which they operate. SAI expects suppliers to communicate this Code of Conduct to their employees, subsidiaries or affiliated companies, and contractors. SAI reserves the right to verify compliance throughout its supply chain.

Greenhouse Gas Inventory Requirements

To implement sustainable risk management across the supply chain and drive the entire supply chain toward a low-carbon future, SAI has incorporated greenhouse gas (GHG) inventory activities as a criterion in supplier evaluations, encouraging suppliers to conduct GHG inventories. To monitor the status of suppliers' GHG inventory implementation — which serves as the basis for calculating SAI's Scope 3 emissions reductions — SAI conducts GHG inventory status surveys among key suppliers, with the goal of co-creating a sustainable supply chain.



III | Supplier Audits

During the signing of commercial contracts between the Materials Unit (the Procurement Team) at SAI and business partners, service providers, and suppliers, a "SAI Supplier Code of Conduct" is signed alongside these contracts to enhance stakeholder recognition of SAI's Code of Conduct. Signing the Code of Conduct has become a mandatory document in SAI's new supplier qualification process. As of 2025, 186 of the top 200 suppliers have completed the signing, and suppliers that have signed the Code of Conduct account for more than 90% of total procurement spend.

Furthermore, to put the principles of responsible procurement into practice, SAI has established a "Supplier Audit Control Procedure" as the basis for supplier reviews. Due diligence assessments of the Code of Conduct are conducted for key suppliers, with regular monitoring of responsible procurement policy implementation to verify supplier compliance with the Code of Conduct and to uphold high standards of business ethics, social responsibility, and environmental responsibility, in order to support SAI's commitment to corporate social responsibility. SAI's auditors carry out supplier audits in accordance with established procedures and record audit findings in the "Supplier Code of Conduct Audit Report." In 2025, SAI completed Code of Conduct audits in accordance with its procedures, covering a total of 9 key suppliers. Follow-up on deficiencies and improvements is ongoing.

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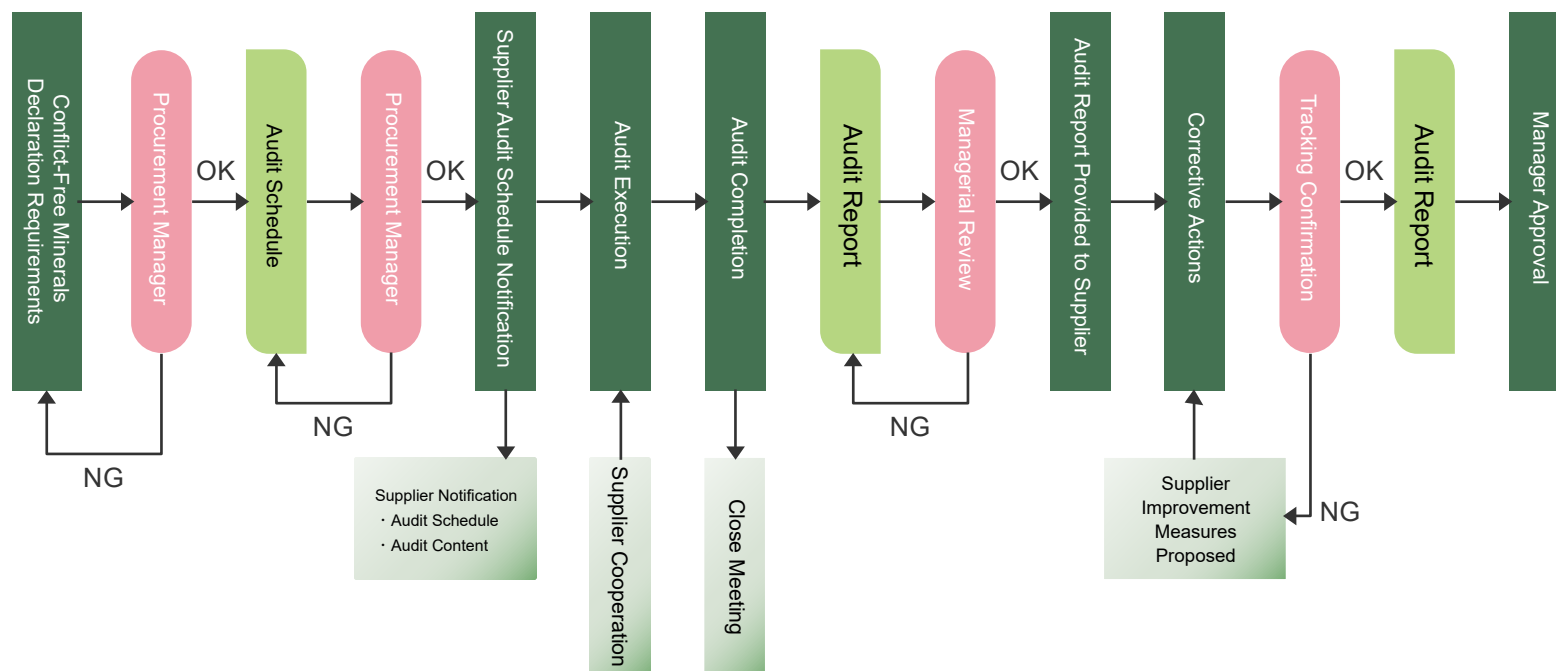
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Supplier Audit Process

SAI places great importance on supply chain management and risk control, and through a well-defined supplier audit process, continuously reviews supplier performance across dimensions including quality, delivery, process management, and improvement mechanisms. Through closed-loop management of auditing, tracking, and improvement, SAI not only strengthens supply chain collaboration efficiency and quality stability, but also further enhances supply chain resilience, building long-term and sustainable partnerships together with its suppliers.



IV | Supplier Greenhouse Gas Inventory Status

To reduce Scope 3 and overall supply chain carbon emissions, SAI began inventorying and surveying suppliers in 2023 to determine whether they have obtained or passed verification under ISO 14064-1 or GHG Protocol standards. In 2024 and 2025, SAI participated in the Ministry of Economic Affairs' "Large Enterprises Leading Small Enterprises" program to assist suppliers in building smart energy management platforms. To date, 4 key suppliers have completed implementation, with IoT-enabled smart meters installed to help suppliers monitor energy consumption. Real-time status modules accessible via a mobile app allow suppliers to track resource usage, and a public cloud-based GHG management platform has been successfully launched. These measures will support SAI in monitoring supplier environmental performance and lay the management groundwork for establishing future supplier GHG inventory management targets. Among SAI's top 20 suppliers, surveys have confirmed that 5 have already obtained GHG inventory certification, while an additional 6 within the surveyed scope are expected to conduct greenhouse gas inventories in 2026.

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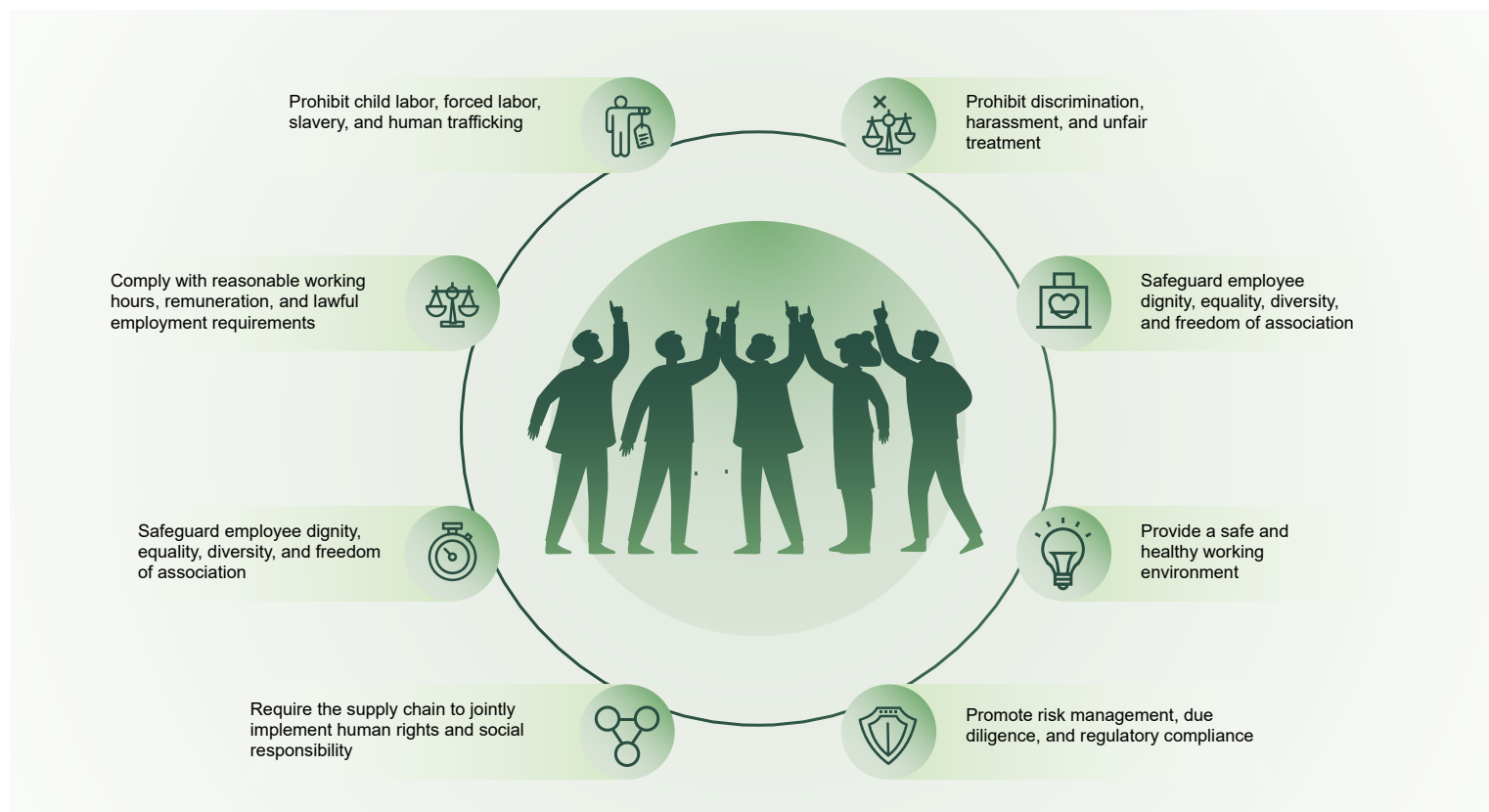
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V | Supplier Human Rights Management in Accordance with Customer Requirements

In response to the strong emphasis placed on human rights management by SAI's key customers, SAI has referenced their human rights policies and codes of conduct to incorporate requirements into its own supplier management practices, including the prohibition of discrimination, prohibition of child labor and forced labor, ensuring safe and healthy workplaces, respecting freedom of association, and grievance mechanisms and supply chain management. Suppliers are required to comply with these requirements in order to meet customer expectations and strengthen sustainability management across the overall supply chain. Accordingly, we strictly comply with the human rights management policies established by customers:



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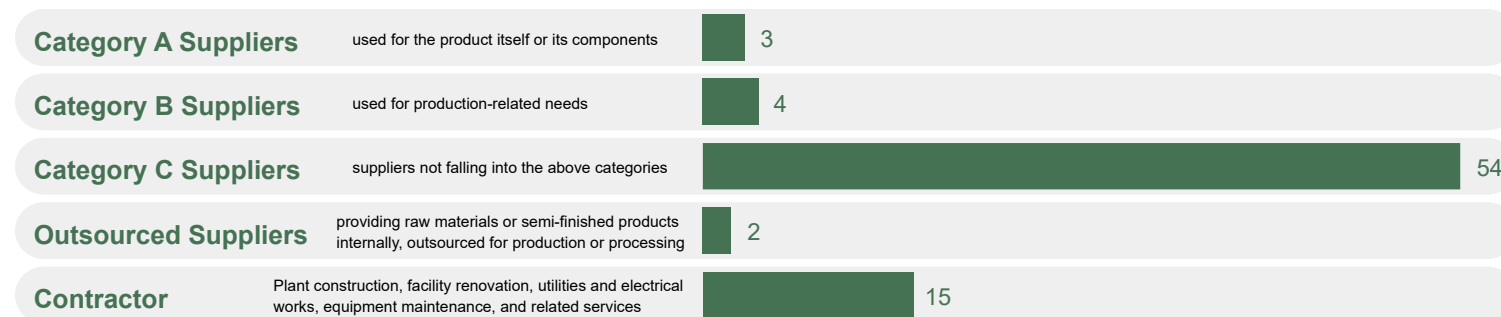
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VI | 2025 New Supplier Assessment

SAI places great importance on the quality and management capabilities of its supply chain partners, and through its new supplier assessment mechanism, carefully evaluates the suitability of prospective partners across dimensions including products, processes, services, and contract fulfillment capabilities. In 2025, the screening coverage rate for new suppliers reached 100%. Through a systematic classification and evaluation process, SAI is able to establish an appropriate management foundation at the early stage of supplier onboarding, reduce collaboration risks, and further strengthen supply chain resilience and sustainable development capabilities.



2025 Supplier Evaluation Results

To continuously strengthen supply chain management effectiveness and ensure that suppliers meet SAI's requirements across dimensions including quality, delivery, responsiveness, and sustainable operations, SAI conducts annual supplier evaluations as an important basis for tiered supplier management and future collaboration strategy. The 2025 supplier evaluation results are classified into Grades A through E based on scoring ranges, with differentiated management measures and evaluation frequencies assigned accordingly, in order to implement a continuous supplier improvement mechanism and enhance overall supply chain stability and competitiveness.

Evaluation Level	Score	Result	Evaluation Frequency/Non-conformance Handling
Grade A (Excellent)	90—100 points	Qualified	Listed as Qualified Supplier, evaluated annually.
Grade B (Good)	80—89 points		Listed as Qualified Supplier, evaluated semi-annually.
Grade C (Acceptable)	70—79 points		Listed as Qualified Supplier, evaluated quarterly.
Grade D (Under Observation)	60—69 points	Observation	Listed as Observation Supplier, evaluated monthly. Improvement notified according to deficiencies, with reduced procurement and delayed payment. Continuous classification as Grade D for three months results in listing as Non-qualified Supplier if no improvement is observed despite guidance.
Grade E (Non-qualified)	Below 59 points	Non-qualified	Listed as Non-qualified Supplier and transactions are halted.

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The 2025 supplier evaluation results indicate that SAI's supply chain has maintained robust overall performance. Of the 147 suppliers evaluated, a total of 145 were rated Grade A (Excellent) or Grade B (Good), representing 98.64% of the total. This demonstrates that the majority of suppliers have achieved a consistent standard across dimensions including quality, delivery, service, and management capabilities, providing a stable foundation for continued collaboration. In the current year, only 2 suppliers were rated Grade C (Acceptable), with no suppliers rated Grade D (Under Observation) or Grade E (Non-Qualified), reflecting the effectiveness of SAI's supplier management and screening mechanisms. Going forward, SAI will continue to pursue a parallel approach of evaluation and remediation guidance to drive continuous supplier improvement and strengthen supply chain resilience and sustainable competitiveness.

Supplier Categories	Evaluation Criteria and Weighting	No. of Suppliers/ Proportion	Grade A	Grade B	Grade C	Grade D	Grade E	Total
Category A Suppliers	Quality 30% Delivery 25% Service 20% Price 15% International Certifications (Including Greenhouse Gas Verification)/Other 10%	No. of suppliers	17	2	0	0	0	19
		Proportion	89.47%	10.53%	0.00%	0.00%	0.00%	100.00%
Category B Suppliers		No. of suppliers	73	31	2	0	0	106
		Proportion	68.87%	29.25%	1.89%	0.00%	0.00%	100.00%
Outsourced Suppliers		No. of suppliers	11	11	0	0	0	22
		Proportion	50.00%	50.00%	0.00%	0.00%	0.00%	100.00%
Total			101	44	2	0	0	147

VII | Supplier Sustainability Advocacy

Large Enterprises Leading Small Enterprises — Co-Creating a Low-Carbon Supply Chain

In response to the global net-zero emissions trend and customer expectations for sustainable supply chain management, SAI, acting in its role as a core enterprise, continues to advance a “large enterprises leading small enterprises” supply chain sustainability collaboration model, working hand in hand with suppliers to engage in energy conservation, carbon reduction, and low-carbon transition initiatives. Through institutionalized collaboration mechanisms and experience sharing, SAI not only deepens supply chain partnerships but also assists small and medium-sized suppliers in progressively building their sustainable management capabilities, lowering the barriers to transition, and further strengthening the resilience and competitiveness of the overall supply chain in both environmental and operational dimensions.

In driving this effort, SAI assists suppliers in enhancing energy and operational management effectiveness through the introduction of systematic and digitalized management practices, including the establishment of real-time monitoring and anomaly alert mechanisms to strengthen energy use transparency and real-time response capabilities, thereby reducing energy waste and operational risks. At the same time, through process optimization and data analysis, SAI helps suppliers identify potential areas for energy efficiency improvement, reduce labor and labor costs, enhance overall operational efficiency, and progressively achieve optimized energy use — while also laying a solid foundation for subsequent GHG management and data integration.

In addition, SAI has extended the “large enterprises leading small enterprises” concept to the domains of occupational safety and health and supply chain governance. Through the establishment of a supply chain Safety Family, with the core enterprise serving as the leading and exemplary role, SAI shares practical experience and management practices to help suppliers improve their working environments and enhance management capabilities for occupational safety risks. Through cross-enterprise exchanges and mutual learning, SAI fosters a partnership of shared growth across the supply chain, progressively building a sustainable supply chain system that balances low-carbon development, operational stability, and employee safety, and expanding the overall influence of SAI's sustainable operations.

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2.2 Trade Associations and Advocacy Organizations

I | Participation in Trade Associations

Cross-Sector Collaboration: Co-Creating a Sustainable Ecosystem

“If you want to go fast, go alone. If you want to go far, go together.” Amid the global wave of net-zero emissions, SAI firmly believes that while technological breakthroughs by a single enterprise are important, only through deep alliances with trade associations, supply chain partners, and academic institutions can industry boundaries be broken down, and systemic change be driven forward.

In 2025, guided by its new vision of becoming “a global R&D and manufacturing leader in light metal forging and recycled aluminium applications,” SAI actively participated in various professional organizations to extend its influence as a “total solution provider for sustainable, low-carbon aluminium”:

Regional Co-Prosperity and Local Leadership Value

As a core enterprise in the Yunlin and Pingtung regions, SAI is deeply rooted in local industrial clusters. In addition to participating in the Yunlin County and Pingtung County Industrial Associations, SAI's Chairman has taken on the significant role of Chairman of the Yunlin Technology Industrial Park Association. Through hands-on leadership, SAI coordinates regional resources, drives the upgrading of local industries, and fulfills its commitment to co-existing and thriving alongside the local community.

Technology Pioneering and Industry-Academia Innovation Linkages

To maintain its leading position in global competitiveness, SAI is actively engaged in the National Chung Hsing University Light Metals Academia-Industry Technological Alliance and the Taiwan Light Metals Association. By connecting with top-tier R&D capabilities, SAI continues to push the technological boundaries of lightweight materials — not only absorbing new external knowledge, but also generously sharing its own practical achievements in technology development and industrial applications, thereby fostering the circulation of technical knowledge across the industry.

Industry Empowerment and Sustainability Policy Response

As a key member of the Taiwan Transportation Vehicle Manufacturers Association and the Taiwan Aerospace Industry Association, SAI actively engages with government, industry, and academic stakeholders to stay abreast of industry transition trends. In addition, through the Yi Yun CEO Club and the Labor Relations Association of Yunlin County, SAI strengthens cross-industry leadership dialogue, promotes labor-management harmony and sustainable talent development, and works hand in hand with industry partners to drive sustainable transition.

Association Name	Membership Status
Yi Yun CEO Club of the Republic of China	Member
National Chung Hsing University Light Metals Academia-Industry Technological Alliance	Member
Taiwan Transportation Vehicle Manufacturers Association	Class A Member
Taiwan Aerospace Industry Association	Tier 1 Member
Taiwan Light Metals Association	Group Member
Labor Relations Association of Yunlin County	Group Member
Pingtung County Industrial Association	Member
Yunlin County Industrial Association	Member
Yunlin Technology Industrial Park Association	Chairman



Photo: SAI Chairman assumes office as the 11th Chairman of the Yunlin Technology Industrial Park Association

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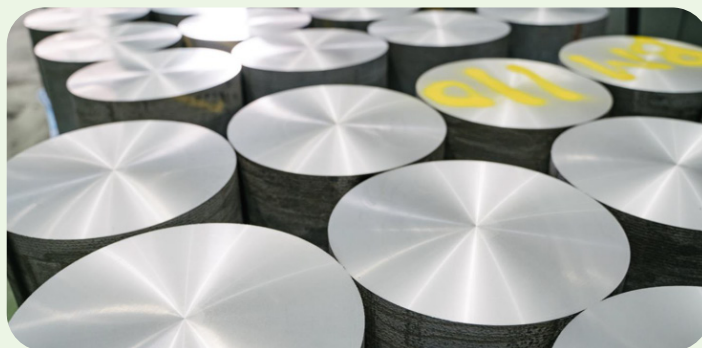
II | Advocacy Organizations

In light of increasingly pressing global contemporary issues such as climate change, environmental ecology, and just transition, SAI recognizes that sustainable development is no longer a challenge any single enterprise can address alone. Beyond deepening its practical technical expertise locally, we have expanded our perspective to the global sustainability arena, actively participating in landmark international initiatives and cross-sector actions to integrate resources across the industry chain and deepen stakeholder engagement, in order to effectively respond to evolving external challenges.

We translate our commitment to sustainability into a concrete strategic blueprint, continuing to align with international standards and draw on industry best practices. This not only responds to the expectations of international supply chains, but also serves as a concrete demonstration of SAI's core value as a "long-term and trustworthy partner." Through participation in diverse advocacy platforms, we convert our commitments into impact, working together with stakeholders across sectors to build a more resilient and responsible future.

ASI Aluminium Stewardship Initiative

Since officially obtaining certification under the ASI (Aluminium Stewardship Initiative) Performance Standard V3 (2022) in July 2023, SAI has continued to deepen its participation in a responsible aluminium value chain, embedding "sustainability" into the core of its corporate strategy and implementing end-to-end management and monitoring — spanning raw material procurement, manufacturing, and product output — in order to fulfill its commitment to responsible production. At the same time, in response to the trend toward vehicle electrification, SAI is actively exploring and developing diverse application possibilities for forged aluminium, while enhancing resource circularity through recycled aluminium smelting technology, in an effort to expand the application value of aluminium in sustainable manufacturing and low-carbon transition, and to maximize the contribution value of aluminium.



E.SUN ESG Sustainability Initiative

In 2025, SAI participated in the "E.SUN ESG Sustainability Initiative" launched by E.SUN Financial Holding Company, joining numerous leading domestic and international enterprises in committing to sustainable transition and demonstrating ongoing attention and concrete action on environmental, social, and corporate governance issues. SAI believes that, in the face of global sustainability trends and industry transformation challenges, enterprises must not only strengthen their own operational resilience, but also engage in cross-sector exchange and collaboration — working together with industry partners, financial institutions, and resources from all sectors — to jointly advance and spread sustainable value. Through participation in this initiative platform, SAI has deepened its understanding of sustainability issues and further responded to the key directions of "talent development" and "technology empowerment," continuing to promote the development of green-collar talent while actively exploring the potential applications of digitalization and AI technology in corporate management and sustainability practices. SAI hopes that by sharing experience, exchanging perspectives, and connecting resources with stakeholders across sectors, it can continue to enhance its sustainability governance capabilities and work together with its supply chain partners to contribute to Taiwan's industrial upgrading, social well-being, and sustainable development.



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2.3 Quality Management

SAI's core focus is on delivering "high-quality, low-carbon materials" and "high-precision machined products." By implementing a quality policy centered on "customer satisfaction, total employee participation, and continuous improvement," we integrate a culture of quality into the core of our operations. We not only meet the rigorous standards of high-end industries, but are also committed to driving a materials revolution within the circular economy, creating dual value for customers in both carbon reduction and quality

I | Quality Policy

Customer Satisfaction

Listening to customer feedback, understanding market demands, creating market value, and ensuring customer satisfaction.

Full Participation

Engaging all employees to actively develop and enhance process technologies, and build rapid response capabilities.

Continuous Improvement

Achieving higher quality standards and delivering superior services and comprehensive solutions through ongoing continuous improvement efforts.

Technology-Driven Green Commitment: Recycled Aluminium Purity Beyond International Standards

To put the circular economy into practice, SAI has actively developed recycled aluminium smelting technology. In 2023, full-element testing of 65 elements conducted by the independent third-party certification body SGS shows that impurity and contaminant levels are well below regulatory limits — demonstrating that the purity of SAI RESAICAL® Aluminium materials exceeds international standards.

AL6061 Recycled Aluminium

International standards cap total impurities at 0.15%;
SAI's measured result was only 0.039%

AL6082 Recycled Aluminium

International standards cap total impurities at 0.15%;
SAI's measured result was only 0.06676%.

											
Test Report No. RK23400180 DATE: 2023/05/03 SUPERALLOY INDUSTRIAL CO., LTD. No. 325, Daxi Rd., Pingtung City, Pingtung County, Taiwan (R.O.C.) Test Part Description No. 1 AL6061 RECYCLED ALUMINIUM		Test Report No. RK23400181 DATE: 2023/05/03 SUPERALLOY INDUSTRIAL CO., LTD. No. 325, Daxi Rd., Pingtung City, Pingtung County, Taiwan (R.O.C.) Test Part Description No. 1 AL6082 RECYCLED ALUMINIUM									
成份 composition (wt%)	Si	Fe	Cu	Mn	Mg	Cr	Zn	Ti	*Other Elements Each	*Other Elements Total	
AL6061國際標準	0.40-0.80	0.7 max.	0.15-0.40	0.15 max.	0.8-1.2	0.04-0.35	0.25 max.	0.15 max.	0.05 max.	0.15 max.	
再生鋁 AL6061	SGS 全元素檢測	0.53	0.187	0.202	0.128	0.926	0.152	0.00462	0.0205	0.00911(Ga)	0.039
AL6082國際標準	0.70-1.30	0.5 max.	0.1 max.	0.40-1.00	0.60-1.20	0.25 max.	0.20 max.	0.10 max.	0.05 max.	0.15 max.	
再生鋁 AL6082	SGS 全元素檢測	0.912	0.184	0.0251	0.936	0.784	0.148	0.00323	0.0152	0.027 (K)	0.06676

This achievement breaks the market misconception that "recycled materials are of lower quality," demonstrating SAI's core competitive strength in reverse-refining recycled aluminium into "high-quality, high-purity materials." This accomplishment lays a solid foundation for SAI's expansion into advanced application fields beyond wheels, such as semiconductor equipment components and aerospace.

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2.3 Quality Management

Continuous Improvement: Combining Manufacturing Excellence with Resource Efficiency

Guided by a philosophy of pursuing excellence and continuous quality enhancement, SAI encourages all employees to proactively propose improvement ideas through its “Continuous Improvement Bonus” mechanism, implementing quality improvements across processes, equipment, cost, and efficiency management. In 2025, a total of 29 quality improvement proposals were submitted, with a 100% implementation rate, demonstrating that SAI has established a strong culture of continuous improvement. These improvement measures have not only effectively reduced costs and waste, but have also simultaneously enhanced operational efficiency and product quality, demonstrating concrete results from ongoing refinement. Examples of the improvement benefits are as follows:

Improvement of machining processes

After the machining process improvement project was introduced in 2025

polishing and grinding rework hours were reduced by

90%

rework expenses for applicable products decreased by

4.8%

Improvement of grinding costs in the polishing process

After the polishing process improvement project was introduced in 2025

manual grinding hours were reduced by **40%**

driving a **23%** decrease in total polishing costs for applicable products.

II | Technical Excellence and Laboratory Validation

1. Quality Management Training

People are the foundation of quality. To implement a rigorous quality management system, SAI places great importance on talent development, ensuring that employees possess the core competencies needed to drive system optimization and innovative service delivery. In 2025, SAI conducted a total of 98,437 hours of quality education training, comprising 98,147 hours internally and 290 hours externally. This nearly 100,000 hours of training encompasses a comprehensive transformation — from technical refinement to sustainability trends — empowering every SAI employee to uphold SAI’s quality commitments to customers in their respective roles.



2. Precision Testing: Forging Resilience Under Extreme Conditions

Exceptional materials must withstand the most rigorous trials. Beyond investing in specialized talent development, SAI has built a comprehensive validation system — spanning from microstructural analysis to full-scale dynamic simulation — through top-tier laboratory equipment and industry-academia collaboration, ensuring that SAI’s products can withstand the most extreme challenges of the future.



Testing Equipment: A Proving Ground for Pushing Physical Limits

SAI maintains comprehensive quality testing capabilities, with its laboratory equipped with a full range of testing instruments to precisely verify key performance indicators, including material composition, dimensional accuracy, corrosion resistance, and fatigue performance.

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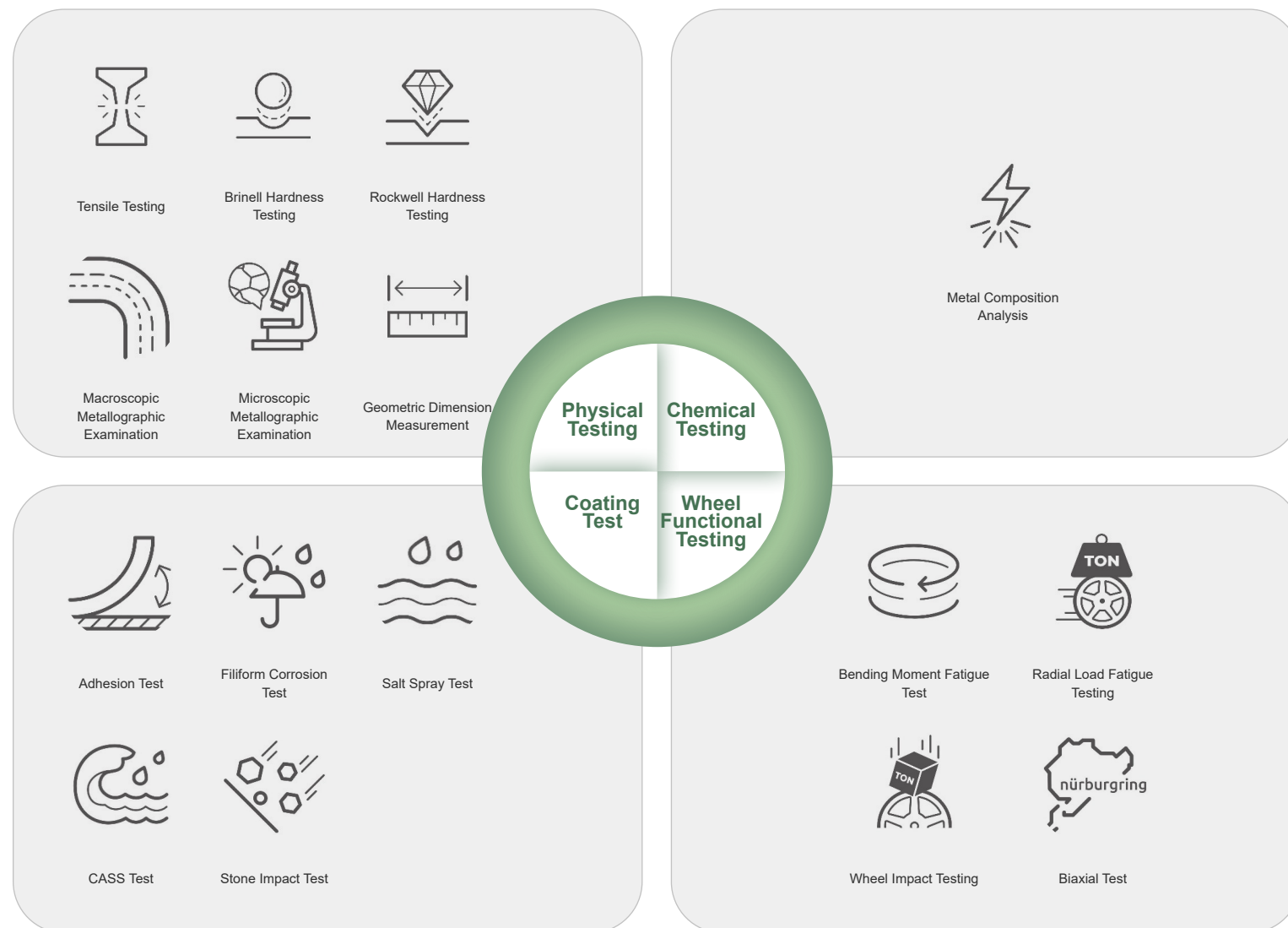
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3. SAI Laboratory Testing Items



For detailed testing items and specifications, please visit the Company website.

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2.3 Quality Management

4. Highlighted Equipment: Makra Bi-Axial Drum Test Rig

This state-of-the-art equipment showcases SAI's technical strength. As Taiwan's only biaxial extreme testing platform currently in operation, it serves not only as a guardian of quality, but also as a symbol of SAI's capability to benchmark against top global standards.

◆ Bringing the “Green Hell” into the Laboratory: Germany's Nürburgring, renowned as the “Green Hell,” is famous for its Nordschleife (North Loop) spanning more than 20.8 kilometers, elevation changes of nearly 300 meters, and notoriously unpredictable weather — making it a benchmark testing ground used by the world's leading automakers to evaluate vehicle performance. By introducing this equipment, SAI effectively brings this “hell” into the laboratory: through highly digitalized dynamic simulation, materials can undergo millions of cycles of extreme physical fatigue testing without ever leaving the facility, forging the resilience needed to withstand the world's most demanding road conditions.

📍 Nürburgring



◆ A Digital Touchstone for Advanced Materials: This platform not only validates component structures but also serves as a critical proving ground for SAI's RESAICAL® recycled aluminium. Under simulated extreme stress conditions modeled on the Nürburgring, SAI precisely captures even the slightest changes in recycled materials under dynamic loading, ensuring that their stability and fatigue resistance match — or even exceed — those of virgin materials. This demonstrates that SAI's materials technology possesses the depth and capability required to enter advanced industrial applications and push the limits of physical performance.



Industry-Academia Collaboration: In-Depth Practice in Materials Science

SAI firmly believes that high quality stems from a deep understanding of the fundamental nature of materials. To remain at the forefront of materials science, SAI goes beyond existing testing technologies, actively pursuing in-depth collaboration with academic institutions to extend quality management perspectives down to microstructures invisible to the naked eye.

2.3 Quality Management

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Partner			
Partner	 國立中興大學 NATIONAL CHUNG HSING UNIVERSITY	 國立勤益科技大學 National Chin-Yi University of Technology	 國立成功大學 National Cheng Kung University
Timeline	Ongoing	November 2024 to October 2026	November 2025 to October 2028
Project Content	Sharing of Light Metals Alliance collaboration outcomes Failure analysis principles and case studies GHG inventory techniques and ESG report planning Aluminium alloy welding knowledge and developments Introduction to Nadcap aerospace accreditation and audit experience	After completion of this project, SAI will be able to use process performance OKR system optimization technology to verify the optimization results of multi-axis simultaneous side-edge machining processes for customized aluminium wheels with diverse shapes for luxury vehicles or supercars, thereby doubling production capacity. As machining time is cut in half, carbon emissions can be significantly reduced, helping SAI smoothly obtain supplier certifications from major international aluminium wheel manufacturers, further capture market opportunities, and move toward the Tier-1 supply chain of the forged mobility industry. The project also assists Yeong Chin Machinery in strengthening investment in and deepening turnkey solutions for key five-axis machining equipment. Through the implementation of three core technologies- namely, on-machine measurement and analysis technology for five-axis volumetric spatial accuracy, intelligent equipment compensation and monitoring technology, and a cross-platform system for accuracy diagnosis- the project helps close the gap with high-performance German five-axis machining equipment dedicated to aluminium wheels, demonstrate differentiated highlights, and expand the niche for machine tool product sales.	An R&D project on “energy-efficient and sustainable carbon capture technology” was jointly advanced, utilizing highly crystalline porous molecular crystals (PMC) as high-efficiency adsorbents applied in pressure swing adsorption (PSA) technology. This novel organic porous material exhibits excellent hydrophobicity and moderate heat of adsorption, enabling the carbon capture process to operate at room temperature and significantly reducing the energy consumption and production costs associated with adsorbent regeneration. A complete validation framework was established that spans material synthesis, automated granulation, and industrial-scale-up simulation, then combined with the integration of life cycle assessment (LCA) to ensure that the process aligns with circular economy principles. SAI provided an industrial exhaust gas testing site for real-world validation, accelerating the commercialization of low-carbon materials technology and demonstrating SAI's firm commitment to net-zero emissions and green transformation.

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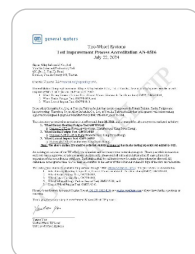
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2.3 Quality Management

5. International Quality System Certifications: A Passport to Premier Industries

Exceptional technical capability ultimately crystallizes into a series of internationally credible certifications. SAI adheres to the most rigorous production standards and standard operating procedures to build a robust quality management system, while actively obtaining key certifications from independent third-party certification bodies. By upholding the most stringent industry standards worldwide, SAI ensures that its product quality, process management, and testing capabilities remain aligned with global benchmarks — making every “Made by SAI” product synonymous with high quality on the international stage.



GM Test Improvement
Certification AN-0516



JWL Test Equipment
Approval Certificate



SAE Laboratory Capability
Certificate for Threaded
Corrosion Testing



TAF Certification ISO/IEC
17025 Laboratory Quality
Management System



IATF 16949 Automotive Quality Management
System



ISO 9001 Quality
Management System

In pursuing technological breakthroughs, SAI consistently places user safety as a top priority. To this end, SAI has established a rigorous preventive mechanism to continuously assess the health and safety impacts of its products and services across all stages of their life cycle. SAI obtains relevant safety certifications in accordance with the regulatory standards of its target markets worldwide and customer requirements, translating uncompromising regulatory compliance into strong market competitiveness. Through independent third-party safety certification, SAI weaves a cross-border quality protection network for its customers. SAI conducts assessments to prevent health and safety impacts from products and services. SAI holds the following safety regulation certifications:

Safety Standards Certification	No. of Certified Models	No. of Models in Mass-Produced Products/Services	% of Products Provided to Customers That Have Been Certified
INMETRO	75	215	34.88%
SNI	11	215	5.11%
VR	8	215	3.72%
BIS/ISI	13	215	6.04%
KC	141	215	65.58%
JWL	88	215	40.93%

Note 1: Percentage = (No. of models certified under the given safety standard / No. of models of products or services provided to customers) × 100

Note 2: Since customers do not require 100% of products to be submitted for certification and only select models are assessed, the total of the percentages above does not equal 100%

Note 3: Some products have obtained certification in more than one country

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2.3 Quality Management

III | Product Responsibility and Traceability Management

On the path toward becoming a global benchmark, SAI's unwavering commitment to high quality is grounded in absolute respect for the rule of law and industry ethics. We firmly believe that a truly excellent brand is defined not only by technological leadership, but also by a high degree of self-discipline in legal and ethical conduct, internalizing integrity as a fundamental baseline of business operations.

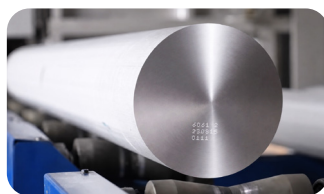
Through rigorous regulatory compliance, SAI continuously fulfills legal requirements related to product and service information disclosure, labeling management, and marketing communications, ensuring that every interaction with stakeholders is transparent and truthful. In 2025, no incidents occurred involving violations of regulations related to product and service information disclosure, nor were there any violations of regulations related to marketing communications (including advertising, promotion, and sponsorship). Through this self-discipline, we not only safeguard customer rights and brand reputation, but also ensure steady progress in the global marketplace.

1. Product Traceability Labeling: Giving Materials and Craftsmanship Their Own Identity

SAI's responsibility does not end once a product leaves the plant and enters the global market. Through a rigorous traceability system, we ensure that every piece of high-quality aluminium alloy and crystallized craftsmanship carries a transparent and trustworthy life history.

SAI recognizes that transparency is central to building international trust. Therefore, we have established a rigorous traceability labeling mechanism for both our long-established premium forging products and our independently developed RESAICAL® recycled aluminium. Every product is engraved with a unique identifying mark, effectively giving each product its own "identity card", which enables precise tracking of production timelines, processing batches, and the source of raw materials.

On transportation packaging, we likewise integrate detailed supply chain information, enabling customers to complete traceability inquiries in real time. This not only satisfies regulatory requirements across global markets, but also fulfills



Product Traceability Labeling

SAI's steadfast commitment to taking responsibility for the full life cycle of its products.

2. Customer Rights and Product Safety: Implementing Zero-Risk Protection Across the Full Product Life Cycle

All of SAI's technological development and rigorous testing ultimately converge on one unwavering goal: safeguarding customer rights and safety. SAI regards quality as an unspoken contract with its customers, fulfilling its ultimate commitment to excellence through comprehensive material monitoring and a proven track record of zero-risk management.

SAI recognizes that high-quality materials are the first line of defense for safety. Rigorous quality and safety assessments are implemented across SAI's entire product range, ensuring that every delivered piece of craftsmanship achieves 100% registration in the IMDS (International Material Data System), enabling full transparency of material composition. In 2025, in addition to continuously monitoring the health and safety impacts of its products and services, we conducted a dedicated impact assessment on "recycled aluminium billets," ensuring the safety of recycled materials in high-performance applications. While pursuing material performance, SAI also remains committed to strengthening ethical supply chain management, explicitly stipulating a "no use of conflict minerals" policy within its labeling standards and disclosing relevant information in detail on shipping packaging, ensuring that all raw material sources comply with humanitarian and sustainability principles. In 2025, SAI did not experience any incidents involving violations of regulations related to the health and safety of products and services. Through this steadfast commitment to regulatory compliance and supply chain responsibility, we have not only deepened long-term customer trust, but have also established "Made by SAI" as a global benchmark for safety and integrity.

Backed by a robust quality protection network built through talent development, advanced laboratory validation, and industry-academia collaboration, in 2025 SAI maintained an outstanding record of "zero product defect recalls and zero safety-related recalls". This achievement not only demonstrates SAI's technological leadership in forging craftsmanship and recycled materials, but also represents our deepest commitment to safeguarding customers worldwide.

**CONFLICT-FREE
MINERALS**

Customer Rights and Product Safety

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2.4 Customer Service and Relationship Management

I | Customer Service

Amid the global wave toward net-zero emissions, SAI sees itself as a key driver of its customers' green transition. SAI is not merely a components supplier, but a strategic partner standing alongside its customers in addressing climate change and implementing the circular economy. By deepening its core technologies and expanding the application of recycled materials, SAI is committed to creating long-term, sustainable value for customers worldwide.

1. Strong Partnerships and Global Service

SAI maintains long-term, close partnerships with internationally renowned supercar and luxury automotive manufacturers. Rather than competing on price, we build a foundation of mutual trust through our three core strengths: creativity, agility, and quality.

Synergies from R&D and Technology Upgrades

We continue to invest in the development of new forging and forming technologies, new materials, and enhanced design and engineering capabilities. SAI actively engages with customers during the early product design stage, providing optimization recommendations to meet their demanding requirements for product distinctiveness, structural strength, and safety. This depth of technical collaboration has made SAI an indispensable partner to its customers, earning the recognition and trust of 43 global brand customers to date, providing SAI with long-term, stable growth momentum.

Globalized, Localized Service

To respond promptly to the needs of customers worldwide, we assign dedicated account managers to each customer, providing tailored service and support. By establishing overseas offices and warehousing in key markets including Europe, the UK, and North America, we are able to maintain comprehensive oversight of our global distribution network. Through localized operating strategies and the recruitment of local talent, we reduce the challenges posed by cultural differences and steadily expand into global markets.



A Rigorous Certification Journey: Evidence of High Standards and Long-Term Commitment

The ability to sustain long-term partnerships with the world's leading brands rests on SAI's exceptionally high standards of quality management and verification capability. The diagram below illustrates the rigorous certification journey SAI undergoes in partnership with international automakers — from production line setup through to full-scale mass production. This multi-year, multi-layered validation process not only demonstrates SAI's strength in entering the luxury automotive supply chain, but also lays a solid foundation for our future expansion into advanced industrial sectors such as semiconductor equipment and aerospace.

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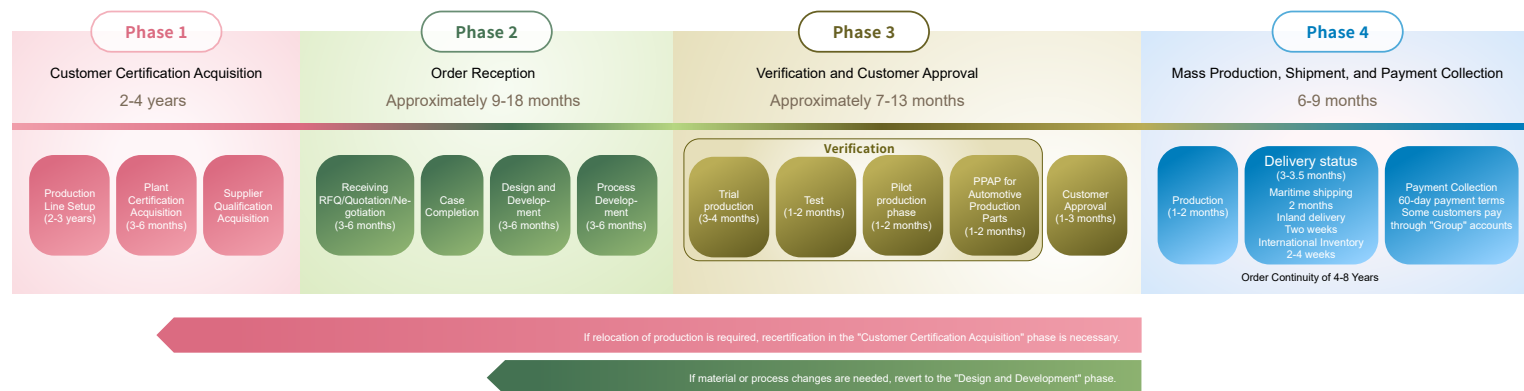
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2.4 Customer Service and Relationship Management



2. A New Era for the Recycled Aluminium Business: Putting the Low-Carbon Circular Economy into Practice

As regulatory policies such as the EU Carbon Border Adjustment Mechanism (CBAM), the US Clean Competition Act (CCA), and Taiwan's carbon fee progressively take effect, market demand for low-carbon, circular raw materials has shifted from an aspiration to a hard requirement. Leveraging its deep materials R&D capabilities, SAI has anchored its future business development around two core pillars — “low-carbon forged aluminium” and “recycled aluminium material applications” — expanding from the mobility industry into a broader range of high-value-added fields.

SAI has planned an investment in the construction of a recycled aluminium smelting plant with an annual production capacity of 100,000 metric tons, transforming the circular economy into a sustainable competitive advantage and striving to create longer-term value for customers and all stakeholders.

3. Recycled Aluminium Material Certification and Sustainability Commitments

To fulfill our commitment to customer responsibility, we have actively obtained a range of domestic and international certifications, ensuring transparency in environmental protection, quality control, and traceability management for our recycled aluminium materials. In 2025, SAI RESAICAL® Aluminium obtained several key certifications, providing customers with a more credible and carbon-reducing choice.

Recycled Aluminium Material Certification/Documentation		
1	SGS	Testing of 65 elements, with impurity and contaminant levels well below regulatory limits
2	SAI RESAICAL® 100% Recycled Aluminium	Recycled Aluminium Logo

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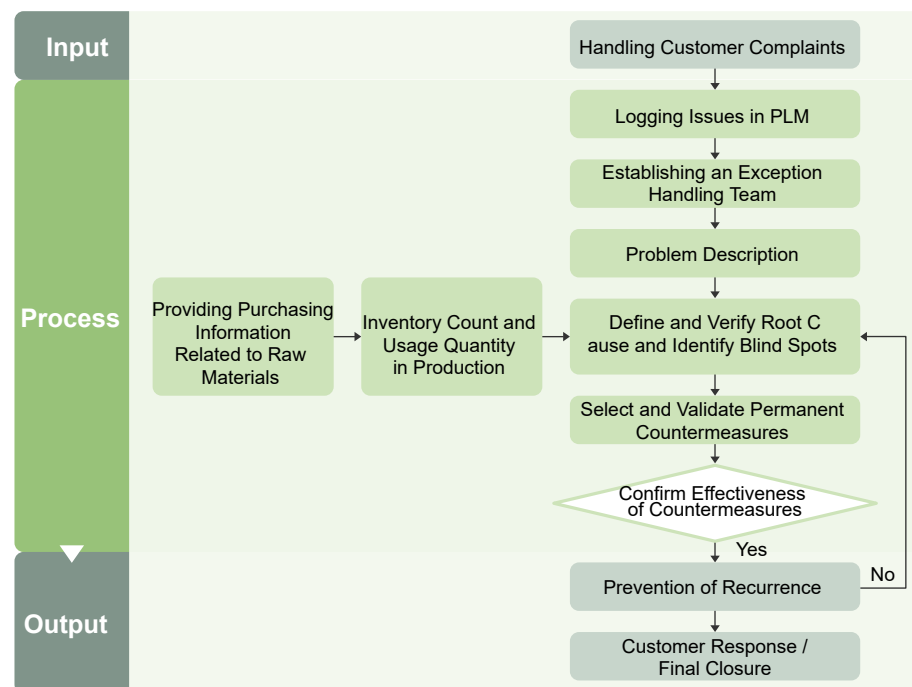
2.4 Customer Service and Relationship Management

II | Customer Satisfaction

Earning a high degree of customer satisfaction has always been a core priority of SAI's management approach. SAI is committed to providing products and services that satisfy its customers, continuously optimizing its existing product portfolio in an effort to exceed customer expectations, further deepen customer relationships, grow together with customers, and advance toward its sustainable development goals.

Through its "Customer Satisfaction Survey Procedure," SAI's Quality Assurance Unit (Customer Service Team) regularly compiles scorecard results from customer systems, collecting monthly evaluations from key customers regarding SAI's performance in dimensions such as quality, cost, delivery, and service. For any items showing abnormal customer satisfaction performance, SAI initiates its "Customer Complaint Handling Process," forming a cross-departmental team to conduct root cause analysis and propose corresponding corrective and improvement measures.

1. Customer Satisfaction Survey Procedure



In 2025, the proportion of customers achieving a scorecard score of 80% or above was 91%. Overall customer satisfaction showed an upward trend compared to 2024; however, most feedback indicated that the primary challenges continue to stem from rapidly changing international market conditions and increasing complexity in supply chain integration. Some overseas customers, driven by order growth and geopolitical factors, held higher expectations regarding local supply capability and real-time delivery efficiency. At the same time, delays by third-party service providers engaged by customers in updating relevant information also affected overall performance to some extent. A small number of cases experienced short-term supply pressure due to logistics scheduling delays. In response, SAI has actively optimized its global warehousing and packaging processes, while strengthening cross-departmental collaboration and early-warning management mechanisms, with the aim of effectively enhancing supply flexibility and overall service quality, and further improving customer satisfaction.

In 2025, a total of 4 quality-related customer complaint cases were reported, all of which have been resolved and closed. With the goal of delivering higher levels of customer satisfaction in both service and quality, SAI continues to conduct customer satisfaction surveys, give due attention to feedback across all dimensions, and actively respond to customer needs, with the aim of creating greater value for customers and building long-term, trusted relationships.

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2.4 Customer Service and Relationship Management



2. Customer Communication Channels

SAI's sales team holds regular weekly video conferences with customers, establishing an open and close communication channel to continuously stay abreast of customer needs, market dynamics, and project progress. Through these routine meetings, SAI engages in thorough discussions with customers regarding changes in requirements, product development progress, quality issues, delivery scheduling, and related service matters, responding promptly to customers' key concerns. Feedback and requirements gathered during these meetings are addressed through SAI's internal cross-departmental collaboration mechanisms to drive follow-up improvements and execution, ensuring that development, quality, and delivery all meet customer expectations and needs — further strengthening the partnership and enhancing overall service quality.



III | Customer Privacy Management

Customer-Centric, Strict Confidentiality, Unwavering Integrity

SAI places great importance on protecting customer-related information. All documents, data, and other business information exchanged with customers are subject to strict management and control through SAI's internal systems. Access permission requests, approvals, and authorizations for internal personnel are processed in accordance with established operating procedures and regulations. In addition to bringing hardware and software equipment containing technical data — as well as information potentially involving customers' intellectual property — within the scope of management, SAI also signs confidentiality agreements with customers and suppliers to safeguard the security of customers' confidential information. At the same time, SAI has incorporated "customer privacy protection" into both new employee onboarding training and annual education and training programs, ensuring that every employee fulfills their confidentiality obligations in the course of customer engagements.

To enhance product competitiveness and meet the needs of customers worldwide, in addition to its headquarters in Taiwan, SAI has established a subsidiary in Germany and has set up business offices in the United States, Europe, and other regions, actively expanding its distribution channels across countries and deepening customer service. In addition, SAI has actively promoted the integration of Electronic Data Interchange (EDI) platforms with customers and subcontractors, supporting operational functions such as order processing, shipment information, and invoice transmission, in order to accelerate order processing efficiency and improve data quality. For freight forwarders responsible for shipping and logistics operations, SAI also provides a collaborative platform that allows subcontractors and customers to track pickup and shipment status in real time, further enhancing overall operational efficiency.

SAI is currently a key supplier to 43 leading global premium automotive brands. As the automotive industry undergoes a transition toward greater digitalization, information security risks have continued to rise. In recent years, SAI has continuously invested substantial resources in strengthening its information security management. In addition to obtaining ISO 27001 Information Security Management System certification in 2023, SAI has further advanced its "TISAX (Trusted Information Security Assessment Exchange)" certification to align with international standards for automotive cybersecurity, and in February 2024, officially obtained the German-issued "TISAX® (AL3) Information Security and Prototype Protection" label — fully demonstrating SAI's strong commitment to and ongoing investment in protecting sensitive information related to customer products.

CH3 LOYAL PARTNERSHIP

We believe that our growth stems from the dedication of every team member, as well as the trust and support of society. Anchored in mutual prosperity, we cultivate an inclusive workplace, respect human rights, and safeguard safety, while spreading warmth to every corner of society to forge a sustainable future together.



3.1
Inclusive Workplace
& Diverse Talent



3.2
Human Rights Management
& Talent Development



3.3
Occupational Health
& Safety



3.4
Spreading the Power
of Warmth



3.5
SAI Fu-De Social Welfare
& Charity Foundation

Three Hearts" of SAI Fu-De :



Kind Hearts

&



Loving Hearts

&



Warm Hearts

PEOPLE



PLANET



PROSPERITY



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3.1 Inclusive Workplace and Diverse Talent

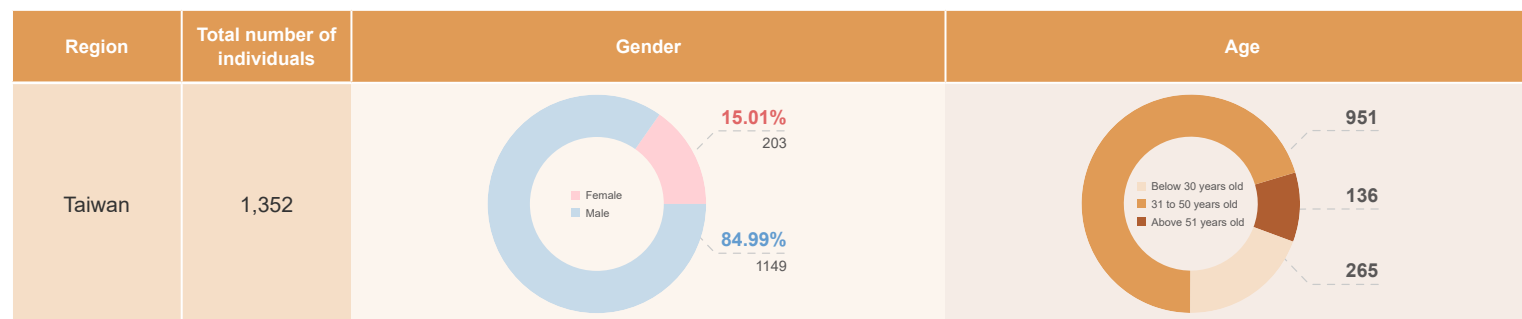
I | Workforce Structure

SAI regards its employees as SAI's most critical sustainable asset and leading indicator of success. We firmly believe that a company's technological capability is determined by the depth of expertise of its people. We are committed to building a diverse and inclusive workplace and deepening our internal culture of craftsmanship, enabling employees to deliver irreplaceable value within their respective fields of expertise and transforming the talents of every employee into a core driver of SAI's steady growth.

As of the end of 2025, SAI employed a total of 1,352 employees in Taiwan. Due to the inherent characteristics of the manufacturing industry, on-site positions generally demand a higher level of physical exertion, resulting in relatively lower rates of application and participation among women within this industry structure.

Nonetheless, SAI remains firmly committed to breaking down gender-based labels. In indirect functions such as R&D and design, process development, administrative management, and quality control, female employees have demonstrated exceptional influence through their technical expertise and analytical thinking, becoming an important force supporting SAI's operations. SAI firmly believes that the value of talent lies in professional contribution rather than gender difference. We recognize the capabilities of every employee and are committed to building a fair career environment that ensures the right people are in the right roles, working together to drive SAI's sustainable growth.

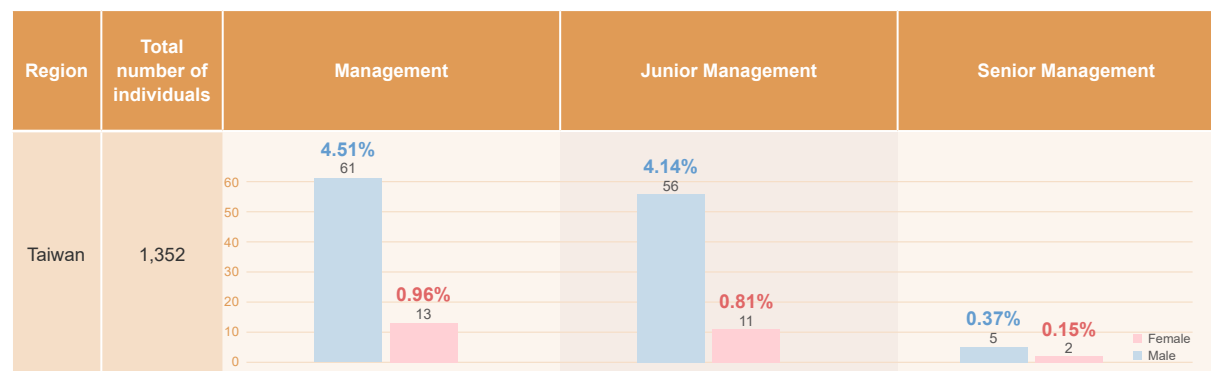
Overview of Employee Gender and Age Structure



Note 1: Figures reflect employee count as of December 31, 2025.

Note 2: SAI has no temporary workers or employees without guaranteed hours. Definition of temporary worker: Personnel engaged under fixed-term labor contracts for short-term, seasonal, or project-specific needs. All employees of SAI are currently employed under indefinite-term labor contracts and enjoy comprehensive benefits and protections.

Overview of Management Position Distribution



Note 1: Management positions: Include junior and senior management levels

Note 2: Junior management position: Non-senior management level

Note 3: Senior management positions: Assistant Vice President level and above

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3.1 Inclusive Workplace and Diverse Talent

Full-Time Employee Education Level by Gender

	Year	Male	Female
High school/ vocational and below	2023	897	68
	2024	850	71
	2025	769	62
University/ junior college	2023	370	126
	2024	352	128
	2025	334	124
Master's Degree	2023	44	16
	2024	44	17
	2025	43	17
PhD	2023	3	0
	2024	3	0
	2025	3	0
Total	2023	1314	210
	2024	1249	216
	2025	1149	203

Average Employee Tenure and Age

Gender	Year	Male	Female
Average tenure (years)	2023	6.85	8.91
	2024	7.57	9.27
	2025	8.47	10.44
Average age (years)	2023	37.24	40.15
	2024	37.72	40.83
	2025	38.90	42.31



Non-Employee Workers

Type of Worker	Contractual Relationship with SAI	2023	2024	2025
Cleaners/Guards	Contracting Agreement	27 people	27 people	27 people

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II | Talent Recruitment

SAI is committed to building a fair employment workplace free from discrimination and harassment, grounded in a core spirit of holistic employee care. We strictly adhere to labor laws and regulations, ensuring no differential treatment based on race, nationality, age, gender, marital status, sexual orientation, political affiliation, or religious belief. Hiring decisions are based solely on professional competence, with clear, well-defined standards governing promotion, performance evaluation, training, and rewards and disciplinary actions to ensure fair and consistent management practices. Employees in the same position receive equal pay regardless of gender, enabling every team member to pursue their career aspirations in an environment defined by respect and security.

SAI firmly believes that diverse, professional talent is a key cornerstone of sustained business growth. As such, SAI upholds principles of fairness, impartiality, and transparency in its recruitment practices, aiming to attract outstanding talent and enable every employee to fully realize their professional expertise and potential at SAI.

Recruitment Strategy and Channels

We continue to refine our recruitment mechanisms, emphasizing that “professional competence is the sole criterion.” For on-site manufacturing positions, although industry characteristics currently result in a predominantly male applicant pool, SAI imposes no gender-based restrictions across any of its recruitment channels or job descriptions, ensuring that every applicant competes on a fair and equal basis. We prioritize the fit between an individual's expertise and the role, rather than gender labels, and strictly upholds the principle of equal employment opportunity throughout the interview and selection process.

We actively leverage diverse recruitment channels to attract talent with both expertise and passion. In addition, SAI continues to drive improvements in workplace environment and processes, aiming to break down traditional gender labels within the industry and create a more inclusive workplace. To SAI, every team member who shares SAI's values and pursues excellence in craftsmanship is among its most valuable sustainable assets.



Recruitment Strategies

1. Building an Employer Brand That Attracts Talent:

By emphasizing company culture, values, and achievements throughout the recruitment process, we build an employer brand that attracts talent.

2. Utilizing Diverse Recruitment Channels :

Leveraging a variety of recruitment channels, including SAI website, recruitment platforms, and campus recruiting, to broaden recruitment reach.

3. Internal Employee Referral Program :

Encouraging existing employees to refer suitable candidates and providing an incentive program.

4. Participating in Recruitment Events and Job Fairs :

Participating in relevant recruitment events and job fairs to engage directly with potential candidates.

5. Transparent Communication :

Maintain transparent communication with candidates throughout the recruitment process, providing timely feedback, and building strong relationships.



Recruitment Channels

1. Online Channels : Job banks, college and university websites

2. Physical Channels : Campus recruitment, job fairs, recruitment notices, print media

3. Employee Referrals : SAI maintains an Employee Referral Bonus Program

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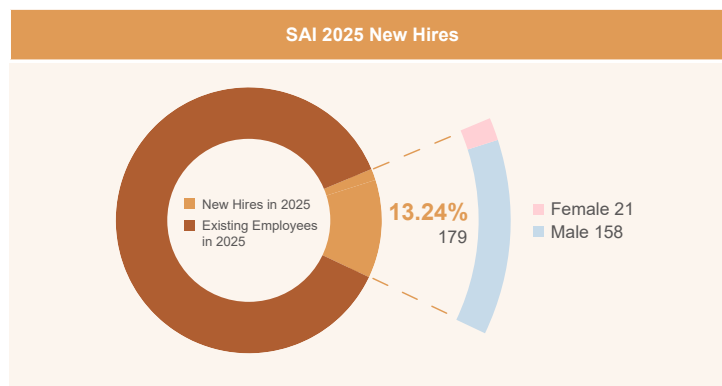
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SAI Hiring Rate Over the Past Three Years		
2023	2024	2025
25.98%	20.41%	13.24%

Year	2023				2024				2025			
Gender	Male		Female		Male		Female		Male		Female	
Age/Items	Number of individuals	New hire rate (%)	Number of individuals	New hire rate (%)	Number of individuals	New hire rate (%)	Number of individuals	New hire rate (%)	Number of individuals	New hire rate (%)	Number of individuals	New hire rate (%)
Below 30 years old	153	10.04	18	1.18	113	7.71	11	0.75	63	4.66	4	0.30
30 to 50 years old	187	12.27	35	2.30	142	9.69	33	2.25	93	6.88	17	1.26
Above 51 years old	2	0.13	1	0.07	0	0	0	0	2	0.15	0	0
Total new hires	396				299				179			
Total number of employees	1,524				1,465				1,352			
Overall new hire rate (%)	25.98				20.41				13.24			

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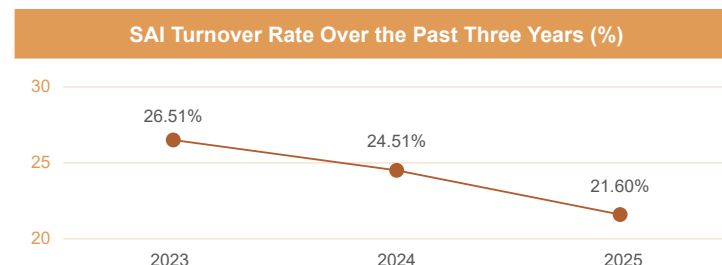
III | Talent Retention

SAI regards every employee as SAI's most valuable asset. We firmly believe that a stable retention rate not only reflects employees' alignment with the corporate culture, but also forms the foundation for the refinement and transmission of craftsmanship. Through diverse incentive mechanisms and open communication channels, we are committed to fostering a warm workplace where talent is willing to establish long-term roots and grow together with SAI.

We continuously monitor talent turnover data, regarding it as a key indicator for strengthening workplace resilience. Over the past three years, SAI's overall turnover rate has shown a marked downward trend, declining year over year from 26.51% in 2023 to 21.60% in 2025, reflecting the tangible effectiveness of SAI's efforts to enhance benefits and strengthen employee cohesion through various retention initiatives.

Despite the highly competitive external environment of the manufacturing labor market, SAI continues to actively safeguard this hard-won stability through internal institutional reforms. We value the choices made by every employee and transform turnover data into a driving force for internal reflection and growth, ensuring the organization can continue to evolve through dynamic balance.

2025 Turnover Statistics		
	Number of departing employees in 2025	292 people
	Employee turnover as percentage of total employees	21.60%
	Number of departing female employees	35 people
	Number of departing male employees	257 people



Year	2023				2024				2025			
Gender	Male		Female		Male		Female		Male		Female	
Age/Items	Number of individuals	Turnover rate (%)	Number of individuals	Turnover rate (%)	Number of individuals	Turnover rate (%)	Number of individuals	Turnover rate (%)	Number of individuals	Turnover rate (%)	Number of individuals	Turnover rate (%)
Below 30 years old	124	8.14	22	1.44	104	7.10	8	0.55	86	6.36	13	0.96
30 to 50 years old	201	13.19	41	2.69	202	13.79	30	2.05	162	11.98	20	1.48
Above 51 years old	13	0.85	3	0.20	15	1.02	0	0.00	9	0.67	2	0.15
Total departures	404				359				292			
Total number of employees	1,524				1,465				1,352			
Overall turnover rate (%)	26.51				24.51				21.60			

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Employee Stock Ownership Trust (ESOT) and Incentive Mechanisms

To SAI, employees are not merely providers of labor, but partners in a shared pursuit of excellence. We firmly believe that this relationship should not be built solely on the exchange of time and effort, but should be rooted in deep alignment of values. To realize this vision of shared prosperity, we actively promote an employee stock ownership trust mechanism, transforming employees from skilled production partners into co-owners of SAI's value, working together to plan for a long-term future on the path toward excellence.

New employees become eligible to apply for the stock trust program after completing 3 months of employment. SAI provides matching contributions based on job level, translating business performance into tangible rewards for every team member:

- ◆ General Employees: 100% matching contribution, capped at NT\$1,000 per month.
- ◆ Section-Level Supervisors and Above: 50% matching contribution, capped at NT\$1,500 per month.
- ◆ Manager-Level and Above: 50% matching contribution, capped at NT\$2,500 per month.

In 2025, participation in the stock trust program reached 42%, reflecting a solid foundation of employee participation and demonstrating employees' confidence in and commitment to SAI's long-term development.



Employee Engagement Survey

SAI regards employee feedback as a key indicator for strengthening organizational resilience. This survey in 2024 was distributed to 980 employees, with 641 responses received for a response rate of 65.4%. The overall average engagement score was 3.96 points (out of a maximum of 6.0).

In response to employees' candid feedback, we are committed to transforming the survey into a driver of change:

- ◆ Building a Cycle of Trust and Engagement: Management publicly supports and prioritizes the survey results, helping to build employee trust in the survey mechanism. At the same time, we actively enhance employee participation rates and willingness to participate through incentive measures and strengthened communication, ensuring the survey accurately reflects the organization's current state.
- ◆ Empowering Department Heads to Drive Improvement: Following completion of the survey, analysis results are promptly shared with supervisors at all levels and relevant departments, serving as a concrete basis for refining management practices. By enabling employees to see tangible improvement outcomes, their feedback is transformed into real momentum for optimizing the workplace environment.
- ◆ Institutionalized Tracking and Ongoing Management: We have formally incorporated regular surveys into our annual planning, progressively establishing an institutionalized engagement management process. Through regular tracking of the progress of improvement measures, we ensure that every piece of feedback receives a proper response, working together with employees to create a dynamic and energized workplace.

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IV | Diversity, Equity, and Inclusion

SAI firmly believes that the strength of an enterprise stems from inclusion. Just as a river grows mighty by gathering many streams, soil is able to bear great weight through its depth. Guided by the principle of “paying back to society with what is taken from society,” SAI transforms social responsibility into a wellspring that nourishes the workplace, creating an inclusive space that welcomes employees of diverse backgrounds and talents, ensuring that every form of expertise can find equal dignity and an opportunity to flourish.

We proactively respond to government policy. In 2025, SAI's employment rate for persons with disabilities exceeded the statutory requirement of 1%. This achievement goes beyond a quantitative benchmark — it reflects our concrete commitment to advancing equality and eliminating bias. Looking ahead, SAI will continue to uphold this founding commitment of inclusivity, ensuring that every contribution of expertise flowing into SAI converges into a vast ocean that drives the advancement of craftsmanship, together building a sustainable workplace that is warm and resilient.

Year			2023	2024	2025
Items/Gender		Age	Number of individuals	Number of individuals	Number of individuals
International migrant workers	Male	Below 30 years old	124	121	102
		30 to 50 years old	326	293	265
		Above 51 years old	11	12	14
Indigenous peoples	Male	Below 30 years old	1	2	1
		30 to 50 years old	7	8	9
		Above 51 years old	0	0	0
	Female	Below 30 years old	0	2	0
		30 to 50 years old	2	5	3
		Above 51 years old	0	0	0
Disabilities	Male	Below 30 years old	2	3	1
		30 to 50 years old	11	11	12
		Above 51 years old	0	0	0
	Female	Below 30 years old	0	0	0
		30 to 50 years old	3	3	2
		Above 51 years old	0	0	1

Note: SAI engages international migrant workers through licensed and legally certified recruitment agencies and ensures that the recruitment process is compliant, fair, and transparent. Currently, SAI's international migrant workers primarily serve as operators in front-line production units, responsible for product assembly, packaging, and machine operation.

Cultivating Local Roots: Nurturing Fertile Ground for Equality

SAI actively deepens its connection with local communities. By prioritizing the employment of local talent, we not only strengthen the bond of shared prosperity between SAI and society, but also effectively enhance organizational stability and the transmission of expertise. In 2025, local nationals accounted for 100% of management positions at the Taiwan plant sites, demonstrating SAI's commitment to the sustainable goal of localizing talent and pursuing mutually beneficial development with the local community.

To enable this fertile ground to nurture even greater diversity, we are committed to eliminating any barriers to development based on personal identity or background, ensuring that every team member enjoys fair and consistent opportunities in professional advancement, career development, and institutional protections. Through comprehensive safeguards for the rights of female employees, minority groups, and disadvantaged groups (including persons with disabilities and Indigenous peoples), SAI translates the spirit of diversity and inclusion into concrete institutional and cultural foundations.

According to 2025 data, women held 17.57% of management positions (13 individuals in total), reflecting the effectiveness of SAI's efforts to promote diverse participation in decision-making under a merit-based selection standard. At the same time, minority or disadvantaged groups accounted for 1.35% of management positions, demonstrating SAI's concrete commitment to safeguarding workplace equality and practicing holistic employee care while pursuing excellence in craftsmanship.

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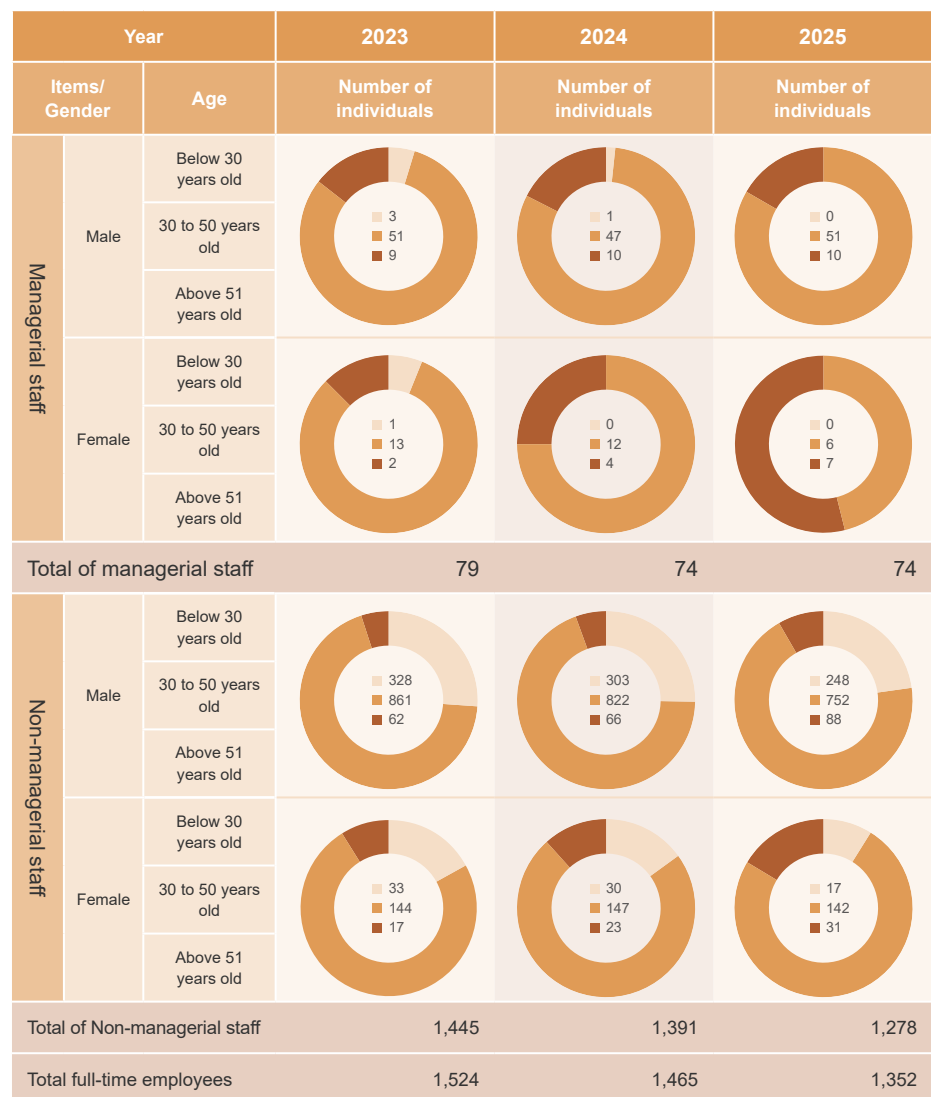
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Number of Managers and Non-Managerial Staff in the Past Three Years



Below 30 years old
31 to 50 years old
Above 51 years old

A Bond of Inclusion: A Sense of Belonging Far from Home

At SAI, every employee from a different cultural background is among our most cherished family and partners. We firmly believe that organizational resilience stems from the convergence of diverse perspectives, and that cultural inclusion begins with respect and understanding for every individual. We are committed to building a workplace grounded in diversity, equity, and inclusion (DEI), enabling skilled professionals of different nationalities and backgrounds to find both a platform to showcase their talents and a true sense of belonging within this shared community.

Institutional Safeguards

To ensure that this culture of inclusion is upheld in everyday practice, SAI has established comprehensive two-way communication channels. We actively listen to the voices of every employee through an employee grievance hotline, labor-management meetings, and engagement surveys, complemented by regular in-depth conversations conducted by supervisors. These diverse communication channels allow employees to choose the most appropriate avenue to express their views depending on the situation, ensuring that every suggestion can be translated into momentum for improving the workplace environment. In addition, through regular education and training and policy outreach, we continue to promote awareness of diversity and inclusion, working to eliminate potential bias and making “diversity” one of SAI’s most valuable sources of strength.

Everyday Care and Support

For foreign employees who have crossed borders to pursue their aspirations at SAI, we transform the spirit of “shared prosperity” into the most meaningful forms of everyday support. We understand that peace of mind is the foundation of a sense of home, and that a stable quality of life is the solid foundation that allows every team member to focus and fully apply their talents.

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SAI's Care for the Daily Lives of Foreign Employees

 Housing	 Communication	 Health and well-being
We provide dormitories that comply with regulatory standards, have good ventilation and lighting, and are regularly cleaned and disinfected.	SAI assigns bilingual management staff and provides announcements and employee handbooks in multiple languages.	We organize multicultural festival events, conduct regular employee health examinations, and maintain a grievance channel to safeguard employee rights.

A Second Home Away From Home: Foreign Employee Dormitory Environment



Applause on Stage: A Showcase of Cultural Diversity at SAI's Spring Banquet



Exceptional craftsmanship is built on team rapport, and that rapport begins with deep cross-cultural exchange. Beyond day-to-day work, SAI places great importance on the emotional bonds between colleagues, actively fostering a friendly and inclusive workplace atmosphere where diverse cultures can flourish at SAI.

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To strengthen interaction and camaraderie among employees, SAI organizes a wide range of recreational and cultural activities. Whether it is the spirited competition of sepak takraw matches, the Songkran Water Festival celebrating purity and blessing, or barbecue gatherings that bring people closer together, these moments serve not only as opportunities to unwind outside of work, but also as a dialogue across cultures. Through these interactions, we break down barriers of nationality and language, building deep mutual trust, a sense of belonging, and team cohesion — together weaving a new spirit of harmony and inclusion among SAI's craftspeople.



Songkran Water Festival



Sepak Takraw Matches



Barbecue Activity



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V | Employee Benefits

SAI places great importance on employee welfare, offering a comprehensive range of benefits — including healthcare, annual bonuses, childcare subsidies, travel discounts, and company events — while also safeguarding employee rights during specific life stages such as marriage, childbirth, and retirement. These measures are designed with a spirit of holistic employee care, aimed at helping employees achieve a healthy work-life balance in recognition of their hard work and dedication.



SAI's Benefits Offerings

Statutory Leave	Family care leave, menstrual leave, prenatal checkup leave, maternity leave, paternity leave, annual leave
Leave Benefits Beyond Statutory Requirements	Effective April 2, 2024, all employees, regardless of tenure, are granted 3 days of paid volunteer leave per year
Healthcare	Annual free health check-ups for employees and their dependents, regular on-site physician services, hospitalization and injury/illness condolence allowances
Annual Bonuses	Birthday/Labor Day bonuses, Mid-Autumn Festival/Dragon Boat Festival vouchers, wedding/funeral allowances
Childcare Subsidies	Childbirth allowances, scholarships for employees' children, childcare subsidies
Lifestyle Perks	Travel activity subsidies, discounts at partner merchants
Learning Resources	Comprehensive employee training programs (free external training), book lending services
Company Facilities	Employee dormitories, dedicated employee parking (Yunlin Plant), dedicated rooms for mothers, social lounges
Employee Stock Ownership Trust	Administered by Yuanta Commercial Bank since July 1, 2024

Parental Leave and Family Support System



To fulfill its commitment to “safeguarding employees’ holistic well-being,” SAI actively supports national childcare policies, incorporating employees’ family needs into SAI’s support framework. We provide warm and comprehensive physical facilities and promote a flexible parental leave system, giving employees greater autonomy and peace of mind when welcoming a new family member. By safeguarding the right to reinstatement and ensuring a smooth transition in career progression, we are committed to alleviating the workplace anxiety that childcare responsibilities can bring — making the workplace not an obstacle to family life, but a source of stability that employees can rely on, so that the joy of parenting and professional achievement can find true balance with SAI’s support.

3.1 Inclusive Workplace and Diverse Talent



Parental Leave Statistics

Year	2024			2025		
Gender/Total	Male	Female	Total	Male	Female	Total
Number of Employees Eligible to Apply for Parental Leave (A)	66	19	85	54	17	71
Number of Employees Who Actually Applied for Parental Leave in the Current Year (B)	7	11	18	6	7	13
Number of Employees Expected to Return from Parental Leave in the Current Year (C)	6	7	13	6	5	11
Number of Employees Who Actually Returned from Parental Leave in the Current Year (D)	4	7	11	6	4	10
Number of Employees Who Actually Returned from Parental Leave in the Previous Year (E)	5	2	7	4	7	11
Number of Employees Who Continued Working for One Year After Returning from Parental Leave in the Previous Year (F)	3	2	5	3	7	10
Application Rate for Parental Leave (B/A X 100%)	10.61%	57.89%	21.18%	11.11%	41.18%	18.31%
Return-to-Work Rate After Parental Leave in the Current Year (D/C x 100%)	66.7%	100.0%	84.6%	100.0%	80.0%	90.9%
Retention Rate After Parental Leave in the Current Year (F/E x 100%)	66.0%	100.0%	71.4%	75.0%	100.0%	90.9%

Note: The retention rate refers to the percentage of employees who returned to work after parental leave and remained employed for one full year

Retirement System

SAI administers its employee retirement system in accordance with relevant laws and regulations. For employees covered under the old pension scheme, SAI contributes 2% of total monthly employee salary to a retirement reserve fund in accordance with the Labor Standards Act, which is deposited by the Supervisory Committee of Labor Retirement Reserve into a dedicated account at the Bank of Taiwan under its name; pension benefits are calculated based on the employee's years of service and average salary over the 6 months prior to retirement. For employees covered under the new pension scheme, SAI contributes 6% of monthly employee salary, in accordance with the Labor Pension Act, to individual pension accounts established by the Bureau of Labor Insurance, in order to safeguard employees' retirement benefits. SAI's retirement system is administered in full compliance with the law, and pension-related liabilities and expenses are disclosed in accordance with International Accounting Standards to enhance financial transparency. Although 3 employees covered under the old pension scheme departed SAI in 2025, none met the eligibility requirements for retirement, and as such, there were no pension applications or payments during the year.

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VI | Employee Remuneration

SAI firmly believes that employees' professional contributions form the foundation of SAI's sustainability, and that a fair and competitive compensation system represents the most direct recognition of their value. We not only strictly adhere to local labor laws to ensure that the ratio of entry-level salaries to the statutory minimum wage remains consistent regardless of gender, but also build a reasonable and substantively fair internal reward system through transparent salary adjustment and incentive mechanisms.

Stable economic security is the foundation for employees to pursue excellence. As such, SAI's compensation structure is designed around job-specific expertise and performance, ensuring that as employees advance in their careers, they can also share in SAI's growth and achieve a high quality of life security. Through regular benchmarking against market compensation levels, we maintain compensation conditions that exceed legal requirements, uphold the principle of gender neutrality, and strictly eliminate any potential for discrimination across job levels and positions. To SAI, fair compensation is not only a legal obligation, but also a core element of holistic employee care and a key factor in attracting and retaining top talent.

Gender Pay Ratio

Items	2024				2025			
	Basic Salary		Basic Salary Plus Bonuses		Basic Salary		Basic Salary Plus Bonuses	
	Male	Female	Male	Female	Male	Female	Male	Female
Managerial staff	1	0.98	1	0.91	1	1.05	1	0.97
Non-managerial staff	1	1.10	1	1.12	1	1.09	1	1.12
Total	1	1.11	1	1.13	1	1.10	1	1.11

Note: Supervisory personnel are defined as section level and above (including Line Managers and Special Assistants)

Ratio of Wage of Entry-level Employees to Local Minimum Wage

Local Minimum Wage Ratio	2023		2024		2025	
Entry-level Employees	Female	Male	Female	Male	Female	Male
Taiwan Operations Headquarters	1.11	1.15	1.13	1.15	1.08	1.10
Minimum Wage Amount (Taiwan)	26,400		27,470		28,590	

Note: By gender, calculate the ratio: Local Minimum Wage Ratio = Average Full Salary Provided to Minimum Wage Level Employees / Local Minimum Wage.

Remuneration of Full-Time, Non-Managerial Employees

(NT\$ thousand)

	2023	2024	2025
Average Salary	615	604	614
Median Salary	570	568	589

Note 1: "Non-managerial" is defined as excluding managerial officers (President, Vice President, Assistant Vice President, and Chief Accounting Officer)

Note 2: Compared to 2024, both the average and median salaries of full-time, non-managerial employees rose slightly in 2025.

Annual total compensation ratio

Ratio of the annual total remuneration of the highest-paid individual to the median annual total remuneration of all employees (excluding the highest-paid individual)		
Taiwan	2024	2025
	15.38	15.02

Note 1: Chairman is not considered the highest-paid individual unless also serving as President/ Managing Director.

Note 2: Formula for Annual Median Remuneration Ratio: Annual salary of highest-paid individual / Annual salary of individual at the median salary level for the year.

Note 3: As the annual salary of the highest-paid individual in 2025 did not increase, the annual total compensation change ratio could not be calculated.

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3.2 Human Rights Management and Talent Development

I | Human Rights Policy

SAI respects and supports internationally recognized human rights norms and principles, including the Universal Declaration of Human Rights, UN Global Compact, and International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. SAI complies with local laws and regulations and has formulated a human rights policy based on the UN Guiding Principles on Business and Human Rights. Through the “Protect, Respect, and Remedy” framework in its human rights management, SAI endeavors to mitigate human rights risks for employees, suppliers, partners, and the environments in which it operates. Remedial measures are employed to mitigate the impact of human rights incidents.

Overall, SAI's management policies encompass critical human rights issues such as prohibition of forced labor, discrimination, inhumane treatment, health and safety, equal treatment, access to remedy, and working hours and leave. SAI employs professional management to ensure operational safety, thereby safeguarding the physical safety of employees and participants. We actively enhance existing structures and integrate the spirit of respecting human rights into daily operations. In 2025, SAI had no instances of human rights violations.

Human Rights Commitment	Management Principles	Human Rights Related Courses in 2025	
◆ Firmly believe that respecting and safeguarding human rights is a core value for sustainable business development. ◆ Integrate human rights considerations into every aspect of our operations. ◆ Provide open communication channels for stakeholders.	◆ Prohibit any form of discrimination. ◆ Prohibit forced labor and the employment of child labor. ◆ Offer fair and equitable wages and working conditions. ◆ Establish a safe, healthy, and secure work environment. ◆ Respect the freedom of assembly and association for our employees.	In 2025, SAI implemented human rights-related courses during new employee training, including gender mainstreaming and prevention of sexual harassment	
		Total number of participants	159
		Total number of training hours	238.5

II | Human Rights Assessment

1. Human Rights Impact Assessment

To fulfill our commitment to human rights and corporate social responsibility, SAI regularly conducts internal Human Rights Impact Assessments (HRIA). Based on employee risk exposure, we develop risk control measures to ensure that our operations do not pose any human rights violation risks to employees or stakeholders, and we establish corresponding preventive and corrective mechanisms.

Using human resources data, we identify impact values associated with various issues, establishing mitigation measures and management objectives based on these findings. This approach aims to minimize harm and impacts on employees resulting from human rights issues, fostering an inclusive and diverse-friendly workplace. The human rights impact assessment covers all employees and job applicants, identifying a total of 11 human rights risk issues, achieving 100% coverage. Each indicator is assessed based on actual management practices, internal reporting records, and compliance with applicable laws and regulations enforced by competent authorities. The results show that all identified issues carry a “low” risk level, with no material incidents of harm occurring. Going forward, SAI will regularly review the effectiveness of its management mechanisms and continue to optimize its human rights governance processes, ensuring that all employees can work and develop in an environment defined by respect, fairness, and safety.

Number of Human Rights Risk Identification Topics in 2022 (identified once every five years)	11 items
Survey Coverage Rate	100%
Survey Improvement Rate	100%

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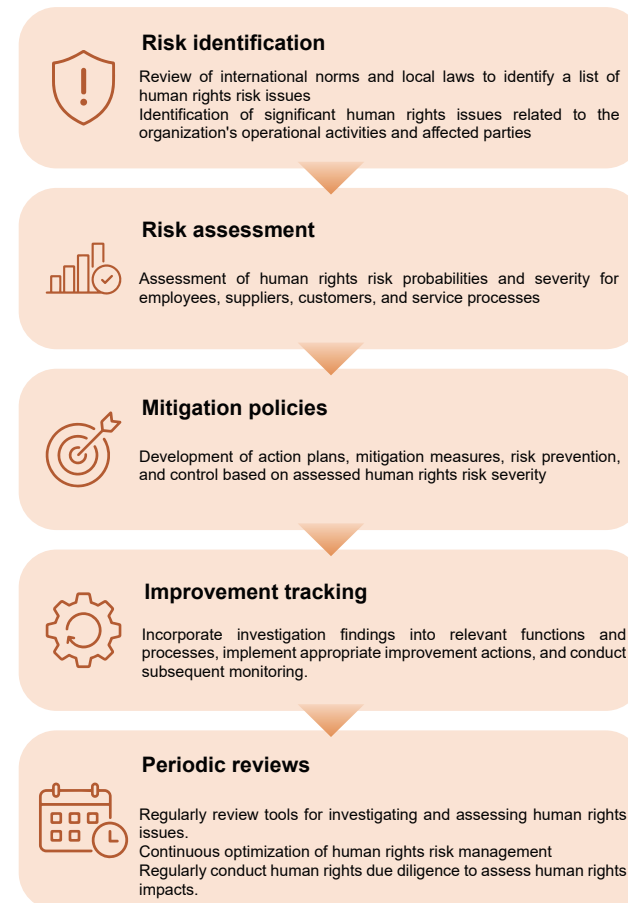
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2. Human Rights Due Diligence

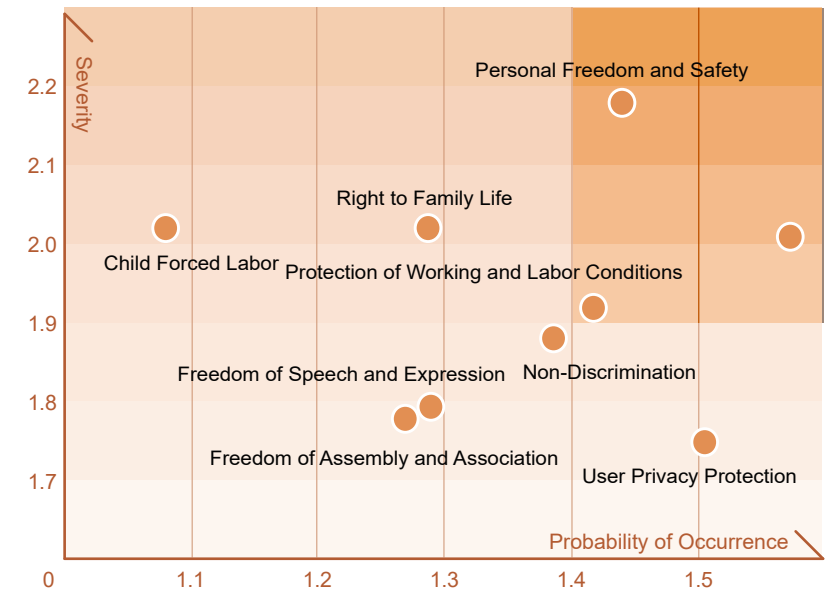
To effectively identify and properly manage human rights issues, SAI has established a human rights due diligence mechanism, conducted at least once every five years. The most recent human rights due diligence assessment was completed in December 2022, with subsequent annual risk tracking and reviews of management measure effectiveness used to continuously monitor changes in human rights risks and the status of corrective actions.

To mitigate potential human rights risks, SAI has also established comprehensive human rights policies and incident handling procedures, applicable across the entire value chain and all operating locations, in order to strengthen human rights safeguards and ensure accountable management.

Human Rights Due Diligence Process



2022 Human Rights Due Diligence Results



Note:

The probability levels are categorized as follows: (1=Unlikely to occur, 2=Low probability (1%-30%), 3=Moderate probability (31%-60%), 4=High probability (above 61%)). Severity levels are categorized as follows: (1=No impact, 2=Low severity, 3=Severe, 4=Very severe). SAI conducts human rights risk assessments and identifies high-risk human rights issues.

Given the categorical variables for the answer options, this analysis will focus on scenarios where the probability of occurrence is 2 or higher (i.e., Low to High probability) and the severity level is 3 or higher (i.e., Severe to Very severe). Situations where these two conditions intersect define high-risk scenarios.

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3. Risk Mitigation Measures

Beneficiary	Risk Category	Human Rights Risk Assessment	Mitigation and Preventive Measures Management	Improvement Status	2025 Risk Tracking and Management Measure Implementation Results
All Employees	 Right to Health - Providing Occupational Health Education and Training	Failure to provide workers with adequate operational training and safety knowledge, leading to industrial safety incidents	- SAI establishes a management organization, formulates management methods and procedures, and establishes regular audit procedures to effectively prevent various accidents. - During new employee education and training, besides advocating employees' obligations in safety and health, the importance of self-protection for employees is emphasized. - Monthly regular occupational health and safety training for incumbent employees is conducted. - Semi-annual fire drills are conducted to enhance employees' necessary disaster prevention concepts. Occupational safety team conduct irregular inspections of fire prevention measures to enhance fire safety. - Enhancing advocacy and regulations for the wearing of protective equipment by on-site employees, implementing inspections by site management personnel on the wearing of protective equipment by employees.	100% Comprehensive implementation	- This year, each plant continues to advance its occupational health and safety system, with ongoing optimization in areas including the installation of leakage circuit breakers on air compressors, forklift operation management, machine pinch-point safety measures, and contractor construction work management. - Monthly occupational health and safety training for current employees was conducted, with a total of 16,224 participants completing training. - Fire drills were held every six months for a total of 8 hours, with a total of 1,550 participants completing training.
	 Personal Freedom and Safety	Employees subjected to threats, physical assaults, and harassment (e.g., sexual harassment), causing negative impacts on their physical and mental well-being.	- Establishment of a secure and confidential complaint channel / SAI has established channels for employee communication and complaints. - Establishment of professional complaint handling processes. - Victim protection mechanism / Employee safety protection mechanism. - Increased employee welfare measures. - Promotion and education/training of gender equality and workplace safety policies	100% Comprehensive implementation	- No related grievance cases were reported in 2025. - Annual training and promotion on equality and workplace safety policy was conducted, with a total of 1,352 participants completing training.
	 Protection of Working and Labor Conditions	Workplace conditions or labor practices failing to meet legal requirements, resulting in employees' fundamental labor rights (e.g., working hours, wages, occupational health and safety, equal treatment) not being adequately protected.	- To safeguard employee health and safety and prevent occupational accidents, the workplace environment is regularly monitored (e.g., through workplace environmental monitoring and testing) to ensure a safe working environment and reduce the risk of occupational incidents. - In the event of an occupational accident, employees receive appropriate compensation and medical coverage to ensure their livelihood is not adversely affected. - Clear and reasonable labor contracts and conditions, with proactive monitoring of labor law developments and timely updates to related management systems. - Provision of required social insurance. - Establishment of accessible grievance channels. - Strengthened labor-management communication and information transparency. - Flexible working hours and shift scheduling, respecting employees' right to disconnect. - Gender equality in employment and prohibition of sexual harassment.	100% Comprehensive implementation	- A total of 4 penalty cases related to the working environment were issued in 2025, primarily concerning the absence of leakage circuit breakers on air compressors at the Yunlin Plant, the lack of a contractor consultative organization, a machine pinch-point injury incident, and a forklift incident at the Pingtung Plant where the forks were not lowered to the ground when the operator left the seat. The Occupational Safety Team designated the deficiencies identified by the labor inspection authority as a monthly special audit item, conducting parallel safety equipment and measure verification across all departments. - No penalties for non-compliance with labor conditions occurred in 2025. - No complaint cases in 2025.

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Anti-Slavery and Anti-Human Trafficking

SAI references the RBA (Responsible Business Alliance), BSCI (Business Social Compliance Initiative), SA 8000 (Social Accountability 8000) and other standard requirements in our commitment to not use or support the use of any form of slavery, forced, bonded, indentured, trafficked, or involuntary labor. We rigorously enforce policies on "Prohibition of Forced Labor" and "Code of Conduct," and assess the behavior of key suppliers according to SAI's Supplier Audit Control Procedures.



No Harassment and No Bullying

SAI has established a "No Harassment and No Bullying Workplace Environment Policy," addressing all forms of harassment and bullying within the workplace, including business travel, work-related events or social gatherings, written communications, or violations of our social media policies. This policy applies to all SAI facilities, branches, subsidiaries, partners, affiliated companies, including contractors, suppliers, customers, visitors, as well as all directors, employees, and officers of SAI.



Gender Equality and Diversity and Inclusion

SAI has developed a "Human Rights, Gender Equality, and Diversity and Inclusion Policy," dedicated to fostering an equal employment, discrimination-free, and harassment-free work environment, ensuring no differentiation based on race, nationality, age, gender, marital status, political stance, sexual orientation, religious beliefs, etc. We comply with labor laws and regulations, adhere to principles of fairness, justice, and transparency, and continually promote the employment of a sufficient number of persons with disabilities, providing suitable positions, aiming to create a diverse and inclusive workplace environment.

III | Labor-Management Communication

At SAI, every achievement is built on the dedication and effort of its employees. We firmly believe that employees are SAI's most important asset, and therefore continue to cultivate a workplace defined by respect, trust, and understanding, ensuring that every contribution is valued and channeled into SAI's steady growth. Through institutionalized two-way communication mechanisms, SAI safeguards employee rights and strengthens labor-management relations. We strictly adhere to labor laws and regulations, using internal policies as a foundation for protection, while promoting information transparency and the exchange of views through quarterly labor-management meetings and monthly all-hands meetings, establishing a communication framework that achieves 100% employee coverage and ensures that business development progresses in step with employee needs.

Beyond formal mechanisms, SAI also places great importance on employee belonging and workplace care. In 2025, SAI held spring banquet dinners at its Yunlin and Pingtung plants, bringing colleagues together to connect and celebrate the year's achievements. At year-end, SAI also commissioned custom holiday gifts from external artisans to express gratitude and well wishes to every employee. Through these various care initiatives, SAI continues to build a sustainable workplace grounded in respect, care, and shared value creation, enabling every SAI employee to thrive and develop with confidence.

Employee Communication Mechanisms and Achievements in 2025

Labor-Management Meetings

Communication frequency: At least once per quarter
Outcomes (number of sessions held): 4 sessions

Number of participants: 1,352
Employee coverage rate: 100%

Note: SAI currently has no collective agreement in place; employee wages and working conditions are governed in accordance with the Labor Standards Act and SAI's internal regulations

Welfare Committee

Communication frequency: At least once per quarter
Outcomes (number of sessions held): 6 meetings, 2 events

Coverage of Employee Population:
1. Spring banquet: Yunlin 97%, Pingtung 90%
2. Group activity participation: 797 participants (based on 973 domestic employees in December), accounting for approximately 82%

Monthly Mobilization Meetings

Communication frequency: First Tuesday of every month
Outcomes (number of sessions held): 12 sessions

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IV | Talent Cultivation

SAI firmly believes that outstanding talent is a critical foundation for SAI's sustainable development, and therefore continues to prioritize talent development and the enhancement of employees' professional capabilities. To strengthen employee competencies and overall quality, and to maintain SAI's long-term competitive advantage, SAI designs diverse training mechanisms tailored to the needs of different roles, covering both technical skill development and career advancement. In addition to encouraging employees to participate in external training and professional certification examinations, each department also organizes internal training sessions, study groups, and other diverse learning programs based on actual needs, in order to cultivate the professional talent required for SAI's development. In 2025, SAI continued to advance various talent development initiatives, supporting employees and SAI in growing together.

1. Education and Training Statistics — Managerial and Non-Managerial Employees

2025 Managerial Training Information		
Training Course	Number of Participants	Course Hours
Effective People Management: Practical Workshop on HR Management Skills for Mid-Level Managers	21	11
Employee Coaching Skills Training — Building a Positive Leadership Mindset of "Warmth, Responsibility, and Growth"	23	3.5
Professional Competency Assessment and Performance Review Interview Skills	39	3

2. Education and Training Statistics — Direct and Indirect Personnel

Items/Category		Direct Personnel		Indirect Personnel	
Unit/Gender		Male	Female	Male	Female
Total number of individuals	person	956	65	197	134
Total training hours	hour	41,657.50	2,842.68	13,908.56	6,504.38
Average training hours	hour/person	43.57	43.73	70.60	50.03
Training expenses	NT\$	133,500	600	20,440	75,550

SAI continues to invest in talent development, leveraging diverse training mechanisms to strengthen employees' professional capabilities and career development potential. To further enhance employee expertise and overall organizational competitiveness, SAI designs and implements a range of education and training initiatives tailored to the nature of different roles and development needs, helping employees continuously refine their professional knowledge and job skills. In addition to internal and external training courses, SAI also provides support for job-related certifications.

In 2025, SAI provided full subsidies for occupational safety-related certifications as well as quality assurance and quality inspection-related certifications and credentials, and assisted in arranging training courses to help employees obtain these certifications — encouraging employees to enhance their professional competencies and strengthen their practical capabilities. The following sections present the overall training outcomes for 2025, along with training participation by job category and gender.

2025 Training Outcomes	
Total number of training hours	64,913.12 hours
Average training hours per employee	48.77 hours

Items/Category		Management Position		Non-Management Position	
Unit/Gender		Male	Female	Male	Female
Total number of individuals	person	62	12	1,091	187
Total training hours	hour	10,534.47	372.48	45,031.59	8,974.58
Average training hours	hour/person	169.91	31.04	41.28	49.31
Training expenses	NT\$	7,300	58,000	146,640	18,150

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3. Talent Development and Training Strategy Planning

SAI firmly believes that talent is the key cornerstone of sustainable business operations and transformation, and therefore continues to invest in talent development while working to internalize sustainability principles as part of the corporate culture, embedding a sustainability DNA deep within the organization. Beyond strengthening employees' professional capabilities, SAI also emphasizes the cultivation of sustainability literacy, enhancing organizational resilience and long-term competitiveness in the face of change.

To build a comprehensive talent development system, SAI designs a holistic competency learning map tailored to job requirements and career trajectories, covering professional skills, career development, and sustainability literacy. Through diverse learning channels — including systematic internal training, employee book clubs, external training, and professional certification — SAI continues to strengthen employee capability development and overall organizational effectiveness.

In line with its talent development and training planning, SAI also integrates training initiatives with SAI's sustainability goals. In 2025, training efforts centered on two key themes: "Cultivating an ESG Sustainability Culture" and "Strengthening Sustainable Supply Chain Management." For cultivating an ESG sustainability culture, a total of 7 awareness sessions were held between March and September 2025 to enhance employees' understanding of basic ESG concepts, everyday



sustainability practices, and SAI's sustainable development. For sustainable supply chain management, ISO 20400 sustainable procurement training was provided to procurement personnel, helping the materials department (procurement team) understand relevant standards and strengthen supply chain sustainability risk management and audit capabilities, with one training session completed in April 2025. Through these initiatives, SAI continues to deepen employees' sustainability awareness and professional capabilities, progressively embedding sustainability principles into daily operations and supply chain management.

V | Performance Evaluation

SAI has built a performance management system based on both quantitative work objectives and qualitative competency-based behaviors, fully linking SAI's overall business objectives with individual employee performance. Department and individual goals are cascaded top-down in alignment with SAI's strategy. SAI conducts performance appraisals four times a year, assessing supervisors, general employees, and foreign workers based on "Individual Performance Ratings" or "Individual Efficiency Alignment." Throughout the evaluation process, supervisors provide ongoing communication and feedback to support employees in improving their work performance and professional capabilities.

Rate of Performance Appraisal for Managerial and
Non-managerial Positions in 2025

100%

Percentage of Employees Receiving Regular Performance and Career Development Reviews

SAI's performance evaluation mechanism is built on SAI's strategic objectives, with department and individual goals cascaded top-down. Through thorough alignment and communication between employees and their supervisors, a clear shared understanding is established to achieve the desired performance outcomes. Through regular review and feedback, SAI also continues to document the journey of growth shared between employees and SAI, showcasing the development achievements of its diverse talent across different fields.

		Number of individuals	Percentage of total workforce
By gender	Male	1,149	85%
	Female	203	15%
By job category	Technical personnel	122	9%
	Operating personnel	969	72%
	Administrative staff	261	19%

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SAI recognizes that a safe and healthy work environment is a fundamental foundation for safeguarding employee well-being and ensuring SAI's stable operations. As such, occupational safety and health (OSH) management is embedded as a core part of SAI's operations. Through institutional frameworks, education and training, and risk assessment, SAI continues to deepen a prevention-oriented safety culture, striving to create a safe and healthy work environment.

Occupational Safety and Health Policy	Management Actions	2024 Implementation Results	2025 Implementation Results
Continuously improve the occupational safety and health management system, reduce occupational accident risks, and protect the safety and health of employees, contractors, and related workers	Follow the ISO 45001 Occupational Safety and Health Management System to reduce work-related injuries and strengthen contractor safety management and on-site operational safety supervision	No leakage incidents occurred No fatal occupational accidents occurred There was 1 occupational incident and 13 traffic accidents.	No leakage incidents occurred fatal occupational accident involving a contractor occupational incidents and 13 traffic accidents

I | Occupational Safety Policy

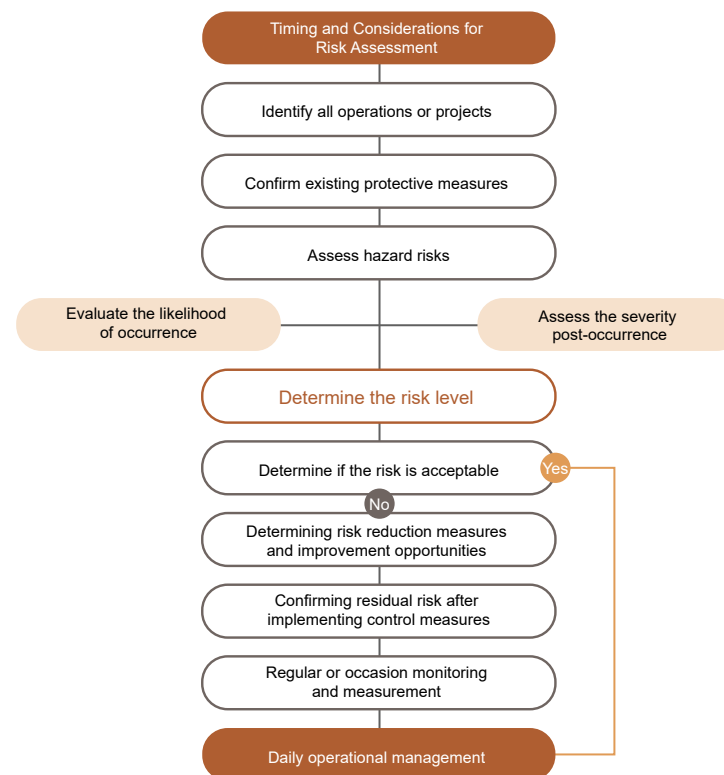
SAI is committed to building a secure occupational safety and health environment, firmly believing that a healthy, safe workplace not only enhances employee cohesion and retention, but is also key to improving product quality and production stability. SAI strictly adheres to applicable occupational safety and health regulations and has implemented the ISO 45001 Occupational Health and Safety Management System, using systematic EHS management manuals and procedural documentation to implement hazard prevention and occupational accident control, demonstrating SAI's commitment to building the highest standard of health and safety in the workplace.

Through policy communication and promotion, SAI strengthens employees' awareness of occupational safety and health, enabling effective hazard control and risk reduction while enhancing corporate competitiveness. SAI is dedicated to identifying occupational health and safety risks and progressively improving processes to minimize work-related impacts on its employees, contractors, and subcontractors, reducing incidents and enhancing safety performance.

At the same time, through policy communication and internal promotion mechanisms, SAI continues to raise awareness and participation in occupational safety and health among all employees, systematically and effectively controlling and reducing potential risks, thereby enhancing corporate competitiveness. SAI also actively identifies and improves potential occupational safety and health risks arising from its operations, covering both its own employees and contractor/subcontractor personnel, reducing the impact of workplace hazards and the likelihood of accidents, and comprehensively improving workplace safety and health outcomes.

In accordance with ISO 45001 standards, SAI has established occupational health and safety management procedures for suppliers and contractors. The Occupational Health and Safety Management System applies to all 1,407 personnel within SAI's worksites, as well as 316 contractor/subcontractor employees, achieving 100% coverage.

1. Hazard Identification and Risk Assessment Process



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2. Workplace Hazard Identification and Risk Assessment

To continuously eliminate potential occupational hazards in the workplace, SAI assigns qualified personnel to conduct hazard identification. Hazard factors are quantified to serve as the basis for risk assessments, reviewed by the OHS Management Unit to determine risk levels. Control measures and improvement objectives for hazard risks are established, integrating them into the Occupational Health and Safety Management System for regular monitoring.

In 2025, through hazard identification and risk assessment under the ISO 45001 Occupational Safety and Health Management System, the Yunlin Plant and Pingtung Plant identified a total of 2,040 items, a decrease of 59 items compared with 2024. The decrease was mainly due to organizational integration and optimization of hazard identification items within units. No major risks were identified, and 34 items were classified as high risks, as shown in the high-risk analysis table. After countermeasures were formulated and risk reduction measures or improvement opportunities were implemented, all risks were reduced to acceptable levels. SAI employs both proactive (such as weekly safety and health information sessions, monthly assembly briefings, and case-study-based education on current events) and reactive hazard identification reviews (following the occurrence of occupational accidents or near-miss incidents).

ISO 45001 Occupational Health and Safety Management System — Hazard Identification and Risk Assessment				
	2024		2025	
 Number of items identified	Yunlin Plant: 1,401 items	Total: 2,099 items	Yunlin Plant: 1,311 items	Total: 2,040 items
	Pingtung Plant: 698 items		Pingtung Plant: 729 items	
 Number of items classified as material risk	Yunlin Plant: 0 items	Total: 0 items	Yunlin Plant: 0 items	Total: 0 items
	Pingtung Plant: 0 items		Pingtung Plant: 0 items	
 Number of items classified as high risk	Yunlin Plant: 23 items	Total: 34 items	Yunlin Plant: 23 items	Total: 34 items
	Pingtung Plant: 11 items		Pingtung Plant: 11 items	

High-Risk Analysis Table		
Risk Type	Identified Item	Corrective Measures Implemented
Lifting Operations	Falling materials during lifting of transformers, cylinders, and similar equipment	On-site access control and designated work zones implemented; personnel movement prohibited in restricted areas; secure lifting rings verified before use
Traffic Accidents	Commuting to and from work	Education and training, along with assembly briefings, have been conducted
Slip/Fall Hazards	Slips occurring during plant inspections and special audits due to wet floor or stair surfaces	Completed planning and improvement of 3 EHS management programs; hazard warning signage posted throughout plants
Splash/Projectile Hazards	Eye or body injury from splashing or flying debris caused by cracked or damaged grinding wheels/discs during grinder operation	Strengthen preventive equipment maintenance and safety confirmation
Electric Shock Hazards	Electric shock resulting from failure to wear insulated equipment during maintenance of crushers and high-voltage substations, and during electrical measurement and control work	Multimeters and other measuring instruments used prior to work; insulated clothing worn; work area optimization supported through EHS management program planning and improvement
Fall Hazards	Falls resulting from missteps or loss of footing during equipment maintenance and rooftop work (e.g., cleaning, panel replacement)	Contractors: Contractor training and on-site audits implemented Internal: Implemented in accordance with the contractor and outsourcing operation management procedures
Entanglement/ Pinch Hazards	Lack of protective measures at transmission points of mechanical equipment such as heat treatment furnaces and crushers	Completed planning and improvement of 3 EHS management programs

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Starting from 2025, SAI has separately compiled statistics on occupational safety and health training and environmental safety training to deepen professional competency development. Details of the education and training are shown in the table below:

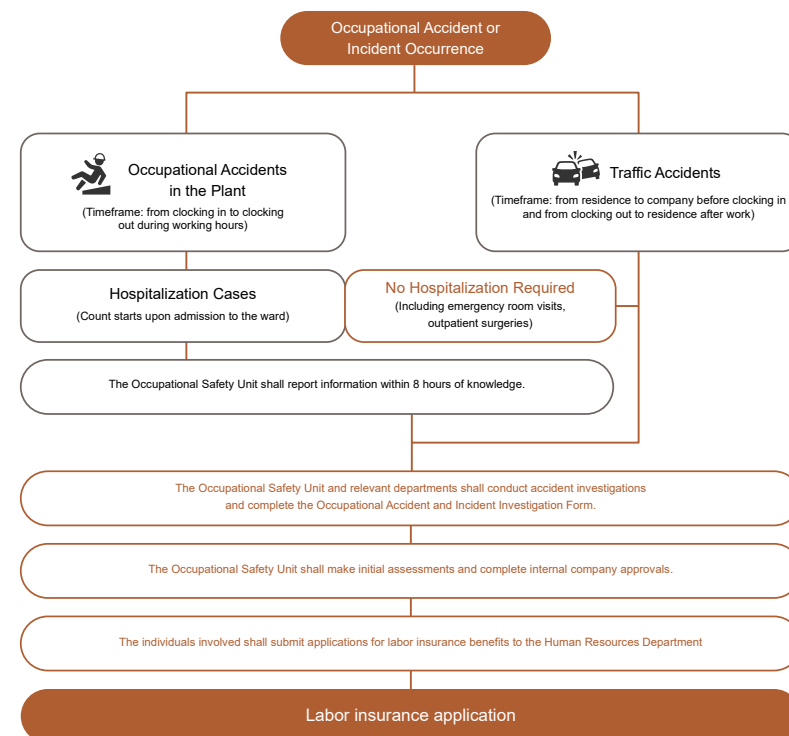
Occupational Safety and Health Policy	Management Actions	2024 Implementation Results	2025 Implementation Results
 Promoted OHS (Occupational Health and Safety) awareness among employees and relevant stakeholders.	 Conducted related education and training for dedicated personnel and all employees.	- Environmental Safety and Occupational Safety Team: A total of 203 personnel participated in external training for a total of 1,451 training hours. SAI currently holds a total of 572 occupational safety and health-related certifications, with 35 trained personnel resulting in the acquisition of 31 certifications, representing a certification acquisition rate of 80%, with a total of 857 training hours (excluding internal audit personnel certifications). - All Employees: A total of 4,395 participants engaged in training sessions, with topics covering environmental safety and occupational safety and health. The total training hours were 2,198 hours.	- Occupational Safety Team: A total of 203 personnel participated in external training for a total of 1,451 training hours. SAI currently holds a total of 572 occupational safety and health-related certifications, with 35 trained personnel resulting in the acquisition of 31 certifications, representing a certification acquisition rate of 80%, with a total of 857 training hours (excluding internal audit personnel certifications). - All Employees: A total of 16,719 participants engaged in training sessions, with topics covering environmental safety and occupational safety and health. The total training hours were 8,360 hours.

II | Occupational Health and Safety Protection

Occupational accident management covers both occupational accidents and commuting accidents. In the event of any occupational injury, the affected employee must immediately report the incident to their unit supervisor. For major occupational accidents as defined under Article 37 of the Occupational Safety and Health Act, SAI reports the incident to the labor inspection authority within 8 hours in accordance with regulatory requirements. The management unit (Human Resources team) subsequently assists employees with applications for injury and illness benefits and various forms of compensation in accordance with the Labor Occupational Accident Insurance and Protection Act, ensuring the protection of employees' rights and supporting their recovery and return to work.

1. Occupational Accident Handling Process

In light of environmental factors arising from its manufacturing processes and industry characteristics, SAI implements hazard identification and risk assessment mechanisms under ISO 45001 for work areas with noise-related risks within its production processes, and advances a comprehensive "Hearing Conservation Program." In addition to engaging government-accredited monitoring institutions to regularly conduct workplace environmental monitoring at the source, SAI also actively implements engineering controls and administrative measures, such as installing enclosures on CNC machining equipment and optimizing soundproofing measures on automated polishing and grinding machines. Furthermore, through annual specialized health examinations and health promotion activities, SAI strengthens employees' health awareness, proactively monitors and prevents occupational hearing loss, and is committed to creating a secure and healthy, sustainable workplace.



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2. Strategies and Measures for Promoting Occupational Safety, Health, and Hygiene

To effectively prevent occupational illness and accidents, SAI integrates “exposure control” with “proactive prevention” in line with the principles of the ISO 45001 Occupational Health and Safety Management System. Through precise workplace environmental monitoring, hazard identification is implemented, combined with systematic safety and health education and training to strengthen employees’ risk awareness. SAI also promotes an employee health management mechanism encompassing regular health examinations, suitable job placement, and preventive medical follow-up, establishing a complete cycle from environmental improvement to individual health promotion, and fulfilling its commitment to a secure workplace.

Worksite Real-Time Monitoring

SAI has established a systematic occupational environment monitoring mechanism in accordance with the “Regulations for Workplace Environmental Monitoring” and the performance monitoring requirements of ISO 45001. Nationally accredited monitoring institutions are commissioned to conduct regular monitoring of chemical and physical factors. Routine monitoring items are carried out semi-annually, while specific risk factors (such as the Wet Bulb Globe Temperature (WBGT) index and wind speed) are subject to quarterly or annual project-based monitoring. Through data-driven assessments of actual exposure conditions, SAI implements hazard identification and risk control measures to ensure that the working environment complies with permissible exposure standards.

	Plant	Monitoring Parameters	2025 Monitoring Results
Yunlin Plant	Plant 1 (including Plant H)	Physical Monitoring (Comprehensive Temperature-Humidity Index, Noise) Chemical Monitoring (Dust and Carbon Dioxide)	Compliance with Regulations
	Plant 2	Physical Monitoring (Comprehensive Temperature-Humidity Index, Noise, Wind Speed) Chemical Monitoring (Carbon Dioxide, Organic Solvents, Specific Chemical Substances)	Compliance with Regulations (Regarding the noise, please refer to the *Note)
	Zhuwei Plant	Physical Monitoring (Noise)	Compliance with Regulations
Pingtung Plant		Physical Monitoring (Comprehensive Temperature-Humidity Index, Noise) Chemical Monitoring (Carbon Dioxide, Organic Solvents, Specific Chemical Substances)	Compliance with Regulations (Regarding the noise, please refer to the *Note)

Note: Due to business models, Plant 2 and the Pingtung Plant have partial noise exposure. SAI continues subsequent management in accordance with the Hearing Protection Program, with occupational health nurses and occupational physicians jointly conducting assessments and ongoing follow-up and care.

Health Examinations

Each year, employees undergo annual general health examinations, and those employed for more than 6 months are entitled to health examination benefits. SAI has expanded this program to include employees’ dependents in the health check activities. All employees’ personal health service records and information are securely managed by the health management unit to ensure confidentiality and are solely used to assess whether employees are in a safe workplace environment, with no other purposes.

Health Examination for Current Employees in 2025	
Number of domestic employees	937
Number of foreign employees	115
Others (employee dependents, contractors, and outsourced personnel)	30
Total	1,082
Overall employee health examination rate	100%

In 2025, SAI completed health examinations for a total of 1,082 individuals, including 937 domestic employees, 115 foreign employees, and 30 other participants (comprising employee dependents, contractors, and outsourced personnel). The overall employee health examination participation rate reached 100% (employees who had not yet reached the statutory age requirement for health examinations and had confirmed that they did not intend to undergo supplementary examinations were included in the calculation). Following the examinations, occupational medicine specialists and occupational health nurses conducted health risk classification and subsequent care and follow-up in accordance with SAI’s internal management procedures. Based on the assessment results, no abnormalities requiring further intervention were identified.

With respect to occupational health surveillance, 619 special health examinations were completed in 2025. Labor health service nurses and contracted occupational medicine specialists implemented a “graded management” mechanism. For individuals classified under Category 3 management, occupational physicians conducted follow-up examinations and incorporated workplace environment monitoring data to perform “job suitability

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assessments” and provide personalized follow-up care. For individuals classified under Category 4 management, the “Hearing Conservation Program” was rigorously implemented. Through cross-functional collaboration between occupational health nurses and occupational physicians, health trends were continuously monitored and professional medical consultations were provided. Through this proactive management approach, the number of confirmed occupational disease cases identified throughout 2025 remained zero, effectively safeguarding employees’ physical and mental well-being.

2025 Special Employee Health Examinations

	Number of domestic employees examined	401 person-times
	Number of foreign employees examined	218 person-times
	Total number of employees examined	619 person-times

Number of Health Examinations Conducted in 2025

Items/Category	General Health Examinations	Special Health Examinations	Dependents' Health Examinations
Number of Examinees	1,052	619	30

General Employee Health Examination Management Indicators (individuals)

	Yunlin Plant		Pingtung Plant
First level	75	First level	18
Second level	407	Second level	81
Third level	212	Third level	56
Fourth level	49	Fourth level	39
Foreign Employees	107	Foreign Employees	8
Total	850	Total	202

Note:

1. Excluding dependent health checks, leaves of absence, and resignations, the total is 30 individuals.
2. The count of individuals due for examination is 1,052.

Special Health Examination Management Indicators (occurrences)

	n-Hexane	Noise	High Temperature	Dust	Formaldehyde	Manganese	Ionizing Radiation
First level	19	222	24	210	3	18	5
Second level	0	288	30	180	0	3	1
Third level	0	0	0	0	0	0	0
Fourth level	0	22	0	0	0	0	0
Total	0	532	54	390	3	21	6

Note: This management indicator involves multiple occurrences per person, hence calculated in occurrences (occasions).

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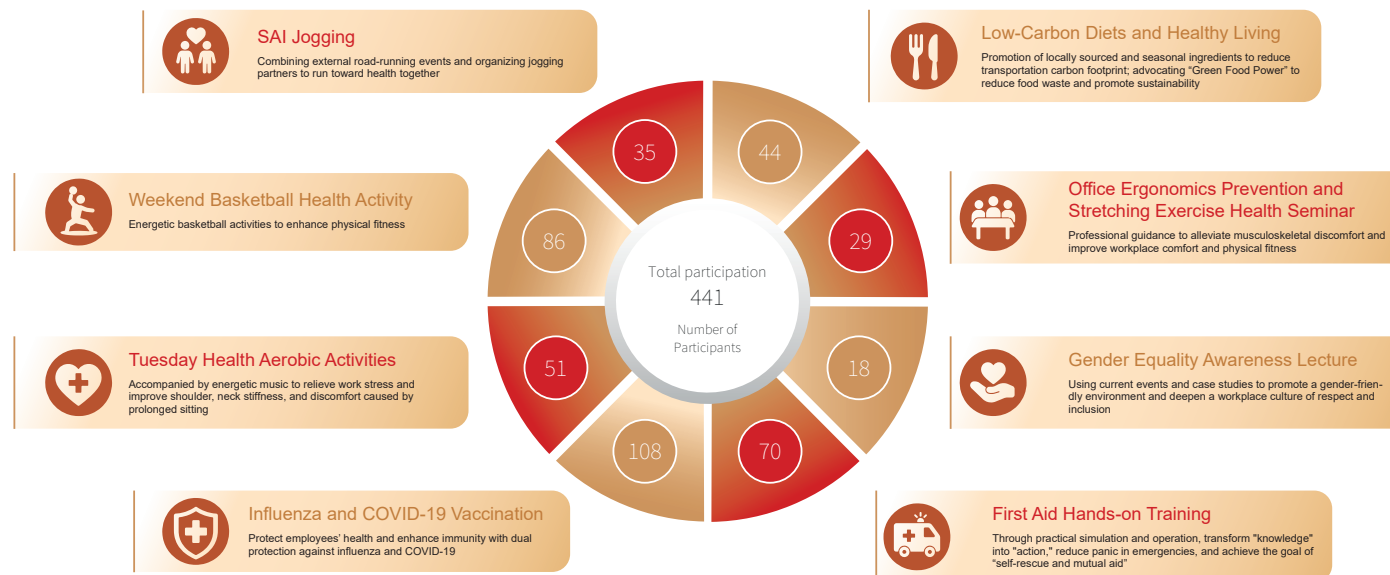
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Health Promotion

SAI regards employees as the cornerstone of its sustainable development. In addition to prioritizing workplace safety, SAI is committed to establishing a comprehensive employee health protection network. Tailored and diversified health promotion programs are designed and implemented. Through systematic health care and wellness knowledge empowerment, employees are encouraged to develop self-directed health management habits, thereby fulfilling SAI's commitment to work-life balance.

Participation in Health Promotion Activities in 2025



Low-Carbon Diets and Healthy Living



Weekend Basketball Health Activity



SAI Jogging



Influenza and COVID-19 Vaccination

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Execution of Five Major Protection Plans

To prevent workplace misconduct (violence, intimidation, threats, etc.), hazards from repetitive operations, and to enhance health protection for maternal employees, SAI has formulated and implemented five major protection plans. These initiatives aim to promote employees' physical, mental, and emotional well-being during operations. In 2025, after a joint assessment by occupational physicians, no major abnormalities or immediate job reassignment needs were identified. The relevant statistics are shown in the table below.

2025 Statistics (person-times)	
Surveyed population	2,381
Cases subject to care and follow-up	104
Case registration/care and follow-up rate	100%

	Yunlin Plant (person-times)			Pingtung Plant (person-times)		
	Survey Quantities	Cases Subject to Care and Follow-up	Pending Follow-Up	Survey Quantities	Cases Subject to Care and Follow-up	Pending Follow-Up
Human Factor Hazard Prevention Plan (Targeting High-Risk Groups Identified by NMQ Survey)	850	17	0	203	6	0
Workplace Maternity Protection Plan (Implementation for Pregnant/Childbearing Groups)	2	2	0	0	0	0
Prevention Plan for Job-Related Violations (Supervisor Self-Assessment)	18	0	0	8	0	0
Prevention Plan for Disease Triggered by Abnormal Workloads (Implementation for Risk Level Three)	850	14	0	203	3	0
Respiratory Protection Plan	151	34	0	96	28	0

III | Occupational Safety and Health Committee

SAI has established an "Occupational Safety and Health Committee" at each plant site in accordance with its organizational structure. The Committee comprises occupational safety and health management personnel, occupational health service nurses, as well as members from various professional fields, including engineering and technical personnel related to occupational safety and health, and supervisors, managers, and executives from each department. In addition, 18 labor representatives elected through the labor-management meetings at each plant site are included, accounting for one-third of the committee members. The committee consists of a total of 29 members and is primarily responsible for overall planning of occupational safety and health matters and promoting the development of the occupational safety and health management system.

Occupational Safety and Health Committee				
	Head Office	Plant 1 (including Plant H)	Plant 2	Pingtung Plant
Number of committee members	5	9	5	10
Labor representatives elected via labor-management meetings	3	6	3	6

Note: As the Zhuwei Plant has fewer than 30 employees, it is not required to establish an Occupational Safety and Health Committee.

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The Occupational Safety and Health Committee serves as a statutory committee chaired by senior managers. Through regular quarterly meetings, the Committee implements decision-making and resource deployment related to workplace safety. The Committee not only conducts rolling reviews of the implementation progress of Occupational Health and Safety programs, but also actively responds to external environmental trends by reviewing and optimizing measures related to working conditions and equipment. This establishes a top-down safety defense system and ensures substantive review and improvement of on-site working conditions, with the aim of creating a friendly workplace with zero occupational accidents and high levels of protection.



"The Committee" also serves as a communication and coordination platform among different organizational levels, labor representatives, and external experts (such as occupational medicine specialists). It is responsible for formulating and promoting initiatives and programs related to workplace safety and health, environmental protection, and employee health promotion. Committee meetings are held regularly, and all resolutions passed serve as the basis and guiding principles for SAI's occupational safety and

health operations. All personnel engaged in occupational safety and health management within SAI are required to obtain relevant certified licenses in accordance with regulations. In addition, they are periodically assigned to participate in seminars and briefing sessions organized by government authorities and academic institutions to continuously enhance their professional competencies, ensure compliance with regulatory standards, and thereby safeguard employee safety and health.

1. Occupational Health and Safety Education and Training

To prevent occupational accidents, strengthen employees' understanding of occupational safety regulations, and equip them with the necessary knowledge to respond effectively to hazards, SAI conducts annual occupational health and safety education and training. All employees of SAI are required to receive occupational safety and health education and training. The training programs for new hires and existing employees are conducted internally by SAI, including new employee orientation training, monthly in-service OSH training, and job-specific training organized by each department according to the characteristics of its respective manufacturing processes. For personnel engaged in special operations, employees are regularly assigned by SAI to external training institutions or government-authorized organizations to participate in occupational safety and health courses. All related training expenses are fully borne by SAI to support employee development. The training programs cover forklift operators, hazardous materials handling supervisors, dust work supervisors, and fixed crane operators, among others. To further enhance fire safety management, employees are also arranged to receive training as fire safety managers to assist in fire prevention and emergency response operations.

2. Occupational Safety and Health Training Program Statistics

Training Program Name	2024 Number of Trainees	2025 Number of Trainees
General Education Training (Company Conducted)	19,670	16,719
On-the-Job Employee Education Training (Government Conducted)	35	67
On-the-Job Employee Education Training (Occupational Health and Safety Skill Training)	141	136
Contractor Education Training (Company Conducted)	190	287

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IV | Occupational Safety and Health Management Performance

SAI consistently regards employee safety as its top priority. Through the implementation of the “Environmental, Safety and Health Supervision and Measurement Management Procedure,” SAI applies quantitative indicators to accurately evaluate occupational safety performance and continuously optimize best practice pathways toward the goal of zero occupational injuries. In addition, SAI extends its management scope to suppliers and contractors, strictly overseeing their occupational safety implementation effectiveness to ensure compliance with applicable regulations. In 2023, SAI partnered with the Yunlin County Government to establish the “Safety Family,” and jointly organized a conference in conjunction with the International Day of Persons with Disabilities to further strengthen occupational safety awareness. In 2024, SAI further launched the “Type C Occupational Safety and Health Officer Training Program” to enhance organizational compliance among small and medium-sized enterprises. In 2025, SAI continued to promote the “Safety Family” initiative by conducting first aid personnel training programs. Through practical courses, SAI strengthened partners’ emergency response capabilities and improved first aid knowledge, thereby achieving regional co-prosperity.



1. 2025 Occupational Accidents Statistics

In 2025, the number of recordable occupational accidents at SAI totaled 10 cases. The main types of occupational injuries included pinching injuries, burns/scalds, and falls. There were 13 commuting-related traffic accidents involving employees, primarily categorized as collisions and falls. To implement preventive management, SAI conducts internal training through a “case feedback mechanism” to strengthen employees’ adherence to standard operating procedures (SOPs) and prevent recurrence of similar cases. For occupational accident victims, labor health service nurses provide case care according to severity, implementing systematic personnel care. With regard to the safety management of non-employee workers (e.g., contractors, outsourced personnel, and subcontractors), there was only one serious occupational accident involving a fall from scaffolding occurred in 2025 over the past three years. Following the incident, the Ministry of Labor ordered an immediate suspension of operations for investigation on May 23. SAI conducted a thorough review and, during the suspension period, implemented comprehensive safety improvements and strengthened supervision of working-at-height environments and contractor construction equipment. After the corrective actions were confirmed as effective by the competent authority, operations officially resumed on October 2 of the same year.



2. Occupational Accidents Prevention

To prevent occupational accidents, ensure the safety of all employees, and enhance occupational health and safety awareness, SAI conducts monthly occupational safety and health education training. These sessions include relevant course content and are conducted during all-staff gatherings, where occupational accident cases and improvement measures are shared. Additionally, teams from each department are sent to inspect the site regularly to identify and assess workplace hazards and conditions. Recommendations for improvement and control measures are then implemented to reduce employee risks.

In the event of an occupational accident, SAI collaborates with relevant departments and labor representatives to conduct investigations. This includes assessing and improving work environments, machinery, equipment, tools, signage, and protective measures. They also review and update operational standards, safety and health education training records, and hazard identification and risk assessment forms related to the relevant processes to prevent future accidents.

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3. Occupational Accident Statistics Over the Past Three Years

Category	Items	2023	2024	2025
Total Work Hours	Female total experienced work hours	433,064	434,448	419,560
	Male total experienced work hours	2,585,696	2,524,216	2,346,664
	Total experienced work hours	3,018,760	2,958,664	2,766,224
Number of Fatalities Due to Occupational Injuries	Number of female fatalities	0	0	0
	Number of male fatalities	0	0	0
	Total number of fatalities	0	0	0
Number of Persons Seriously Injured (Excluding Fatalities)	Total number of severe occupational injuries for females	0	0	0
	Total number of severe occupational injuries for males	2	1	2
	Total number of severe occupational injuries	2	1	2
Number of Recordable Occupational Injuries (including Fatalities and the Number of Serious Occupational Injuries)	Total number of occupational injuries for females	1	1	0
	Total number of occupational injuries for males	17	7	10
	Total number of occupational injuries	18	8	10
Occupational Injury Fatality Rate		0	0	0
Severe Occupational Injury Rate		0.66	0.34	0.66
Disability Injury Frequency		5.96	2.70	3.61
Disability Injury Severity Rate		52	6	141
Absenteeism Rate (Total hours of public injury leave, sick leave, and physiological leave / total hours worked)		2.31%	1.39%	1.62%

Note 1: The number of serious occupational injuries refers to the number of notified occupational injury hospitalizations (i.e., when the number of persons injured in an accident is three or more, or when the number is one or more and hospitalization treatment is required, etc.).

Note 2: Fatality Rate from Occupational Injuries = Number of fatalities from occupational injuries * 1,000,000/Total work hours

Note 3: Severe Occupational Injury Rate = Number of severe occupational injuries (excluding fatalities) * 1,000,000/Total work hours

Note 4: Disabling Injury Frequency Rate (%) = Number of recordable occupational injuries/Total work hours * 1,000,000

Note 5: Disabling Severity Rate (%) = Recordable occupational injury lost workdays/Total work hours * 1,000,000

4. 2025 Occupational Safety and Health Performance

	SAI	Industry Peers
Disability Injury Frequency	3.61	1.74
Disability Injury Severity Rate	141	147

Note 1: Peer industry data are based on statistics from the Occupational Safety and Health Administration, Ministry of Labor.

Note 2: SAI's disabling injury frequency rate was higher than that of peer companies, mainly due to pinch injuries and fall accidents, which caused the disabling injury frequency rate to increase compared with the previous year. To prevent occupational accidents, SAI commissioned the Facility Affairs unit to add interlocking switches to machinery to prevent mechanical pinch injuries. For fall incidents, operating procedures were optimized by adjusting the method of work inside cabinets to reduce time spent inside cabinets, and item identification cards are now affixed only after goods have been unloaded onto the ground.

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V | Security Personnel Training

SAI currently employs 19 security personnel who serve as the first line of defense in safeguarding company assets and personnel safety, and who play a key role in maintaining a secure and stable working environment across plant sites. All security personnel are dispatched by professional security service providers and have obtained relevant qualifications as required by local government regulations. In accordance with Article 10-2 of the "Private Security Service Act," SAI requires contracted security service providers to provide comprehensive training for all deployed personnel. Initial training must be completed prior to assignment, and continuous on-the-job training is required to enhance professional competencies. The training content includes guidance on the prevention of unlawful acts in the workplace, as well as written statements prohibiting workplace sexual harassment and violence. Training is delivered through case studies and on-site practical examples to strengthen security personnel's ability to respond promptly and appropriately to various situations. For SAI, security personnel are not only part of the safety management system but also an essential force in safeguarding a secure working environment for employees.

Total number of security personnel at SAI	19
Total monthly training hours for 2025	4 hours
Total number of trainees	19
Training participation rate	100%

Pre-Employment Education and Training		On-the-Job Education and Training			
Training Hours	Course Title	Training Hours	Course Title	Training Hours	Course Title
2 hours	Introduction to Company Policies and Management Regulations	2 hours	Security Industry Operations, Management, and Future Prospects	2 hours	Chinese New Year Duty and Epidemic Prevention Service Regulations
2 hours	Overview and Brief Introduction of the Site	2 hours	Principles and Considerations in Security Operations	2 hours	Use of Surveillance Video and Emergency Broadcasting Systems
1 hour	Principles and Considerations in Security Operations	2 hours	Security Services Act and Its Implementing Regulations	2 hours	Prevention of Unlawful Conduct in the Performance of Duties
1 hour	Security Services Act and Its Implementing Regulations	2 hours	Security Industry Theories	2 hours	Theory and Handling of Customer Service and Customer Requests
1 hour	Personnel Duty Guidelines	2 hours	Overview of Criminal Law	2 hours	Prohibition of Sexual Harassment and Violence in the Workplace
1 hour	Practical Theft and Robbery Prevention	2 hours	Crime Prevention and Community Engagement	2 hours	Typhoon Prevention Measures and Earthquake Operations Procedures
2 hours	Security Industry Theories	2 hours	Criminal Investigation	2 hours	Guidelines for the Execution and Handling of Duty Assignments
1 hour	Disaster Relief and Protection Training	2 hours	Practical Theft and Robbery Prevention	2 hours	Security Guard Duty Regulations and Appearance Standards
1 hour	Crisis Management	2 hours	Service Etiquette	2 hours	Abnormal Handling Procedures and Reporting System (including Emergency Incident Management)
1 hour	Human Rights Education	2 hours	Disaster Relief and Protection Training	2 hours	Roles and Responsibilities of Each Checkpoint and Patrol Duties
1 hour	Traffic Control Command and Assistance in Handling Traffic Accidents	2 hours	Crisis Management	2 hours	Fire Safety Concepts, Equipment Operation, and Practical Applications
1 hour	Hand-to-Hand Combat, Comprehensive Application of Boxing Techniques, and Self-Defense Techniques	2 hours	Hand-to-Hand Combat, Comprehensive Application of Boxing Techniques, and Self-Defense Techniques	2 hours	Occupational Health and Safety
1 hour	Occupational Health and Safety				
24 hours	Practical Operations of On-Duty Site Security Services				

Note:

1. Pre-service training: Prior to duty assignment, personnel complete 16 hours of training at SAI, followed by 24 hours of training at the duty site, totaling 40 hours.

2. On-the-job training: Monthly training consists of 2 hours conducted at SAI and 2 hours at the duty site, totaling 4 hours.

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3.4 Spreading the Power of Warmth

SAI upholds the vision of “Creating Infinity, Enduring Dreams” and is guided by the mission of “Sustainable Operations and Social Responsibility as Our Mission.” By spreading the seeds of social compassion, SAI transforms corporate resources into positive social impact. We not only deepen its local engagement but also actively participate in social dialogue, co-creating resilient value with stakeholders.



Perspective Advocacy: First Invitation to the ESG Transformation Forum, Co-creating Resilient Value

In 2025, SAI was invited for the first time to attend the “New Game of ESG Transformation—Winning Through Co-Creation of Resilient Value Forum,” jointly organized by World Vision Taiwan and Business Weekly. SAI was represented by the Chairman’s Special Assistant, who joined cross-sector leaders from World Vision Taiwan, China Medical University Hospital, and PwC Sustainability Services in a panel discussion to explore the core value of corporate resilience from the perspective of public welfare collaboration.

During the forum, SAI shared its local philanthropic strategy and long-term commitment perspectives:



Impact Philosophy of the “Fishing-Rod Approach”

SAI noted in the forum that the core of SAI’s philanthropic evaluation lies not in the “consumption” of resources, but in the “creation” of value. As further documented in the chapter “The Path of Metamorphosis: Annual Sustainability Feature” of this report, SAI is committed to empowering beneficiaries with the capability of self-reliance, transforming one-way sponsorship into a positive cycle of “local revitalization, elderly employment, and rare disease care.” Using the “Tudigogo” as a strategic starting point, SAI has chosen a more challenging yet higher-value path: transforming unilateral sponsorship into multi-dimensional empowerment and protection. By reclaiming abandoned farmland in Lunbei Township, Yunlin County, SAI enables the “land” to regain productivity; at the same time, it provides “elderly residents” with a dignified platform to participate in agricultural work, transforming them from passive “beneficiaries” into active “producers.” The resulting tea tree extracts further serve as therapeutic support for the physical well-being of patients with rare diseases. This precision-oriented approach ensures that every corporate resource is directed to the most critical social needs and transformed into tangible resilience for society.



Local Engagement and Long-term Companionship

SuperAlloy remains committed to its founding belief of “rooted in Yunlin,” ensuring that all philanthropic initiatives are closely aligned with local needs and designed for continuity. For example, the SAI Fu-De Social Welfare and Charity Foundation

has long collaborated with the Yunlin District Prosecutors Office to provide scholarships for children of crime victims. Through more than three years of follow-up, it has been observed that supported students have maintained stable learning progress and outstanding academic performance. We aspire to become a strong support system for students, continuously investing resources and care to allow the seeds of goodwill to take root and flourish, thereby achieving sustainable and ever-renewing social resilience.



Precision Investment and Partnership Building

SAI suggested that enterprises should reflect on three key questions: “What kind of change do we want to see?”, “What resources can we provide—funds, talent, or technology?”, and “How long are we willing to commit?” Taking the “Tsou Angel Cultural Team” program at Alishan Dabang Elementary School, co-organized with World Vision Taiwan, as an example, SAI not only provided financial sponsorship but also sent employees to serve as volunteers in the mountainous area, accompanying students in exploring their talents and witnessing their recognition in music competitions. Through this deep partnership with NGOs, SAI has observed qualitative transformation in children’s cultural identity and self-confidence, turning simple donations into tangible social impact.

Through the experience-sharing of this forum, SAI demonstrated the professional mindset of a Corporate Citizen. In the future, we will continue to work hand in hand with NGOs and local organizations to create tangible influence and fulfill our long-term commitment to society.



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I | From Local Roots to Social Inclusion

Letting Kindness Take Root, Letting Warmth Spread: From "Giving a Fish" to "Teaching to Fish"

Kindness takes root in the land; warmth spreads through sharing. To SAI, social participation is not merely an investment of resources, but a transmission of vitality. We channel the same dedication to product quality and craftsmanship found in our core business into a warm force that safeguards society. Since its founding in 2013, the Yunlin County SAI Fu-De Social Welfare and Charity Foundation has served as the first ripple of this force, dedicated to spreading SAI's expertise and compassion into warmth that nourishes society.

Our Philosophy of Impact: Cultivating the Resilience to Ride the Waves of Life

SAI recognizes that simple material assistance ("giving a fish") can only address immediate, short-term needs. Only by equipping those in need with the capacity for self-reliance ("teaching to fish") can kindness be transformed into lasting vitality. In SAI's philosophy of public welfare, true warmth should not be a fleeting wave, but rather a sustained, steady presence — much like the constant heat of the smelting process — that nourishes and protects over the long term.



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II | Creating Local, Sustainable Impact

Institutional Empowerment: Putting Yunlin's "Three Hearts" into Practice

We have translated our sustainability commitment into internal policy, encouraging employees to join our volunteer ranks. Since 2024, SAI has implemented a "3-Day Paid Volunteer Leave" policy, encouraging employees to participate in public welfare activities organized by government-registered social service and charitable organizations. Together with employees, SAI implements Yunlin's "Three Hearts" — connecting more "kind hearts" through concrete actions, spreading "loving hearts" of warmth rooted in the local community, and embodying the "warm hearts" of Taiwan's public welfare spirit.

Cross-Sector Practice: Expanding Outward Influence

We firmly believe that the height of a company is not measured by how high it can climb, but by how many forgotten corners it can reach; and that the value of a company is not measured by the figures on its balance sheet, but by the real change it can create. For many years, SAI has, through the Yunlin County SAI Fu-De Social Welfare and Charity Foundation, focused on three core pillars — humanitarian care, arts and recreation, and education — translating its sustainability commitment into concrete social impact.

In 2025, SAI's ripple of public welfare further transcended geographic and disciplinary boundaries, evolving from simple resource contribution into multidimensional value co-creation. Our scope of action has expanded outward from our core foundation, closely aligning with the UN Sustainable Development Goals (SDGs). In addition to continuing to deepen our work on the basic social safety net (including SDG 1 No Poverty, SDG 2 Zero Hunger, SDG 4 Quality Education, and SDG 10 Reduced Inequalities), we have further extended our influence to other SDGs:

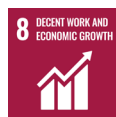
Health and Well-Being Protection for All Ages

We attend to the physical and psychological needs of vulnerable groups in society. From donating tea tree hydrosol to help individuals with rare diseases relieve skin discomfort, to supporting youth basketball recreational camps that use sports to help prevent digital addiction, we are committed to safeguarding both physical and mental health, transforming warm care into resilient strength that helps beneficiaries overcome adversity.



Local Regeneration and Empowerment

Through a "contract farming to support the vulnerable" circular model, SAI supports local environmentally friendly farming practices while creating dignified work opportunities for elderly individuals. By deeply integrating environmental restoration with social care, SAI not only revitalizes dormant land assets, but also creates a virtuous cycle of economic benefit and social value.



Basic Social Safety Net



Environmental Coexistence and Stewardship

We extended the rigorous standards for quality demanded of craftsmen to natural habitats. Through our commitment to beach cleanup and land restoration initiatives, we personally removed marine debris and adopted cultivation methods that are friendly to the land, fulfilling our commitment to biodiversity and enabling the environment and the enterprise to coexist and prosper together.



Cross-Sector Partnership and Collaboration

By connecting government bodies, NGOs, and arts and cultural organizations, SAI weaves what were once isolated charitable activities into a systematic support network, allowing the ripple of warm impact to transcend geographic limitations and continue spreading across every corner of Taiwan.



Through this evolution from "resource contribution" to "value co-creation," SAI is not only addressing social challenges of the present, but is also forging a more inclusive and resilient sustainable future.

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III | 2025 Performance of Social Welfare Practices

Partner	Sponsored Activity Theme	Amount (jointly sponsored by SAI and SAI Fu-De Social Welfare and Charity Foundation)	Employee Participation (person-times)
Genesis Social Welfare Foundation	5/24 Sustainable Carbon Reduction Charity Fair	220,000	8
Agoood Co., Ltd.	Tudigogo Corporate Sustainability Program	270,000	19
Huashan Social Welfare Foundation	800 Mid-Autumn Festival care packages	304,000	12
World Vision Taiwan	After-school care class, scholarships, "Tsou Angel Cultural Team", taekwondo class	532,000	22
Yunlin County Heritage Basketball Association	2025 Free Weekend Basketball Recreation Camp	120,000	
SAI Fu-De Social Welfare and Charity Foundation	Dajia Songbai Fishing Port Beach Cleanup Day	56,850	49
Punctum Creative	10/9 Family Musical "Who Stole My Words?"	600,000	18
Pingtung County Government	"Warm Chicken Soup" Care Initiative	1,000,000	
Association for Victims Support	Scholarships and Grants	192,000	
Taiwan Fund for Children and Families	Year-End Warmth Campaign	200,000	
Total		3,494,850	128

1. Partnering with World Vision to Support Underprivileged Children with Care

SDG 4 SDG 10 SDG 17

SAI has long been committed to fulfilling its corporate social responsibility by partnering with the Yunlin County SAI Fu-De Social Welfare and Charity Foundation and World Vision Taiwan to continuously support underprivileged children in the Yunlin and Chiayi regions. Through regular donations and employee volunteer participation, SAI strengthens local companionship and social support initiatives. During the year, the CEO of the Foundation led a team of corporate volunteers to Lianmei Elementary School in Yunlin, where they accompanied students from the after-school care program and taekwondo class in a laser-engraved wooden chair crafting experience. Through interactive learning activities and career-sharing sessions, the program helped children grow through meaningful companionship and broaden their horizons through hands-on experiences. In addition, SAI conducted on-site visits to the taekwondo empowerment project it has quietly supported for more than 20 years, demonstrating its commitment to putting ESG principles into action. Beyond creating economic value, SAI actively generates positive social impact and serves as a warm and supportive force in promoting the well-being of local communities.



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2. Sustainable Carbon Reduction Charity Fair

SDG 3 SDG 11 SDG 17

In 2025, the SAI Fu-De Social Welfare and Charity Foundation partnered with the Genesis Social Welfare Foundation to host the “Sustainable Love for the Earth Charity Fair,” integrating carbon reduction advocacy, charitable care, family participation, and local resource engagement. The event attracted more than 3,000 participants, demonstrating the achievements of collaborative efforts between businesses and the public in promoting sustainable action and community involvement. The Douliu Branch of the Genesis Social Welfare Foundation currently provides residential care for 42 patients in a persistent vegetative state and delivers in-home care services to 151 families. Through the charity fair and a carbon reduction-themed creative drawing competition, the event raised public awareness of both care for disadvantaged groups and environmental sustainability issues, further expanding its positive impact within the local community. Through the Foundation, SAI continues to uphold the philosophy of “paying back to society with what is taken from society,” integrating social care with sustainable development. In doing so, SAI fulfills its Corporate Social Responsibility to protect health, safeguard the planet, and support disadvantaged populations.



3. Tudigogo: Australian Tea Tree Restoration Project

SDG 3 SDG 8 SDG 11 SDG 12 SDG 15

SAI partnered with Tudigogo to participate in land restoration efforts by adopting 30 ping of abandoned farmland in Lunbei Township, Yunlin County, and planting 90 Australian tea trees. Through these tangible actions, SAI supports local environmental restoration and sustainable development. Beyond rebuilding ecological habitats, the project is closely integrated with local community care networks, such as the Sancun Activity Center. Funds allocated for contract farming and agricultural operations are transformed into meal program support for economically disadvantaged seniors, creating a caring and sustainable local support system. Within the tea tree grove, local seniors are invited to participate in planting and daily maintenance activities, enabling them to reconnect with the land through meaningful work. The tea trees nurtured by their own hands are ultimately distilled into hydrosol products that help provide relief for individuals with rare diseases. This interwoven cycle of care not only embodies compassion across generations, but also serves as a heartfelt expression of “resilient aging with dignity,” demonstrating how people in the later stages of life can rediscover their commitment to contributing to society through cultivation and stewardship.



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4. Basketball Recreation Camp

SDG 3 SDG 4

Through the organization of free basketball recreation camps, SAI encourages children to participate in sports, develop healthy lifestyle habits, and, through basketball activities, reduce time spent on electronic devices while learning interpersonal skills and experiencing the value of teamwork. Through engaging and educational program design, SAI aims to help children gain enjoyment, confidence, and a sense of achievement through sports participation, further injecting positive energy into their physical and mental development and supporting the growth of children and youth while bringing positive impact to society.



5. Sharing Mid-Autumn Festival Warmth with Elderly Individuals Living Alone

SDG 1 SDG 2 SDG 10

In partnership with the Yunlin Branch of the Huashan Social Welfare Foundation, SAI organized a Corporate Volunteer Day, during which 12 employees participated in Mid-Autumn Festival care activities. In addition to delivering care packages to elderly individuals' homes, volunteers accompanied them to barbecue gatherings, shared meals, and engaged in meaningful interactions, allowing elderly individuals living alone to experience warmth and companionship during the holiday season. To date, SAI has collaborated with the Huashan Social Welfare Foundation for three consecutive years, delivering more than 2,500 Mid-Autumn Festival care packages. Through donations, venue support, and employee volunteer participation, SAI continues to expand its positive impact on disadvantaged elderly populations. These efforts demonstrate SAI's commitment to promoting social inclusion and creating sustainable social value through concrete actions.



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3.5 SAI Fu-De Social Welfare and Charity Foundation

6. Visiting the Tsou Angel Cultural Team

SDG 4 SDG 10 SDG 11

SAI donated a total of NT\$532,000 to support annual program funding for scholarships for disadvantaged students in the Yunlin region, after-school care programs, taekwondo classes, and the Alishan Tsou Angel Cultural Team. Corporate volunteers also visited Dabang Elementary School in Alishan Township, Chiayi County for the third time to participate in community outreach activities, demonstrating SAI's commitment to extending its support from financial contributions to long-term engagement and companionship. Through interactive activities such as Tsou language learning sessions, traditional song exchanges, and cultural experiences, the program helps children strengthen their cultural identity, teamwork skills, and self-confidence. At the same time, it enables SAI to gain a deeper understanding of the needs of children and youth in rural communities, further enhancing local inclusion and generating positive social impact.



7. Beach Cleanup for a Sustainable Future

SDG 14 SDG 17

SAI organized the "Protecting the Ocean Together: Beach Cleanup Event," mobilizing numerous employees and their family members to participate in a beach cleanup activity at Songbai Fishing Port in Dajia. Through hands-on involvement, SAI demonstrated its commitment to protecting the marine environment and promoting environmental stewardship. During the event, participants collected several hundred kilograms of marine debris, including plastic bottles, fishing nets, and polystyrene foam fragments. The activity also incorporated marine environmental education sessions and hands-on waste sorting workshops to strengthen participants' understanding of the sources and impacts of marine litter and to enhance environmental awareness and action. Through environmental education and collective action, SAI aims to extend sustainability concepts into employees' daily lives and workplace practices. SAI will continue to promote carbon reduction, energy conservation, green manufacturing, and other sustainability initiatives, working together with employees, local communities, and supply chain partners to build a more sustainable future.



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IV | Long-term Partner of SAI Fu-De



Association for Victims Support,
Yunlin Branch



Taiwan Fund for Children and Families
(Yunlin CCF)



World Vision Taiwan



Genesis Social Welfare Foundation



Huashan Social Welfare Foundation



Yunlin County Heritage Basketball Association

Long-term Partner of
SAI Fu-De

CH4 Optimal Integrity

Committed to integrity, transparency, and responsible governance,

we enhance Board functionality and fortify our risk

management systems to drive stable development

and generate enduring value.



Integrity Governance



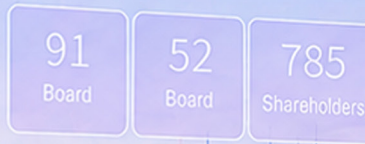
Risk Management



Stakeholders



Sustainable Value Creation



4.1

Corporate Governance



4.2

Integrity Management
& Legal Compliance



4.3

Economic Performance



4.4

Risk Management



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I Governance of Sustainable Development Structure

SAI has established a Sustainability Development Committee and a Sustainable Development Promotion Team to formulate its sustainability blueprint. Through the establishment of a clear vision, SAI strives to continuously innovate and achieve breakthroughs across operational, economic, environmental, and social dimensions, with the goal of becoming a leading enterprise in sustainable value creation. The Sustainability Development Committee is responsible for planning SAI's sustainability development roadmap, while the Sustainable Development Promotion Team formulates implementation plans and objectives to strengthen the sustainability governance framework and continuously create value for stakeholders.

Highest Governance Body	Board of Directors	
Advisory Units	Sustainable Development Committee	
	Chairman Tsung-Jung Huang	Committee Member, Independent Director Wan-Yu Liu, Ding-Wang Cheng
Executing Unit	General Secretary, Vice President Ben Huang	Deputy General Secretary, Assistant Vice President Shih-Heng Kuo
	Chairman's Office	
	Office of the President	
	Environmental Sustainability, Social Care, Corporate Governance, Value Chain Management	
	Occupational Safety and Health Management Unit, Management Unit, Materials Unit, Audit Unit, Technology Unit, Legal Unit, Production Unit, Finance Unit, Quality Assurance Unit, Facility Affairs Unit, Sales Unit, Welfare Committee, and SAI Fu-De Social Welfare and Charity Foundation	

1. Sustainable Development Committee

SAI's Sustainable Development Committee is chaired by the Chairman and consists of two independent directors with expertise in sustainability. The committee is responsible for setting the strategic direction and vision for sustainability development at SAI, guiding the Sustainable Development Promotion Team and various units in implementing sustainability goals. Prior to the publication of the sustainability report, the Sustainable Development Committee reports to the Board of Directors on the progress of sustainability goals, presenting at least annually to the Board. In 2025, the Committee reported to the Board once, including the presentation of materiality assessment results and approval of the ESG Report. Based on due diligence and materiality assessment results, the Board of Directors identifies key sustainability issues and incorporates them into SAI's strategy and risk management framework. The Board also requires management to establish action plans and performance indicators and to regularly monitor and review implementation effectiveness to ensure that related risks are properly managed.

In addition, the Board of Directors and the Chairman of the Sustainability Development Committee engage directly with investors, employees, and other stakeholders through shareholder meetings, investor conferences, and employee communication channels. Feedback gathered through these engagement activities is incorporated into SAI's decision-making processes and the development of its sustainability strategies.

2. Sustainable Development Promotion Team

SAI's Sustainable Development Promotion Team is headed by the Vice President as the General Secretary, with the Assistant Vice President as Deputy General Secretary, convening departments to form four teams: Environmental Sustainability, Social Care, Corporate Governance, and Value Chain Management. Relevant department heads are appointed as conveners responsible for overseeing the operations of each team. Each team aligns with SAI's sustainability pillars, devising and implementing corresponding strategies and objectives, and is responsible for engaging stakeholders through communication and alignment. The General Secretary and Deputy Executive Director assist in driving and monitoring these efforts, providing regular updates to the Board of Directors on the execution of the Sustainable Development Committee's initiatives.

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Professor Wan-Yu Liu is a Distinguished Professor in the Department of Forestry at National Chung Hsing University, and serves as an Independent Director and Sustainable Development Committee Member of SAI. Professor Liu has long been deeply engaged in the academic fields of environmental resource management, natural carbon sinks, and climate change. Drawing on top-tier environmental expertise, Professor Liu assists SAI on its path to carbon reduction by providing precise guidance and recommendations.

Distinguished Professor, National Chung Hsing University

Professor **Wan-Yu Liu**



President Ding-Wang Cheng is an Independent Director and Sustainable Development Committee Member of SAI. President Cheng also serves as the Chairperson of the Sustainability Standards Committee of the Accounting Research and Development Foundation. As a core leader in the formulation of Taiwan's sustainability standards, his professional guidance ensures that SAI's disclosure of financial and non-financial information align precisely with international standards, thereby enhancing investor trust in SAI's sustainability governance.

Former President of National Chengchi University

Professor **Ding-Wang Cheng**

2025 Achievements of the Sustainable Development Promotion Team

1

SAI 2025 Material Topic Execution Results and 2025 Targets

2

SAI 2025 ESG Report Execution Results: 2-1. SAI has completed preparation of the 2025 ESG Report. The Sustainable Development Promotion Team worked with SAI's departments to achieve SDGs and implement ESG management. 2-2. SAI conducts a materiality analysis of the material topics in its ESG Report every two years and conducts surveys of internal and external stakeholders to identify 13 material topics based on impact and likelihood of occurrence. At the same time, short-, medium-, and long-term targets are set, and the effectiveness of material topic targets is assessed annually.

3

Planned the adoption of internal carbon pricing

4

Planned the adoption of IFRS Sustainability Disclosure Standards

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3. IFRS Sustainability Disclosure Standards

	Work Item	Planned Completion Time
 Phase 1	1-1. Establish a cross-departmental project team for the adoption of IFRS Sustainability Disclosure Standards	Completed in 2024
	1-2. Preliminarily identify major differences and impacts between current sustainability information and the IFRS Sustainability Disclosure Standards	Completed in December 2024
	1-3. Preliminarily identify reporting entities	Expected completion in Q3 2026
	1-4. Formulate the adoption plan	Expected completion in Q3 2026
 Phase 2	2-1. Identify sustainability-related risks and opportunities and their financial impacts, and assess material sustainability-related financial information	Expected completion in Q4 2026
	2-2. Identify and collect required data	Expected completion in Q1 2027
	2-3. Revise and adjust Company processes, financial and non-financial reporting processes, information systems, supply chain management processes, internal controls, and daily operations of each department	Expected completion in Q3 2028
 Phase 3	3-1. Trial preparation of the annual report sustainability information chapter	Expected completion in Q3 2028
	3-2. Continue updating internal control operation manuals related to IFRS sustainability information and conduct education and training	Expected completion in Q4 2028
 Phase 4	4-1. Publicly announce and file the annual report sustainability information chapter	Expected completion in Q1 2029

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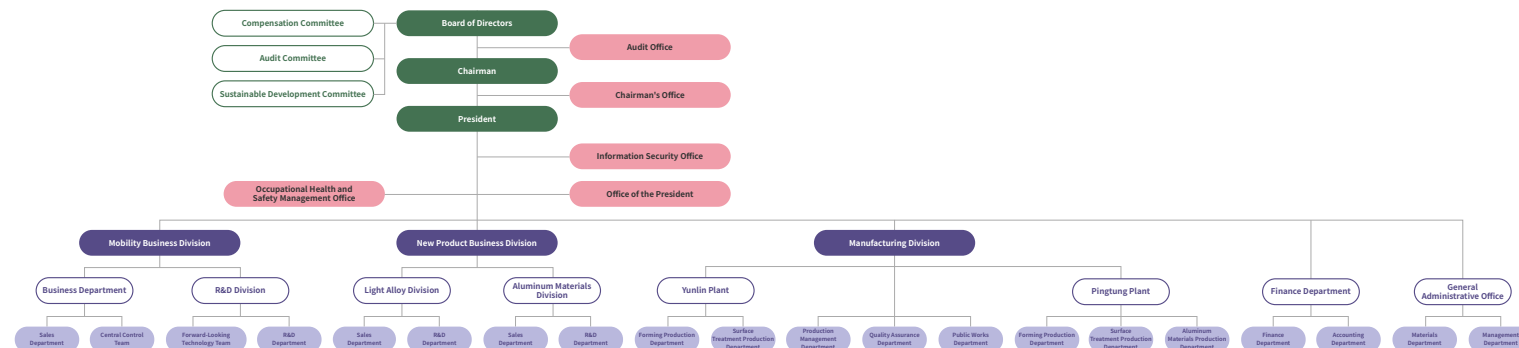
4.1 Corporate Governance

II | Corporate Governance Framework

Corporate sustainable operation is based on a sound governance system. SAI is committed to strengthening its corporate governance framework through the principles of safeguarding shareholders' rights, enhancing Board functionality, exercising effective oversight through the Audit Committee, respecting the rights of stakeholders, and improving information transparency. SAI continuously refines its governance mechanisms to elevate the quality of corporate governance and pursue long-term sustainable development.

The Board of Directors serves as SAI's highest governing body, with responsibilities encompassing the formulation of operational direction, supervision of management performance, prevention of conflicts of interest, ensuring regulatory compliance, and identification and response to risks. While upholding shareholders' rights, the Board is also guided by the principle of balancing the interests of stakeholders including employees, customers, suppliers, communities, government authorities, and the environment.

The Board convenes at least once per quarter, during which the management team reports on operational and governance-related matters. Three functional committees have been established under the Board — the Audit Committee, the Remuneration Committee, and the Sustainability Development Committee — responsible for reviewing and providing recommendations on significant decision-making matters before submitting them to the Board for deliberation, thereby strengthening governance effectiveness. In 2025, SAI convened 5 Board of Directors meetings with an average Director attendance rate of 98%. For related information, please refer to page 8 of the 2025 Annual Report.



SAI's Board of Directors comprises ten directors with diverse professional backgrounds, including four independent directors, four general directors, one external director, and one director who concurrently serves as a Managerial Officer. The Board's collective competencies encompass operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market perspective, as well as sustainability management and decision-making capabilities.

To enhance Board performance and independence, SAI has established a board diversity policy in accordance with its operational characteristics and future development needs. The policy covers basic conditions and values — including gender, age, and nationality — as well as professional knowledge and skills in areas such as law, accounting, industry expertise, finance, and marketing, thereby ensuring that the Board's composition reflects both diversity and professional competence.

For information regarding Board of Directors diversity and independence, please refer to page 11 of the 2025 Annual Report

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Member Profiles of the Board of Directors

Member	Position	Term (November 3, 2023-November 12, 2026)	Other Important Positions	Gender	Notable Professional/Academic Experiences
Tsung-Jung Huang	Executive Director	3 years	Chairman of SAI	Male	Department of International Business, Feng Chia University
Lung-Cheng Wei	Non-Executive Director	3 years	Chairman, PVI Chemical Co., Ltd.	Male	Department of Chemical Engineering, National United University
Mao-Lin Shih	Non-Executive Director	3 years	Honorary Chair Professor, Department of Financial and Economic Law, Asia University	Male	Department of Law, National Taiwan University
Ke-Chang Liu	Non-Executive Director	3 years	None	Male	Department of International Business, Feng Chia University
Chiu-Yueh Chang	Non-Executive Director	3 years	Representative of Yong Ming Investment Co., Ltd.	Female	Department of Business Administration, National Taipei University of Business
Shun-Chung Wang	Non-Executive Director	3 years	Representative of Cheng Yi Management Consulting Co., Ltd.	Male	Department of Commerce, National Chia- Yi Senior Commercial Vocational School
Ding-Wang Cheng	Independent Director	3 years	Chairperson, Sustainability Standards Committee, Accounting Research and Development Foundation (ARDF)	Male	PhD in Accounting, University of Missouri, United States
Wan-Yu Liu	Independent Director	3 years	Lifetime Distinguished Professor, College of Agriculture and Natural Resources, National Chung Hsing University	Female	PhD, Production Management and Environmental Economics Division, Department of Agricultural Economics, National Taiwan University
Ming-Shiou Cherng	Independent Director	3 years	Professor, Department of Law, Soochow University	Male	PhD in Law, University of Münster, Germany
Wen-Tsung Chen	Independent Director	3 years	None	Male	Department of Finance, National Chung Hsing University

All members of the Board of Directors of SAI are professionals with extensive industry experience and an excellent reputation. In accordance with Article 20 of SAI's Corporate Governance Best Practice Principles, the composition of the Board of Directors must take diversity into consideration. In addition to the requirement that Directors concurrently serving as Managerial Officers must not exceed one-third of the total number of board seats, SAI shall also formulate appropriate diversity policies in accordance with its operational characteristics, governance needs, and future development direction. For complete information on the Board of Directors members' educational and professional backgrounds, areas of expertise, and concurrent positions, please refer to SAI website.



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Board Members



40%

Independent Director



20%

Female Directors

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III | Director Nomination and Selection

SAI's Board of Directors serves as the central decision-making mechanism for corporate governance and sustainable development. Beyond its critical responsibilities of oversight and safeguarding corporate value, the Board also draws on its cross-disciplinary expertise to guide SAI in navigating market changes and industry transformation. The nomination and selection of Board members are conducted in accordance with the "Rules for Election of Directors", utilizing a candidate nomination system and cumulative voting by name, with directors elected by shareholders from a list of board candidates at the general shareholders' meeting.

Pursuant to SAI's Articles of Incorporation, the Board shall comprise between seven and thirteen directors, serving terms of three years and eligible for re-election upon the expiration of each term. Current board members possess diverse professional backgrounds spanning law, finance, environmental affairs, and industry expertise, and their independence fully complies with the relevant provisions of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Through a governance framework grounded in both professional competence and integrity, the Board continues to strengthen SAI's operational resilience and to create long-term sustainable value for all stakeholders.

IV | Director Performance Evaluation

SAI has established the "Performance Evaluation of Board of Directors" and conducts an internal Board Performance Evaluation once each year. The evaluation dimensions include: understanding of SAI's objectives and mission, awareness of roles and responsibilities, degree of participation in operational oversight, internal communication and collaboration, directors' professional competencies and continuing education, effectiveness of internal control mechanisms, and ESG-related initiatives. Through the above indicators, the Board is able to comprehensively review its operational effectiveness and take improvement measures accordingly, with the aim of continuously enhancing the quality of corporate governance. On December 29, 2025, the deliberation unit distributed self-assessment questionnaires to Board members and functional committee members. The self-assessment results indicated that both the Board of Directors and the functional committees operated effectively, with a meeting attendance rate exceeding 98%.

The overall capabilities required of the Board of Directors include operational judgment, accounting and financial analysis, management skills, crisis management, industry knowledge, international market perspective, and sustainability management and decision-making abilities. The composition of the Board of Directors should consider diversity and develop a policy for board member diversification based on the needs of SAI's operations, business model, and future development trends. This policy should include basic criteria and values (such as gender, age, nationality), as well as professional knowledge and skills (such as law, accounting, industry, finance, marketing), among which includes two female directors.

None of the directors of SAI have spousal or second-degree kinship relationships with each other. Furthermore, if any board meeting agenda involves a conflict of interest for a director, the director will recuse themselves from the discussion and voting on the matter to ensure the Board can independently and objectively perform its duties. At present, the Board Performance Evaluation is conducted through self-evaluation. Although evaluation assistance by an external institution has not yet been implemented, during the term of office, there has been no relationship with management or related parties of SAI that could compromise SAI's interests or impair impartial judgment.

Board Performance Evaluation

- ◆ Level of involvement in company operations
- ◆ Decision-making quality of the Board of Directors
- ◆ Board composition and structure
- ◆ Election and continuing education of directors
- ◆ Internal control
- ◆ ESG Initiatives (Environmental Protection, Social Inclusion, Sustainable Governance)

Performance Evaluation of Individual Directors

- ◆ Grasp of SAI's goals and missions
- ◆ Director's awareness of responsibilities
- ◆ Level of involvement in company operations
- ◆ Internal relationship management and communication
- ◆ Professional expertise and continuing education of directors
- ◆ Internal control
- ◆ ESG Initiatives (Environmental Protection, Social Inclusion, Sustainable Governance)

Functional Committee Performance Evaluation

- ◆ Level of involvement in company operations
- ◆ Functional Committee responsibilities awareness
- ◆ Functional Committee decision-making quality
- ◆ Composition and member election of the Functional Committee

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V | Director Executive Remuneration

Guided by the principles of openness, transparency, and sound governance, SAI has established a reasonable director remuneration system that aligns directors' compensation with their professional contributions and SAI's operational results. Director remuneration is determined in accordance with SAI's Articles of Incorporation, with an allocation of no more than 3% of annual profits, taking into comprehensive consideration SAI's operational performance and each director's level of contribution. Relevant remuneration items, including compensation and director remuneration, are handled in accordance with the Remuneration and Compensation Procedures for Directors, Independent Directors, Functional Committee Members, and Managers, and are submitted to the Remuneration Committee and the Board of Directors for review and approval prior to disbursement. Furthermore, SAI does not provide signing bonuses, recruitment bonuses, severance payments, or clawback mechanisms, ensuring that the director remuneration system remains aligned with the spirit of corporate governance and reflects substantive contributions and operational performance.

Position	Remuneration Policies
Chairman	Fixed Salary: Determined by the level of participation and contribution to SAI's operations, based on industry salary standards, and adjusted according to SAI's years of service and job value. Variable Salary: Includes performance bonuses and year-end bonuses.
General Directors	Remuneration allocated based on SAI's profit and loss ratio.
Independent Director	Fixed Compensation: Provided as a fixed monthly remuneration regardless of SAI's profit or loss.
Managers	Fixed Salary: Determined by the level of participation and contribution to SAI's operations, based on industry salary standards, and adjusted according to SAI's years of service and job value. Variable Salary: Includes performance bonuses, year-end bonuses, and employee compensation.

VI | Director Training

SAI arranges timely training courses for directors each year to continuously enhance their competencies in sustainable development, governance, and professional expertise, thereby strengthening the Board's decision-making resilience in the face of market changes and sustainability-related issues. In 2025, directors' continuing education focused on key topics including risk management, supply chain management, carbon management, and energy management. Through a variety of courses and professional seminars, directors deepened their understanding of climate risk, supply chain resilience, and trends in energy transition. Demonstrating SAI's continued efforts to strengthen its governance capabilities through knowledge advancement and respond to stakeholder expectations.

51 hours

Total professional development hours
completed by Directors in 2025



100%

The participation rate of all Directors
in professional training regarding
sustainable development.



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Organizer	Course Title	Director Attending Training	Total Time (hours)
Taiwan Stock Exchange	2025 Taiwan Capital Market Summit	Chairman Tsung-Jung Huang	3
Securities & Futures Institute	Legal Compliance Briefing on Insider Equity Transactions for 2025	Chairman Tsung-Jung Huang	3
Taiwan Academy of Banking and Finance	Corporate Governance Forum	Director Lung-Cheng Wei	3
Taiwan Academy of Banking and Finance	Corporate Governance Forum	Director Ke-Chang Liu	3
Securities & Futures Institute	Legal Compliance Briefing on Insider Equity Transactions for 2025	Director Ke-Chang Liu	3
Taiwan Corporate Governance Association	Corporate Governance and Securities Regulation	Director Mao-Lin Shih	3
Taiwan Corporate Governance Association	ESG Latest Regulatory Requirements	Director Mao-Lin Shih	3
Securities & Futures Institute	Legal Compliance Briefing on Insider Equity Transactions for 2025	Representative Shun-Chung Wang	3
Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	Representative Chiu-Yueh Chang	3
Securities & Futures Institute	2025 Seminar on Preventing Insider Trading	Representative Chiu-Yueh Chang	3
Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	Independent Director Ding-Wang Cheng	6
Securities & Futures Institute	Latest practical developments in insider trading in Taiwan and corporate prevention measures (including gender equality)	Independent Director Wan-Yu Liu	3
Securities & Futures Institute	Sustainability disclosure trends — IFRS S1 and S2 sustainability disclosure standards: Issuance, impacts, and responses	Independent Director Wan-Yu Liu	3
Taiwan Project Management Association	Digital Governance and Information Security: Perspectives on Risk Management	Independent Director Ming-Shiou Cherng	3
Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	Independent Director Wun-Zong Chen	3
Securities & Futures Institute	Legal Compliance Briefing on Insider Equity Transactions for 2025	Independent Director Wun-Zong Chen	3

For detailed information on director training, please refer to pages 30—31 of SAI's 2025 Annual Report.

VII | Functional Committee

In order to comprehensively safeguard the rights and interests of all stakeholders, SAI has established multiple functional committees. Through clearly defined responsibilities and professional deliberation mechanisms, SAI translates its corporate governance vision into the oversight and management of material issues. Each committee oversees matters within its designated area of expertise, and leverages the professional experience of its members in fields such as financial oversight, risk control, and talent incentivization to enhance the efficiency of issue handling and the quality of decision-making, while simultaneously strengthening corporate governance transparency and organizational effectiveness. Through a well-structured committee framework, SAI is able to balance risk management with sound growth in a changing environment, and to continuously safeguard the long-term interests of all stakeholders.

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1. Audit Committee

Position	Name	Number of Actual Attendances (Actual Attendance Rate)	Proxy Attendances	Term of Office
Chairman	Ding-Wang Cheng	5 (100%)	0	2023/11/13~2026/11/12
Committee Member	Wan-Yu Liu	5 (100%)	0	2023/11/13~2026/11/12
Committee Member	Ming-Shiou Cherng	5 (100%)	0	2023/11/13~2026/11/12
Committee Member	Wen-Tsung Chen	5 (100%)	0	2023/11/13~2026/11/12

Key Sustainability Initiatives for 2025:

Approved amendments to SAI's sustainability information management procedures.

Approved amendments to SAI's payroll and personnel authorization matrix.

2. Compensation Committee

Position	Name	Number of Actual Attendances (Actual Attendance Rate)	Proxy Attendances	Term of Office
Convener	Ming-Shiou Cherng	2 (100%)	0	2023/11/13~2026/11/12
Committee Member	Ding-Wang Cheng	2 (100%)	0	2023/11/13~2026/11/12
Committee Member	Wen-Tsung Chen	2 (100%)	0	2023/11/13~2026/11/12

Key Sustainability Initiatives for 2025:

- Approval of the distribution of employee compensation and director remuneration for 2024, as well as the allocation of bonuses for management.
- Approved the policy, system, standards, and structure for the 2026 performance evaluation of directors and independent directors.
- Approved the policies, systems, standards, and structure for the 2026 performance evaluation standards for managerial officers.
- Approved the 2025 year-end bonuses for executive directors and managerial officers.

VIII | Conflict of Interest

SAI regards integrity in business operations as a fundamental pillar of corporate governance, and ensures through clearly defined mechanisms that all decisions are grounded in fairness, objectivity, and the overall interests of SAI. SAI has expressly incorporated conflict of interest recusal provisions into its Rules and Procedures of Board of Director Meetings and Procedures for Ethical Management and Guidelines for Conduct. When a matter under discussion at a Board meeting involves a director's personal interests or those of a juridical person they represent, and there is a concern that such interests may be detrimental to SAI, the director in question is prohibited from participating in the discussion or voting, and may not exercise voting rights on behalf of other directors. By implementing the conflict of interest recusal mechanism, SAI continues to enhance the quality of board decision-making and governance transparency, while strengthening stakeholders' trust in SAI's commitment to integrity-based governance. For details regarding situations where directors hold positions in other boards, please refer to the following table:

Director Name	Company Name and Title
Tsung-Jung Huang	Cheng Yi Management Consulting Co., Ltd.—Chairman
Lung-Cheng Wei	PVI Chemical Co., Ltd.—Chairman Jia Yi Investment Co., Ltd.—Chairman Jeou Luh Enterprise Co., Ltd.—Director IV Technologies Co., Ltd.—Director and Representative PVI Co., Ltd.—Director and Representative
Mao-Lin Shih	Century Wind Power Co., Ltd.—Independent Director CTBC Bank Co., Ltd.—Director Taiwan Life Insurance Co., Ltd.—Director
Ding-Wang Cheng	HannsTouch Holdings Company—Independent Director Acepodia, Inc.—Independent Director
Wan-Yu Liu	Chung Hwa Pulp Corp.—Independent Director Lion Travel Service Co., Ltd.—Independent Director CH Biotech R&D Co., Ltd.—Independent Director
Ming-Shiou Cherng	Celxpert Energy Corporation—Independent Director

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IX | Communication of Material Topics



SAI places great importance on the transparency of operational information and regards timely, comprehensive communication as a critical foundation for building stakeholder trust. To this end, SAI has established the Procedures for Preventing Insider Trading, and has designated a spokesperson and deputy spokesperson to disclose material information in real time through SAI's official website and the Market Observation Post System (stock code: 1563), ensuring that stakeholders have access to accurate and complete information. When the Sustainable Development Promotion Team identifies a significant issue requiring adjustments to current practices, or when an important sustainability matter arises that may affect SAI's risks and opportunities, the matter is submitted to the Sustainability Development Committee for deliberation. Upon confirmation, it is then escalated to the Board of Directors, ensuring that sustainability-related issues are incorporated into the governance decision-making process in a timely manner.



In May 2025, a contractor occupational safety incident occurred at SAI. In addition to issuing a material information disclosure at the earliest opportunity, SAI reported the follow-up handling progress and improvement measures to the Board of Directors on December 24, 2025, demonstrating SAI's governance commitment to continuous monitoring, prudent response, and accountability in the face of significant incidents.

X | Stakeholder Communication Channels



SAI has established a comprehensive and diverse stakeholder communication mechanism, treating feedback from all parties as an important basis for continuous improvement, and actively collecting and responding to stakeholder opinions and expectations through dedicated and transparent communication channels. In accordance with the specific needs of each stakeholder group, SAI has established multiple communication channels, including SAI website, customer service inquiry windows, internal employee communication mechanisms, shareholders' meetings, and material information disclosures, ensuring that information is conveyed in a timely, accurate, and complete manner. Through sustained and effective two-way communication, SAI not only strengthens governance transparency and the foundation of mutual trust, but also transforms external feedback into an important driving force for SAI's continued growth. Furthermore, to promptly respond to the needs of each sector, a dedicated communication channel was also established. The relevant contact information is listed in the table below:

Stakeholders	Contact Information
Customers	Vice President Tseng +886-5-551-2288#646 stephen.tseng@superalloy.tw
Employees	Manager Huang +886-5-551-2288#748 gary.huang@superalloy.tw
Shareholders	Spokesperson: Vice President Huang +886-5-551-2288#156 ben.huang@superalloy.tw Acting Spokesperson: Manager Wang +886-5-551-2288#204 kelly.wang@superalloy.tw
Government Organizations	Manager Lee +886-5-551-2288#215 tony.lee@superalloy.tw
Banking Institutions	Manager Wang +886-5-551-2288#204 kelly.wang@superalloy.tw
Suppliers	Manager Huang +886-5-551-2288#748 gary.huang@superalloy.tw
Community/Local Organizations	Manager Lee +886-5-551-2288#215 tony.lee@superalloy.tw

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4.2 Integrity Management and Legal Compliance

I | Integrity in Business Operations

In accordance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the relevant laws and regulations of the jurisdictions in which it operates, SAI has formulated a series of internal governance policies, including the Code of Ethical Conduct, Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, and Corporate Social Responsibility Best Practice Principles. These policies encompass requirements relating to anti-corruption and fraud prevention, insider trading prevention, intellectual property protection, information security, and accurate disclosure, and set clear standards for employees to follow with regard to ethical and professional conduct, thereby reinforcing a corporate culture of integrity.

SAI requires all employees to thoroughly understand and comply with its professional ethics standards, to strictly protect customer confidentiality, and to refrain from accepting bribes or any form of improper benefit. We also expect our customers, suppliers, business partners, and other associated parties to jointly uphold our values of integrity and to collectively maintain a fair and transparent business environment.

Furthermore, in March 2025, SAI conducted a corruption risk identification exercise, during which a dedicated risk assessment team evaluated eight corruption risk factors in relation to key stakeholders such as customers, suppliers, government authorities, employees, and third-party audit personnel. The assessment results indicated that all identified factors were low-risk.



Board of Directors

To ensure the effective implementation of integrity management, SAI has established comprehensive audit and evaluation mechanisms, and has clearly defined conflict of interest management regulations governing matters submitted for deliberation by the Board of Directors. Where a matter under Board review involves a personal interest of a director or of a juristic person the director represents, the director concerned is required to disclose the material details of such interest during the meeting. If the matter may potentially affect SAI's interests, the director is prohibited from participating in the discussion or voting, and must recuse themselves throughout the entire process, in order to preserve the fairness of decision-making.

For the 2025 Directors' conflict-of-interest recusal matters, please refer to page 18 of SAI's 2025 Annual Report.



Employees

2025 Integrity Management Awareness and Training Results
1,352 employees completed awareness training on anti-corruption policies and procedures, achieving a completion rate of 100%

100% of directors and senior executives signed the Integrity and Anti-Corruption Commitments

A total of 179 people participated in the anti-corruption education and training for new recruits



Business Counterparts (suppliers, customers)

To ensure that all business dealings comply with applicable regulations and the principles of integrity, SAI has expressly stipulated that unlawful or improper conduct in any commercial transaction is strictly prohibited. If any business partner is found to have engaged in unethical conduct, SAI will immediately terminate the relationship and designate the party as ineligible for future dealings, in order to uphold SAI's integrity management policy.

With regard to supplier management, all suppliers are required to sign the Supplier Code of Conduct Declaration, committing to compliance with standards relating to ethics, labor rights, environmental responsibility, and integrity in business operations.

Customer relations: SAI signs corporate social responsibility or integrity-related commitment letters as required by customers, ensuring that the cooperative relationship between both parties meets the standards of responsible business conduct.

II | Transparency and Integrity Policy Implementation

To implement corporate ethics and strengthen responsible business conduct, SAI has established relevant policies, and each operating unit has integrated them into daily operations to ensure compliance by employees, suppliers, and other stakeholders. Each unit is required to implement policy requirements and regularly report on its implementation status. The following is a summary of the results of SAI's policy implementation for 2025:

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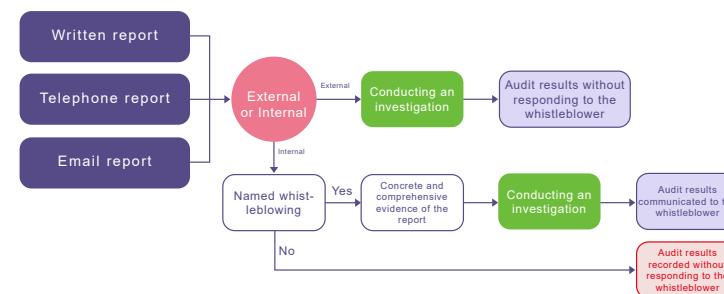
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4.2 Integrity Management and Legal Compliance

Policy Name	Policy Execution Unit	Policy Advocacy Method	Policy Implementation Method	Execution Results
Integrity Management Policy	Corporate Governance Body	Announcement and Dissemination	Establishing a Code of Conduct	100% compliance with the Code of Conduct across all staff
Information Security Policy	Information Security Unit	Announcement and Education Training	Compliance with ISO 27001 requirements	Maintaining Certificate Validity
Anti-Corruption and Anti-Bribery Policy	Audit Unit	Announcement and Dissemination	Establishing a Code of Conduct	100% compliance with the Code of Conduct across all staff
No Harassment, No Bullying Workplace Environment Policy	Administrative Unit (Human Resources Team)	Announcement and Dissemination	Establishment of Complaints Channel	No Complaint Cases in 2025
ASI Policy	Quality Assurance Unit	Announcement and Dissemination	Compliance with ASI Management System Requirements	Maintaining Certificate Validity
Human Rights Policy	Administrative Unit (Human Resources Team)	Announcement and Dissemination	Human Rights Due Diligence	Please refer to Chapter 3.2 Human Rights Management of this report.
Environmental Health and Safety Policy	Occupational Health and Safety Management Unit	Educational Training	Compliance with ISO 14001 and ISO 45001 requirements	Maintaining Certificate Validity
Supplier Code of Conduct	Materials Unit (Procurement Team)	Signing of Declaration Statement	Request for Suppliers to Sign Declaration	Please refer to Chapter 2.1 Supplier Management of this report.

III Complaint and Whistleblowing Mechanism

SAI has always upheld a corporate culture of integrity and transparency to promote sound business practices. We have established procedures for handling whistleblowing and employee complaint through the “Whistleblowing Handling Procedure” and “Employee Complaint Handling System.” These procedures outline the acceptance and investigation timelines, with the Audit Department designated as the unit responsible for handling fraud and dishonest behavior. We have established and publicized multiple channels such as a whistleblowing hotline and whistleblowing email address on our official website and internal platforms, available for both internal employees and external parties to use. In response to negative impacts arising from operations, remediation, improvement measures, and recovery actions determined on the basis of investigation findings are incorporated into the Business Continuity and Recovery Management Procedures and Emergency Response Plan. These measures are continuously monitored and reviewed to ensure that the rights and interests of affected communities and workers receive appropriate remedy.



Whistleblowing Case Handling Procedure

Upon receiving a complaint, the designated unit registers the case and verifies its acceptance based on whistleblowing documents, records, or transcripts, along with relevant information. Cases confirmed for acceptance are then forwarded to the investigation unit for further inquiry. The unit handling complaints notifies whistleblowers appropriately, either in writing or through other suitable means, regarding the status of the whistleblowing case. Employees can also file complaints through a dedicated hotline or by filling out an employee complaint form. The Workplace Misconduct Investigation Team is responsible for handling these cases to ensure the protection of employees' legal rights and interests.

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In accordance with the Occupational Safety and Health Act, its enforcement regulations, the Sexual Harassment Prevention Act, and the Personal Data Protection Act, SAI ensures the confidentiality of whistleblowers' personal information and other identifying details unless necessary for investigation purposes. Such information is not disclosed to third parties unrelated to the investigation to prevent unfair treatment or retaliation. Whistleblowers may also legally seek preventive measures if they foresee potential harm. For internal employee whistleblowers, SAI guarantees protection from adverse treatment due to whistleblowing. It strictly prohibits any retaliatory measures and allows for anonymous reporting, actively preventing dishonesty, fraud, and criminal activities. In 2025, SAI received 0 complaints and 1 whistleblowing case.

Complaint/Whistleblowing Channels

Whistleblowing Channel for Integrity Issues: sharon.tu@superalloy.tw
Harassment and Workplace Misconduct:
05-5512288#224, sai-shpt@superalloy.tw
General Employee Complaints:
05-5512288#748, gary.huang@superalloy.tw

Number of Grievances/Whistleblowing Cases in the Past Three Years

Reporting Aspects	2023	2024	2025
Integrity in Business Operations	0	0	0
Labor Rights	0	0	0
Environmental Protection	0	0	0
Customer Service	0	0	0
Others	0	0	1

IV | Approach to Tax

SAI understands that honest tax practices is an important foundation for a company to fulfill its social responsibility as well as an important part of supporting sustainable operation. SAI upholds the principles of integrity, transparency, and compliance, and adheres to the laws and regulations of each operating location as well as international

tax standards to implement responsible tax governance, while incorporating tax management as a critical component of risk control and business decision-making. For this purpose, SAI established the following tax policy:

- ◆ **Lawful Tax Reporting and Payment:** SAI complies with tax regulations and their legislative intent across all relevant jurisdictions, accurately calculates tax expenses, and completes all filings and payments within statutory deadlines.
- ◆ **Timely Response to Tax Regulatory Changes:** SAI continuously monitors and assesses the impact of changes in domestic and international tax regulations, and plans and adjusts its tax strategies accordingly.
- ◆ **Implementation of Information Disclosure and Transparency:** Relevant tax information is disclosed through financial reports, annual reports, and other public information platforms, enabling stakeholders to obtain a comprehensive understanding of SAI's tax affairs.
- ◆ **Maintaining Integrity in Interactions with Tax Authorities:** SAI engages with tax authorities in an open, honest, and cooperative manner, and provides practical input where appropriate to foster a sound tax environment.
- ◆ **Lawful Use of Tax Incentives:** Tax incentives are applied for only where they are lawful and consistent with their intended policy purposes; SAI does not seek tax reductions or exemptions through means that circumvent tax obligations or contravene the spirit of applicable regulations.
- ◆ **Maintaining Commercial Substance in Transactions and Corporate Structure:** All transactions and operational arrangements are driven by genuine business purposes, and reducing tax liability is not treated as the sole or primary consideration.
- ◆ **Strengthening Tax Risk Management and Decision-Making Governance:** SAI has established sound tax assessment and decision-making processes to effectively manage tax risks and ensure the long-term stability of its operations.

Tax Information for the Past Three Years (Unit: NT\$ thousand)

Income Tax Information		2023	2024	2025
Net Profit Before Tax		761,910	943,520	394,939
Income Tax Expense	Income Tax for the Period	195,744	168,056	71,191
	Deferred Income Tax	(42,270)	19,980	5,550
Effective Tax Rate (%)		20%	20%	19%
Income Tax Paid		129,182	289,673	22,850
Cash Tax Rate (%)		17%	31%	6%

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4.2 Integrity Management and Legal Compliance

V | Compliance with Laws and Regulations

SAI adheres to principles of legal compliance, strictly operating in accordance with laws and regulations, and establishes internal operational procedures based on standards for publicly traded companies. Furthermore, SAI closely monitors domestic and international policies and regulations that may impact SAI's financial and business operations, establishing relevant risk management procedures. SAI also enhances employees' legal literacy through continuous education and training. In 2025, SAI's operational sites reported no significant fines (exceeding NT\$1 million) related to corporate governance, environmental protection, human rights protection and sustainable workplace, products, or services.

Corporate governance-related regulations	Environmental protection-related regulations	Human rights protection and sustainable workplace-related regulations	Product and service-related regulations
No violations of company law No violations of commercial law No violations of securities and financial regulations No involvement in corruption incidents No political contributions No legal disputes arising from anti-competitive practices, antitrust, and monopoly behaviors	No violations of the Air Pollution Control Act No violations of the Water Pollution Control Act No significant violations under the Waste Disposal Act	No violations of gender equality laws No forced labor practices No child labor No infringements on indigenous rights No significant violations of the Occupational Safety and Health Act	No prohibited or controversial products No violations of marketing-related regulations and voluntary codes. No incidents resulting in substantial fines due to violations of laws and regulations in the provision and use of products and services. No infringements on customer privacy or loss of customer data.

Although no major compliance violations occurred during the year, certain matters resulted in penalties due to incomplete adherence to relevant regulations or procedural requirements. In response to the above, SAI has approached each instance with integrity and accountability, promptly reviewing the underlying causes and implementing improvement measures. These measures include strengthening internal control systems, revising operational procedures, enhancing employee education and training, and reinforcing cross-departmental audits, to ensure that applicable regulatory requirements are consistently and effectively fulfilled.

2025 Fines from Regulatory Violations

Type of Penalty	Name of Legal Provision Violated	Reason	Fines and Penalties
Environmental and Safety Regulations	Waste Disposal Act	On January 17, 2025, the Department of Environmental Protection independently reconciled the online declaration data from June 2022 to October 2024. It was found that SAI's waste R-0403, in April 2023, reported a production quantity exceeding the maximum monthly output listed in the waste clearance document by 10%, without submitting a revised waste management plan. This situation constitutes a violation of Article 31, Paragraph 1, Item 1 of the Waste Disposal Act.	Received an administrative fine of NT\$6000. 1-hour environmental training session.
Occupational Safety and Health Regulation	Occupational Safety and Health Facilities Regulations	Regarding the air compressor's power supply, with a ground voltage of 215 volts and a ground voltage of 150 volts or more, portable electrical equipment has not been equipped with a leakage circuit breaker with high sensitivity and fast action to effectively prevent electric shock, as required by the regulations.	Received an administrative fine of NT\$100,000.
	Occupational Safety and Health Act	The forklift did not place the forks on the ground when the driver left the seat; for the counterbalance forklift, the driver did not consistently use the seatbelt as required.	Received an administrative fine of NT\$100,000.
	Occupational Safety and Health Act	The maintenance project for the A Building, 3rd floor, Y2 pre-treatment tank in Plant 2 was subcontracted by Kaixin to Syed Thai Machinery Co., Ltd. However, no designated agreement organization or responsible person for the worksite was set up to oversee, supervise, and coordinate the work.	Received an administrative fine of NT\$100,000.
	Occupational Safety and Health Facilities Regulations	While an employee was conducting cleaning operations on a blanking machine, another employee pressed the inching button of said machine, thereby activating the hydraulic cylinder, which clamped the left hand of the former employee, resulting in an open fracture of the former's left index finger.	Received an administrative fine of NT\$100,000.

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4.3 Economic Performance

I | Operating Results and Strategic Outlook

SAI continues to cultivate the high-end forged aluminium wheels and automotive components markets. Through sound operations, technological advancement, and sustainability deployment, SAI enhances product competitiveness and operational resilience, while actively seizing industry trends and market opportunities to drive long-term growth and sustainable development.

1. Financial Performance

In 2025, the manufacturing industry faced severe environmental challenges. Demand in international end markets slowed due to the impact of the U.S. reciprocal tariff policy, and the significant appreciation of the New Taiwan Dollar in 2025 generated considerable foreign exchange pressure, both of which had an adverse effect on overall revenue performance. Consolidated revenue for 2025 amounted to NT\$6,977,352 thousand. In response to external political, economic, and currency fluctuations, SAI adopted proactive countermeasures, including continuously optimizing production process efficiency and expanding the proportion of recycled aluminium materials used, in an effort to strengthen its core competitiveness amid a turbulent operating environment.

Type	Items	2023	2024	2025
Direct Economic Value Generated	Operating Revenue	7,779,316	7,473,579	6,977,352
	Non-Operating Revenue	181,960	122,631	52,694
Economic Value Distributed	Operating Costs	5,051,041	4,476,669	4,517,598
	Operating Expenses and Non-Operating Expenses	740,153	755,342	769,965
	Employee Remuneration and Benefits	1,219,115	1,250,647	1,191,477
	Community Investment/Donations	9	225	1,041
	Dividends and Interest Paid	591,801	585,479	645,816
	Payments to Governments for Taxes and Fines (Including Income Tax)	167,613	200,874	90,332
Economic Value Retained		191,544	326,974	-Note 1

(Unit: NT\$ thousand)

Note 1: In 2025, the economic value retained was net income with EPS of NT\$1.42. Cash dividends of NT\$2 were paid, comprising NT\$1 from earnings distribution for the year and NT\$1 from capital surplus distribution.

Note 2: Operating costs, operating expenses, and non-operating expenses exclude salaries and benefits, interest expenses, and community investments, which are disclosed separately.

2. Identification of Sustainable Economic Activities

As global climate action has progressed from declaratory commitments to substantive transformation, the international community — including the European Union — has placed great emphasis on aligning capital flows with sustainability objectives, using regulatory frameworks to channel investment toward economic activities that deliver tangible environmental benefits. In this context, the Taiwan Sustainable Economic Activity Recognition Guidelines published by Taiwan's Financial Supervisory Commission represent a localized adaptation of the EU Taxonomy, designed to provide industry and financial institutions with a common "green language."

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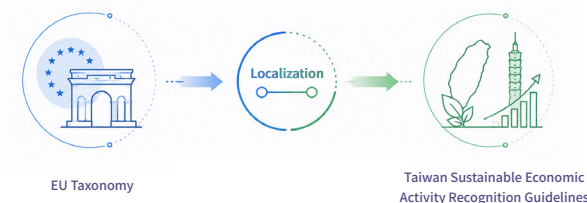
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4.3 Economic Performance

Although SAI does not fall within the industries currently covered by these guidelines, SAI — guided by its commitment to excellence in operational governance — has proactively adopted a forward-looking approach by referencing the newly published second edition of the guidelines to review its core business activities and various expenditures. We firmly believe that by aligning with locally adapted guidelines benchmarked against EU standards, it can more objectively demonstrate its substantive contributions to sustainability and green transformation, and provide stakeholders with transparent and reliable sustainable finance data.

	2024 Operating Revenue		2025 Operating Revenue	
	Amount (NT\$ Thousands)	Percentage (%)	Amount (NT\$ Thousands)	Percentage (%)
Total	7,473,579	100%	6,977,352	100%
Total value of business activities qualifying as sustainable economic activities (recycled aluminium wheels + recycled aluminium materials)	1,679,221	22%	2,273,596	33%
Total value of business activities not qualifying as sustainable economic activities	5,794,358	78%	4,703,756	67%



3. Application for Government Subsidy Programs

To strengthen its innovation capabilities and accelerate technological advancement, SAI continuously monitors various government research and development and industrial upgrading subsidy programs, encompassing fields such as smart manufacturing, energy conservation and carbon reduction, circular materials, local revitalization, and industrial transformation. Through cross-departmental collaboration, SAI integrates the expertise of its research and development, manufacturing, finance, and strategy units to assess the alignment of available subsidy programs with SAI's medium- to long-term development direction, and submits project applications that are consistent with relevant policy objectives.

Throughout the application process, SAI carefully evaluates the feasibility of project implementation while concurrently planning anticipated benefits and risk management measures, ensuring that project outcomes translate into tangible improvements in production efficiency, energy management optimization, carbon emission reduction, and new material development. By making effective use of government resources, SAI is able to accelerate the practical deployment of technology, reduce research and development costs, drive production line upgrades, and further strengthen SAI's operational resilience and sustainable competitiveness.

Application for Government Subsidy Programs (NT\$)

Items	Subsidy Provider	2023	2024	2025
Interest Rate for The Investment Plan of Taiwanese Businessmen Root in Taiwan	Ministry of Economic Affairs	7,547,714	7,047,527	3,373,604
Industrial Innovation	Ministry of Economic Affairs/Taiwan Small and Medium Enterprise Counseling Foundation (Taiwan SMECF) (Note)	6,450,000	1,000,000	11,044,000
Employment Incentives	Ministry of Labor	1,054,196	—	—
Power and Utility Equipment Subsidy	Bureau of Energy, Ministry of Economic Affairs	999,000	—	—

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Items	Subsidy Provider	2023	2024	2025
Large Enterprises Leading SMEs	Industrial Development Bureau, MOEA	—	13,039,000	3,761,000
Trade financing interest subsidy	Ministry of Finance	—	—	997,261
Others	—	—	—	247,200
Annual Total		16,050,910	21,086,527	19,787,065

Note: In 2023, the subsidy unit for "industrial innovation" was the Taiwan SMECF. In 2024 and 2025, it was reclassified under the Ministry of Economic Affairs. The items are therefore presented together under the same category.

4. Future Operational Outlook

Looking ahead, the global political and economic situation and the industrial environment remain highly uncertain. The Israel-U.S.-Iran war that broke out in early 2026 further intensified geopolitical risks, leading to the threat of disruptions to the global supply chain for critical raw materials. As SAI's main source of primary aluminium originates from the Middle East, the instability in the region and the potential supply disruption risks arising from regional conflicts have made supply chain resilience a foremost operational priority. Furthermore, with the implementation of the United States reciprocal tariff policy and the continued pursuit of net-zero emissions targets by 2050 among governments worldwide, international customers facing pressures from trade barriers and carbon border adjustment mechanisms are expected to experience explosive growth in demand for low-carbon materials.

In this turbulent environment, SAI's long-cultivated recycled aluminium technology presents significant business opportunities and competitive advantages. By expanding the adoption and application of recycled aluminium, SAI can not only effectively reduce its dependence on primary aluminium from a single region and substantially mitigate the risk of geopolitically induced supply disruptions, but also meet the firm and growing demand from global customers for low-carbon and recycled materials. SAI will continue to develop its circular economy model, and through the flexible adjustment of global production planning and foreign exchange risk management, will transform external supply chain challenges into momentum for materials transformation. By increasing market penetration of high-grade circular aluminium alloys, SAI aims to ensure greater operational resilience and a stronger long-term foundation for profitability amid an increasingly volatile landscape.

II | Main Products and Technical Services

SAI continues to invest in the research and development of key technologies, with a focus on providing advanced, customized, and lightweight forging solutions for the automotive and aerospace industries. Drawing on years of accumulated expertise in forging and process technology, SAI has established itself as a leading brand in the global forged wheel market and serves as a key partner to international premium and supercar manufacturers.

While consolidating its core business, SAI is also actively responding to global trends in net-zero emissions and the green transformation of supply chains, progressively extending its core capabilities into the fields of circular materials and high-end industrial applications, and continuing to develop a presence in new markets including semiconductors and aerospace. To enhance its overall competitiveness, SAI continuously strengthens its forging technology capabilities, improves plant automation, optimizes coating processes and surface treatment technologies, and deepens its design proposal capacity, with the aim of offering the market a diverse range of products that are lighter, safer, more personalized, and more cost-competitive.

From early-stage technical consultation, raw material procurement, and design development, through to manufacturing, processing, coating, logistics management, and after-sales service, SAI provides end-to-end support through its one-stop integrated capabilities. By leveraging vertical supply chain integration and cross-departmental collaboration, SAI responds swiftly to customer needs and enhances both product value and the benefits of partnership.

In 2025, SAI's products were sold across major markets in Europe, the Americas, and Asia, with total product sales reaching NT\$6,977,352 thousand, reflecting SAI's stable positioning in the global high-end forging market and its continued growth momentum.

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4.3 Economic Performance

1. Product Introduction



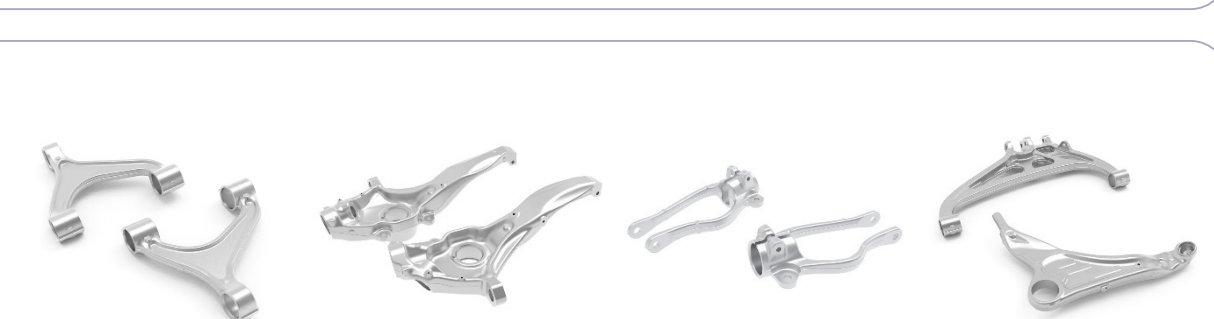
Forged Aluminium Wheels

Forged aluminium wheels are the core product, supplied to sedan, convertible, luxury, sports, SUV, armored, hybrid, and electric vehicle markets. SAI serves as a Tier 1 supplier to major automotive manufacturers, with extensive design experience spanning across European, American, and Japanese automakers, catering to global clientele.



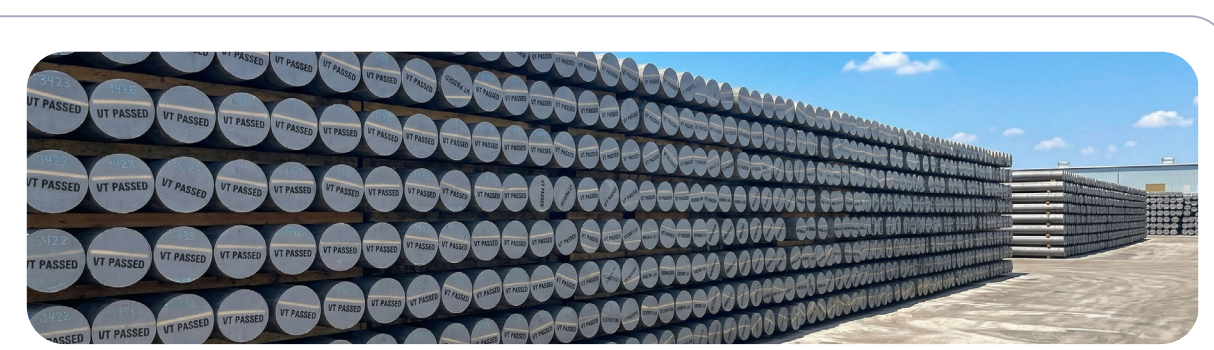
Suspension Parts

The suspension parts integrate various components and systems. SAI possesses mature and advanced metal forming forging technology, capable of collaborating with customers to develop the most suitable forming solutions based on product shape, structure, and performance requirements. Energy efficiency, carbon reduction, the use of high-strength materials, and lightweight structural design are key trends in the automotive industry market development.



Recycled Aluminium

SAI not only focuses on providing top-notch automotive wheel and chassis component solutions but also strives to uphold environmental sustainability. RESAICAL® 100% Recycled Aluminium represents a sustainable practice of energy conservation and waste reduction, giving aluminium alloys an eternal life cycle, thus exemplifying best practices in environmental sustainability and the circular economy.



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2. Product Sales Status



Products or Services	Sales Regions	Customer Types	Sales Volume in 2023	Sales Volume in 2024	Sales Volume in 2025	Unit of Sales Volume
Wheels	Europe	OEM	376	367	313	1,000 units
Wheels	Americas	OEM	236	138	117	1,000 units
Wheels	Others	OEM	94	149	167	1,000 units
Aluminium	Others	Aluminium Product Processing	9,699	6,554	3,908	metric tons
Others	Others	Others	365	78	85	1,000 units

Note: Other major items include chassis parts, accessories, and mold design and development revenue.

3. Production Output Value for the Past Three Years (Unit: NT\$ thousand)



	2023 年		2024 年		2025 年	
	Production Volume	Production Value	Production Volume	Production Value	Production Volume	Production Value
Wheels	752	4,531,273	629	3,794,151	525	3,399,470
Aluminium	22,589	1,525,713	21,968	1,530,688	21,399	1,603,806
Others	183	307,292	134	221,071	127	257,456
Total	-	6,364,278	-	5,545,910	-	5,260,732

Note: Unit of wheel production volume is thousand units; unit of aluminium production volume is metric tons; unit of other production volume is thousand units.

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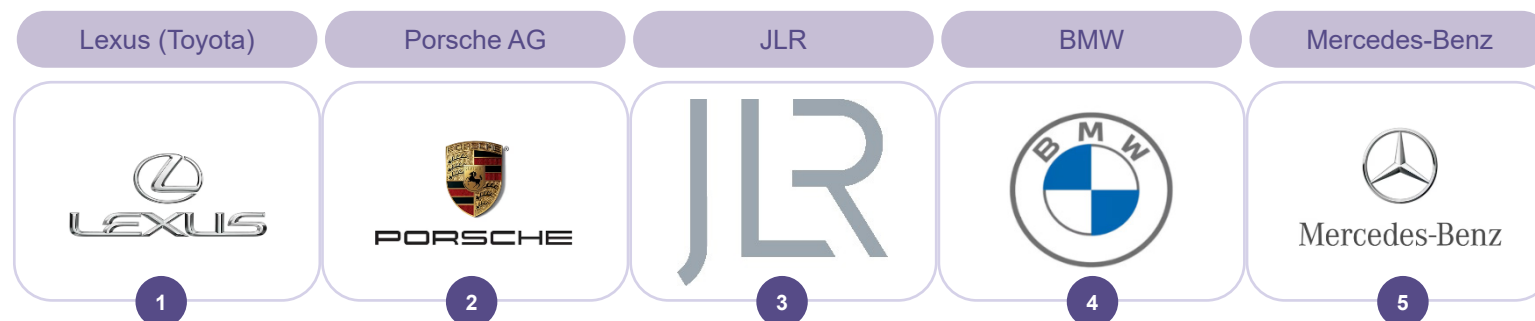
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4. Top Five Customers

Customer Name (Five major customers in 2025, ranked in order)



Looking across 2025, SAI's top five partners remained mainly global leading automakers, serving as the solid foundation of which SAI is proud. However, facing the global wave of net-zero transformation, SAI is not satisfied with its current leadership position and is more actively transforming the sustainability seeds it has planted into tangible momentum for market transformation.



As the global industrial demand for low-carbon circular materials surged, SAI's long-cultivated recycled aluminium technology is receiving strong responses from customers in different sectors. We are not only a raw material supplier, but also a trusted partner that co-creates decarbonization value with customers across diverse industries.



As SAI continues expanding into non-automotive fields, we estimate that the revenue contribution from recycled aluminium will achieve breakthrough growth in 2026. This not only demonstrates SAI's progress toward diversified deployment, but also strengthens our operational resilience in response to global political and economic volatility.

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4.4 Risk Management

I | Risk Management

To strengthen corporate governance, ensure stable business operations, and achieve sustainable development goals (SDGs), SAI has established a comprehensive risk management mechanism designed to keep potential risks within acceptable limits. SAI continuously monitors changes in internal and external conditions and the operating environment, conducts business impact analyses, and strengthens its capacity to respond to challenges and recover from disruptions, thereby enhancing overall operational resilience.

SAI adopts a prevention-oriented risk management strategy and has established a reasonable and effective internal control system in accordance with the Regulations Governing Establishment of Internal Control Systems by Public Companies. Through regular and ad hoc audits, the internal audit unit examines the implementation status of various processes, conducts prior assessments of significant risk events, and formulates crisis management procedures and recovery plans to minimize operational disruptions and their impact. SAI also continuously optimizes its risk management practices and shortens response times.

SAI has established a dedicated Audit Department directly reporting to the Board of Directors that is led by an Audit Manager. Working in conjunction with the Audit Committee, the Audit Department assists the Board and management in examining and reviewing the operation of internal control systems, and regularly provides reliable, timely, and transparent audit reports. SAI also conducts ongoing self-assessments to strengthen organizational resilience, ensuring uninterrupted business continuity and fulfilling its commitment to safeguarding the rights and interests of customers and stakeholders. For more details on our internal audit operations, please refer to our company website.

II | Risk Identification and Management Measures

SAI adheres strictly to its overall operational guidelines and is committed to building a risk management mechanism capable of early identification, accurate measurement, effective monitoring, and rigorous control, ensuring that all operational activities are conducted within acceptable risk parameters. Through proactive prevention of potential losses, continuous monitoring of dynamic developments in both internal and external environments, and ongoing optimization of risk management practices, SAI safeguards the rights and interests of its employees, shareholders, business partners, and customers, thereby enhancing corporate value and achieving optimal resource allocation.

At the same time, department heads at all levels implement risk assessment and control measures in their day-to-day management in accordance with the risk management policies formulated by the Risk Management Team. Each unit is also required, in accordance with its respective functions and business nature, to report risk management information to its department head on a regular basis. In the event of a material or abnormal risk occurrence, it shall immediately be reported to facilitate a prompt response. Furthermore, the Audit Department is responsible for overseeing compliance by all departments with established approval authorities, relevant management regulations, procedures, and applicable laws and regulations, thereby strengthening risk management awareness and execution capabilities across the organization.

For risk identification, SAI conducts annual systematic analyses using a risk matrix to identify priority risk items, which serve as the basis for formulating and implementing the annual audit plan. Through the application of a risk matrix, SAI can comprehensively assess the likelihood of occurrence, potential impact, and risk level of various risk events. In addition, based on the risk levels, SAI has formulated corresponding management strategies to strengthen operational resilience, continuously improve management effectiveness, and ensure sound business operations. When risks occur, corresponding strategies such as avoidance, transfer, control, or acceptance are adopted accordingly in order to effectively manage and mitigate potential impacts.

Likelihood of Occurrence	High (probability ≥ 80%)	Moderate (20% < probability < 80%)	Low (probability ≤ 20%)
Impact Materiality			
Severe	High Risk	Moderate Risk	Moderate Risk
Moderate	Moderate Risk	Moderate Risk	Moderate Risk
Light	Moderate Risk	Moderate Risk	Low Risk

High Risk

Immediately adopt effective risk mitigation measures. Before the risk has been reduced to an acceptable range, related operations should be suspended or avoided.

Moderate Risk

An improvement plan should be actively advanced, and the proportion of moderate risk items gradually reduced while taking cost-effectiveness and financial considerations into account.

Low Risk

No additional mitigation measures are required. However, risks should continue to be monitored and the effectiveness of existing protective measures should be ensured.

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4.4 Risk Management

The 2025 risk assessment and implementation status of response measures for SAI is as follows:

Risk Category	Risk Content	Likelihood of Occurrence	Impact Materiality	Risk Level	Management of Material Topics	Response Measures for Risk Improvement or Prevention
Operating Risk	Assessed changes in market supply and demand, purchase concentration, legal compliance, recruitment and retention, and corporate image maintenance, and implemented improvement measures and preventive measures in response to concentrated purchase risk.	High	Light	B	Yes	◆ Among these, there is a higher likelihood of concentrated purchases occurring. Corresponding improvement measures accelerate customer certification and increase the usage rate of in-house recycled aluminium.
Economic/ Financial Risk	Assessed market risk, credit risk, liquidity risk, accounts receivable risk, and financial operational risk, and implemented improvement measures and preventive measures in response to accounts receivable risk.	High	Moderate	B	No	◆ Implement credit management measures, perform credit investigations before transactions, monitor accounts receivable payment status after transactions, and suspend supply when necessary.
Environmental Risk	Operational risks such as climate change (TCFD), natural capital and biodiversity (TNFD), occupational safety and protection, environmental pollution, fire safety, and employees' physical and mental health	High	Severe	A	Yes	◆ Actively develop solutions (such as low carbon manufacturing) with the aim to reduce the operational and financial impacts brought about by climate change and enhance the organization's climate resilience. ◆ SAI obtained ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management certifications, and conducted annual reexaminations in accordance with environmental and occupational safety management regulations to ensure implementation effectiveness. ◆ SAI has designated personnel responsible for the safety and health maintenance of employees and their work environment. Apart from requiring all new employees to undergo physical examinations and health education training upon joining SAI, we also provide annual safety and health education training for current employees, as well as free health check-ups for employees and their families, along with regular on-site doctor services. ◆ Conducts regular internal Human Rights Impact Assessments (HRIA) to assess employee risk exposure and develop risk management measures.
Technology Risk	New technology and intellectual property (IP) protection, product safety, trade secrets, and cybersecurity risk	Low	Severe	B	Yes	◆ Apply for patents and intellectual property rights. ◆ Sign confidentiality agreements. ◆ Employing the requirements of the ISO 27001 Information Security Management System, in addition to enhancing information security capabilities to effectively reduce risks such as theft, misuse, leakage, tampering, or destruction of information assets due to human error, intentional acts, or natural disasters, SAI also protects its assets, helps ensure compliance with international regulations regarding sensitive customer and employee information, reduces the risk of regulatory violations and penalties, and enhances SAI's reputation and competitiveness.
Human-factor Risk	Operational risk, system risk	Moderate	Light	B	No	◆ Audits are conducted by the Audit Office in accordance with the audit program, thereby reducing system risk; ◆ The Quality Assurance Unit conducts irregular inspections to reduce operational risk.
Legal and Other Risks	Contract risk, compliance risk, and other risks that may affect SAI	Low	Light	C	No	◆ Strengthen legal functions and implement contract review

Explanation:

Likelihood of Occurrence: Please fill in "high," "moderate," or "low."

Impact Materiality: Please fill in "severe," "moderate," or "light."

Risk Level: Fill in "A" for high risk, "B" for moderate risk, and "C" for low risk.

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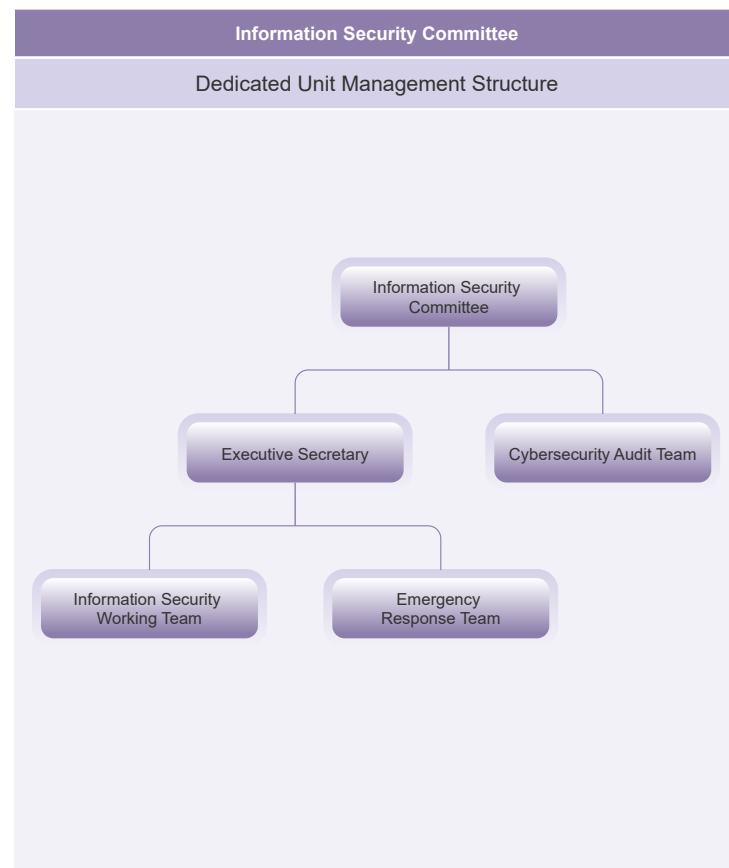
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III | Information Security

To strengthen information security management, SAI obtained ISO 27001:2013 Information Security Management System certification in 2023, followed by the TISAX® (AL3) Information Security and Prototype Protection label in 2024. In 2025, SAI obtained updated certification under ISO 27001:2022, demonstrating its strong commitment to information security and the protection of customer confidentiality. In accordance with the requirements of the relevant certifications, SAI continuously implements its information security policies and operational procedures. Through strengthening personnel security awareness, conducting regular internal and external audits and reviews, and adopting the PDCA (Plan-Do-Check-Act) cycle framework, SAI continuously enhances the monitoring and management of information security and prototype protection, comprehensively reducing potential cybersecurity risks from both a technical and systems perspective.

SAI has also established an Information Security Policy to serve as the basis for all information security management operations, with the aim of preventing the theft, improper use, disclosure, alteration, or destruction of information assets due to human error, malicious acts, or natural disasters, thereby ensuring the integrity and security of critical operational information and stakeholder data, and supporting SAI's long-term sustainable operations. No information security incidents occurred in 2025, and there were also no complaint records involving violations of customer privacy or loss of customer data.



Composition of Dedicated Units	
 Information Security Committee	The Vice President serves as the Convener and Chief Information Security Officer. Reviews management systems and establishes policy objectives.
 Executive Secretary	Provides early warning, monitors, and manages security situations. Proposes improvement suggestions and assists in conducting self-assessments.
 Information Security Working Team	Representatives from each department, responsible for planning and executing various information security operations, such as education and training, corrective/recovery measures, and compliance with cybersecurity regulations.
 Emergency Response Team	Key business process owners serve as team members. In case of emergencies, initiate contact and notification with relevant external stakeholders.
 Cybersecurity Audit Team	Develop an internal cybersecurity audit plan to assess the implementation status of cybersecurity management, and prepare internal audit reports.

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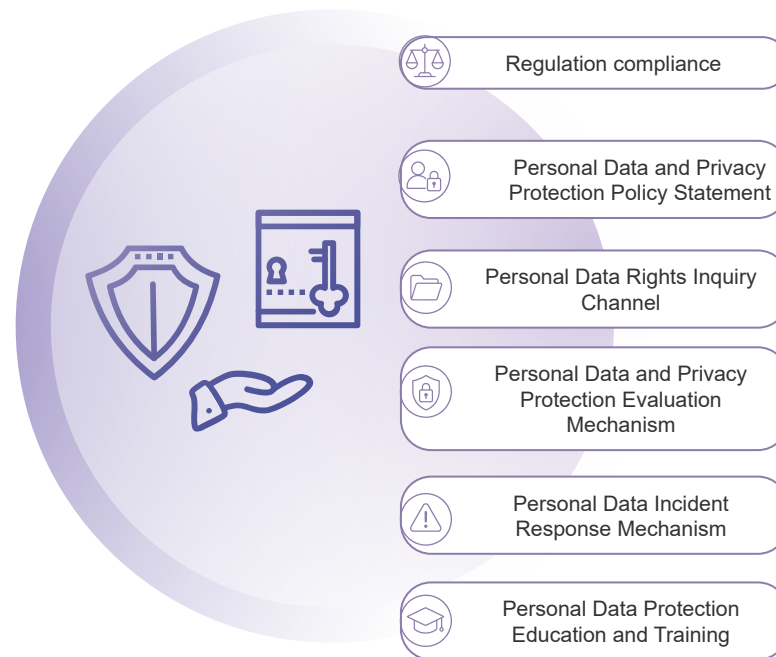
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4.4 Risk Management

IV | Personal Data and Privacy Protection



In the collection, processing, and use of personal data, SAI complies fully with the Personal Data Protection Act and all relevant regulatory requirements, and manages such data in accordance with the principles of lawfulness, legitimacy, and necessity. SAI ensures that the collection, use, and retention of personal data conform to applicable laws and regulations through its internal management systems and information security mechanisms.

SAI places great importance on the protection of personal data and privacy, and has established relevant management systems and information security measures to govern the collection, processing, use, and retention of personal data. Through access control, system security management, and data access management mechanisms, SAI ensures the confidentiality, integrity, and availability of personal data.

Employees who have questions regarding the collection, processing, or use of their personal data, or who wish to exercise their rights to inquiry, access, correction, or other rights provided under applicable law, may submit a request through the Human Resources unit. SAI will provide assistance in accordance with the relevant procedures.

SAI continuously reviews the effectiveness of its personal data protection management through its information security management system, audit and internal control mechanisms, and periodic reviews of access control measures. Risk assessments and improvement initiatives are conducted in relation to relevant risks, with the aim of reducing the risk of personal data leakage or improper use.

In the event of a suspected personal data breach or information security incident, SAI will immediately activate its incident notification, impact assessment, and response procedures in accordance with its established information security incident reporting and response process, and will implement necessary improvement measures to mitigate potential impact and strengthen subsequent protective measures.

To enhance employees' awareness of personal data protection and information security, SAI regularly conducts education and training programs on information security, including personal data protection, with the aim of strengthening employees' sense of responsibility and management capabilities regarding personal data protection.

V | Information Security and Customer Privacy Education and Training

Item/Course Name	Number of Participants	Total Hours of Participation
Information Security Awareness Training	1,434	1,434
ISO 27001 Lead Auditor Transition Training	2	32
ISO 27001 Internal Auditor Training	2	32
TISAX Prototype Protection Awareness Course	1,434	1,434
Social Engineering Exercises	A total of 550 employees participated in this year's social engineering exercises, and six different scenario templates were designed to conduct random simulated tests based on employees' job responsibilities. The overall exercise results were as follows: the average email open rate was 8.21%, the average click-through rate was 4.88%, the average attachment open rate was 2.91%, and the average phishing page trigger rate was 4.06%. For personnel who opened the email, clicked the link, or opened an attachment during the exercise, subsequent social engineering information security training was arranged to strengthen employees' ability to identify social engineering attacks and their prevention awareness, thereby continuing to improve SAI's overall level of information security protection.	

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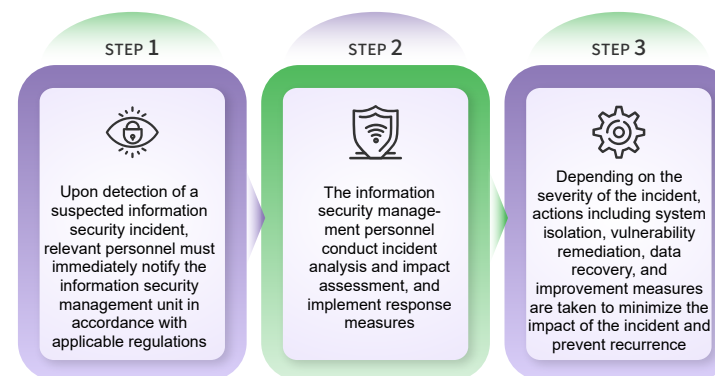
Item/Course Name	Number of Participants	Total Hours of Participation
2025 Cybersecurity-Related Testing / Disaster Drills		
 Cybersecurity-Related Engineering Tests and Protection Scans		To enhance SAI's overall cybersecurity defense capabilities, SAI deploys firewalls to guard against potential network security threats, and has implemented endpoint protection mechanisms and antivirus software to strengthen the security of client-side devices. At the same time, to improve monitoring and response capabilities against advanced attack behaviors, SAI has deployed Advanced Threat Protection and EDR (Endpoint Detection and Response) systems to detect and block potential intrusions and malicious activities in real time. Since 2023, SAI has consistently allocated an annual budget for cybersecurity technical assessments, encompassing system vulnerability scanning, website vulnerability scanning, and penetration testing. Risk assessments and remediation work are carried out based on the assessment results, with the aim of reducing potential threats and enhancing the overall security of information systems. The 2025 technical assessment was completed in October. Following re-scanning, a combined total of 44 Critical and High severity items were identified, of which 39 were remediated in accordance with the targeted timeline, representing a completion rate of 90%. There are still five remaining items that could not be remediated within the deadline, but they have been included in a risk improvement plan and were fully addressed by June 30, 2026.
 Cybersecurity Inventory and Disaster Drills		To ensure business continuity and minimize the impact of major failures or disasters on critical business processes, SAI plans to conduct disaster recovery drills three times per year, thereby continuously strengthening its emergency response and system recovery capabilities. The scope of the information security management system covers nine critical business processes, including network services and core systems. In accordance with various risk scenarios, corresponding emergency response and recovery procedures have been formulated to ensure the stable operation of critical functions. The 2025 disaster recovery drills encompassed the ERP system, MES system, AD system, and power outage simulation. All related drills were completed before November 2025, ensuring that SAI is equipped with the capability for immediate response and continued operations in the event of unexpected incidents.

VI | Information Security Incident Response Mechanism

SAI defines the following circumstances as a material information security incident:

- 1 Leakage of confidential or sensitive official data
- 2 Unauthorized tampering with core business systems or important data
- 3 Disruption to core business operations or interruption of information systems that cannot be restored to normal operation within the tolerable downtime.
- 4 Occurrence of an information security incident that falls within the scope of the "Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities."

VII | Response Mechanism Process



No material information security incidents occurred in 2025.

CH5 YIELDING INNOVATION

Driving technological breakthroughs through innovative R&D, we combine AI-driven process optimization with advanced materials development to advance the semiconductor industry.

Through data-driven insights and cross-domain collaboration, we forge high-performance, sustainable, and competitive solutions for the future.



5.1
Advanced Technology
Transformation



5.2
Innovation and R&D



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Digital Empowerment

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5.1 Advanced Technology Transformation: Cross-Domain Application Strategy



In the past, SAI was primarily known to the public as a supplier of wheels for top-tier luxury vehicles. However, in the face of the global net-zero emissions trend and the challenge of green supply chain transformation, SAI is leveraging its years of expertise in RESAICAL® recycled aluminium technology as a pivot point to redefine its industrial positioning. Vice President Huang emphasizes that SAI's core competitiveness lies not in any specific finished product, but in its mastery and utilization of materials. The piece of recycled aluminium in the Vice President's hands is not merely the soul of a luxury car wheel — it is also the key to SAI's path toward its new vision "to become a global leader in R&D, technology, and manufacturing for forged light metals and recycled aluminium applications."



While continuing to deepen its core strengths in forging the automotive industry, SAI is also advancing a dual-engine strategy centered on sustainable recycled aluminium, actively expanding into diverse application markets beyond the automotive sector. This is not only aimed at enhancing operational resilience and long-term growth momentum, but also at fulfilling SAI's new mission "to provide comprehensive, low-carbon and sustainable aluminium industry solutions, and build long-term, trusted partnerships with global customers." In addition to consolidating its leadership position in the global luxury vehicle aluminium wheel market, SAI is accelerating its expansion into the semiconductor and non-passenger vehicle sectors. Through diversification of revenue sources, SAI aims to reduce its exposure to cyclical volatility in any single industry and strengthen overall operational resilience and market competitiveness.

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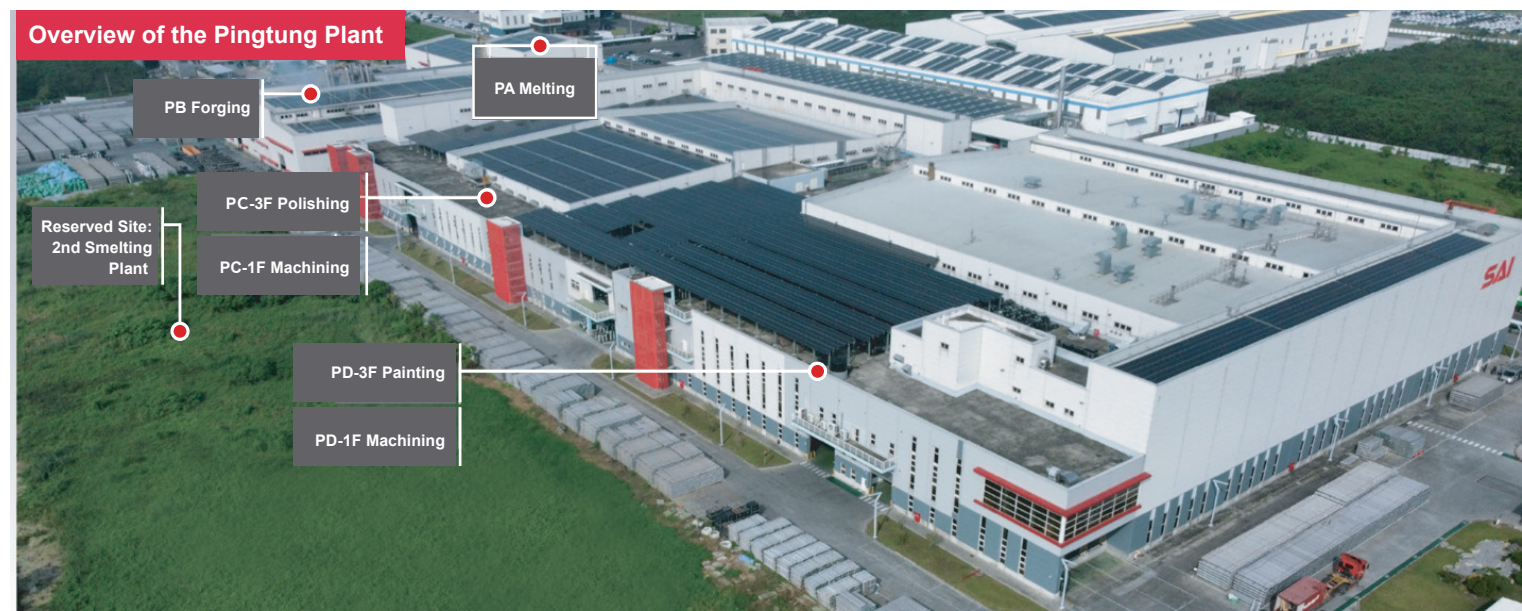
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5.1 Advanced Technology Transformation: Cross-Domain Application Strategy

Facing the high demands of cross-industry customers for material purity, performance stability, and specification consistency, SAI draws on its strong foundation in materials science and its continuously deepening research and development capabilities to extend its aluminium product line into semiconductor process equipment, hydrogen energy, and other high-purity industrial applications. Meanwhile, as the construction and installation of equipment for the second aluminium smelting plant is progressively completed and the facility moves into trial production, SAI is further establishing in-house manufacturing capabilities covering full-size aluminium billets. This strengthens the stability and specification flexibility of upstream raw material supply, enhances process efficiency and vertical integration advantages, and enables more precise alignment with the material requirements of different industries, thereby expanding both the depth and breadth of its cross-domain application strategy.



I | Advance Circular Deployment and Establish Advantages in Key Materials

Scrap aluminium serves as a critical raw material for low-carbon recycled aluminium, and its strategic importance within global supply chains has continued to grow since 2025. With a dual-track circular technology approach as its core, SAI has established a materials strategy that balances resource stability with low-carbon competitiveness. Building on its long-standing expertise in post-industrial recycling (PIR), SAI is further advancing its deployment of post-consumer recycling (PCR) technology, which presents higher technical barriers and more significant environmental benefits. This effort aims to strengthen the flexibility of raw material sourcing for low-carbon recycled aluminium and to expand the application potential of circular materials across diverse industries.

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II | Innovation in Recycling Technologies to Address Green Transition Challenges



Compared to post-industrial recycling materials, which benefit from relatively stable sourcing, post-consumer recycling (PCR) aluminium presents greater technical challenges during development due to its complex origins and higher impurity content. These challenges span sorting, composition control, and smelting and refining processes, and are accompanied by higher initial processing costs. In response, SAI continues to invest in advanced alloy composition formulation, precision smelting, and process optimization technologies, with the aim of maintaining high-standard physical properties in its recycled aluminium while improving production efficiency and alleviating additional cost pressures.



Recognizing that the “green premium” represents a significant challenge in the early stages of low-carbon transition, we are progressively converting environmental benefits into material solutions that are competitive in both performance and cost, through technological optimization and production scale-up, thereby assisting customers in advancing their net-zero transition without substantially increasing costs.

III | Connecting to the Green Business Opportunity Landscape: Opening a New Chapter of Cross-Domain Growth



Through its dual-track circular strategy combining PIR and PCR, SAI will further expand its low-carbon collaboration model with semiconductor and high-end industrial customers, supporting their value chain decarbonization goals and unlocking a more diverse range of aluminium circular economy opportunities. In particular, Taiwan’s standing as a global semiconductor hub presents what SAI sees as a “new blue ocean” within the circular economy. We are not merely a raw material supplier, but a “creator of circular value” within the supply chain.



Vice President Huang notes that high-end industries such as semiconductors also make extensive use of various alloys, which are highly compatible with SAI’s existing technologies. By establishing a closed-loop system for recycling and reuse, SAI is able to penetrate deeply into customers’ recycled aluminium supply chains and assist them in achieving their value chain decarbonization goals. This transformation from manufacturing products to manufacturing services not only connects SAI to a more diverse range of green business opportunities, but also ensures that SAI occupies an important strategic position within the resource cycling of different industries.



Looking ahead, SAI will continue to deepen its cross-domain materials application strategy, driving the gradual expansion of cross-domain business contributions to revenue from 2026 onwards. By strengthening industrial diversification, SAI aims to reduce exposure to cyclical risks within any single industry, and further enhance overall operational resilience and sustainable growth momentum.



This is the tangible realization of SAI’s transformation beyond a single-industry identity: through sustainable low-carbon technological capabilities and flexible manufacturing services, SAI is breaking free from the traditional framework of component supply. As a comprehensive partner, SAI is establishing itself as an indispensable driving force in the global net-zero transition, venturing into the frontier of high-end application sectors such as semiconductors and aerospace.

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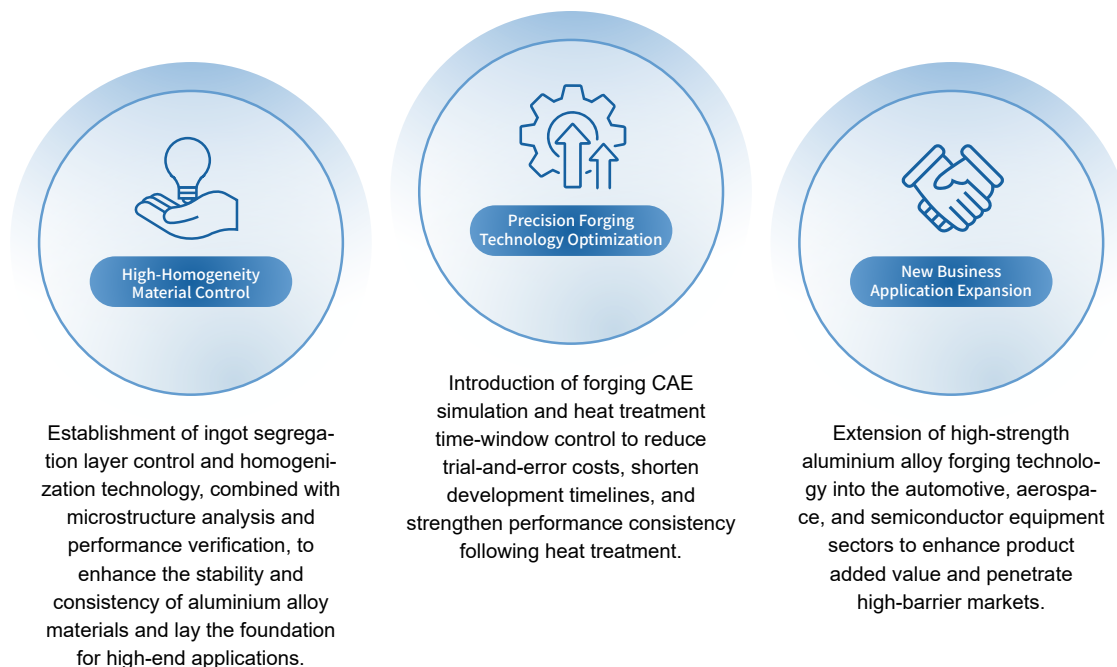
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5.2 Innovation and R&D: Development of High-Precision Materials and New Business Applications

As high-end industries such as electric vehicles, semiconductors, and aerospace continue to develop rapidly, market demand for high-strength, lightweight aluminium alloys has continued to increase, with product quality and performance stability emerging as key competitive factors. Against this backdrop, stable process control and the management of material microstructure have become important differentiators of a company's technical capabilities.

In response to the demands of industrial upgrading, SAI is accelerating its transformation from a traditional forging manufacturer into a supplier of advanced material solutions, continuously driving materials innovation and process integration to strengthen its technological value and market competitiveness. Leveraging its strong foundation in forging technology and high-precision process capabilities, SAI is committed to expanding into high value-added markets and making steady progress toward becoming a supplier of high-precision aluminium alloy material solutions.

To further strengthen technological competitiveness and capitalize on development opportunities in high-end industries, efforts in 2025 were focused on the following three major themes:



The above R&D achievements demonstrate SAI's integrated capabilities in materials technology upgrading, process optimization, and new business development. Going forward, SAI will continue to advance semi-solid forging and AI-based performance prediction technologies, building a high-end aluminium alloy precision materials platform and deepening cross-industry applications and long-term growth momentum.



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5.2 Innovation and R&D: Development of High-Precision Materials and New Business Applications

I | Breakthroughs in High-Precision Materials Technology

To strengthen the technological competitiveness of its high-end aluminium alloy materials, SAI continues to deepen its research and development in high-precision materials, focusing on material homogenization, high-strength application development, and the analysis of microstructure-property relationships, progressively building a foundation of high value-added materials technology.

	High-homogeneity forged aluminium alloy	Segregation control technology Optimization of the forging flow line Micro-grain refinement control
	High-strength aluminium alloy applications	6082/6061/7075 high-performance applications T6 heat treatment time-window optimization Mechanical property stabilization control
	Microstructure-Property correlation modeling	Microstructural analysis Property prediction model

II | Key Capabilities for Technological Innovation

SAI continues to integrate core technologies including CAE flow line simulation, precision die design, intelligent heat treatment control, full-process quality traceability, and SPC and big data analytics, comprehensively enhancing the precision, stability, and quality management capabilities of its forging processes. Through technology integration and process optimization, SAI has progressively achieved measurable outcomes including greater dimensional tolerance stability, effective reduction in strength variability, and overall yield improvement, further strengthening the development efficiency and market competitiveness of its high-end aluminium alloy products.

Looking ahead, SAI will continue to advance its deployment in semi-solid forging, AI-based material performance prediction, and the expansion into international markets for advanced materials, while simultaneously driving optimization of carbon emissions and material utilization efficiency, with the aim of building a high-end materials development foundation that combines technological depth, growth momentum, and sustainable value.

III | New Business Application Development

To expand the application value of its high-end aluminium alloy forging technology, SAI continues to advance new business application development, extending its core technologies into high-barrier sectors including automotive, aerospace, and semiconductors, and progressively establishing a cross-industry application strategy and competitive capabilities in high value-added markets.

	Lightweight Structural Components for Automotive Applications	Focused on high-strength wheel and suspension and chassis structural component applications, addressing the dual demands of the automotive market for lightweighting and high safety performance.
	Precision Forgings for Aerospace	Development of high-reliability aerospace precision forgings, strengthening the consistency of mechanical properties in components to meet stringent application requirements.
	Structural Components for Semiconductor Equipment	Entry into semiconductor equipment structural component applications, improving dimensional stability, reducing deformation rates, and ensuring high flatness performance.

IV | Diversified Green Energy Deployment and Smart Energy Management

While deepening its expertise in precision manufacturing, SAI has also extended its perspective into the renewable energy sector, enhancing its understanding and application of renewable energy technologies through participation in the green energy investment platform, Kai-Hong Energy.



Renewable Energy Generation Deployment: The platform currently promotes agrivoltaic solar energy projects in areas such as Yunlin and Pingtung, and is developing onshore wind energy installations in regions with favorable wind resources, such as Changhua. Through participation in the development process of diverse project sites, SAI is able to stay abreast of the latest technological trends on the green energy supply side in real time.



Smart Energy Regulation and Energy Storage Technology: As renewable energy is subject to natural environmental factors such as day-night cycles and wind speed variations, resulting in intermittent and unstable power supply, SAI gains in-depth understanding of power supply balance management through the platform's energy storage and regulation technology. This technology enables energy absorption and storage during periods of excess generation, and provides stable power discharge when demand gaps arise, thereby fulfilling a "peak shaving and valley filling" regulatory function. This not only broadens SAI's applied perspective on smart energy management, but also lays the groundwork for future technological upgrades to enhance energy stability at its manufacturing facilities.

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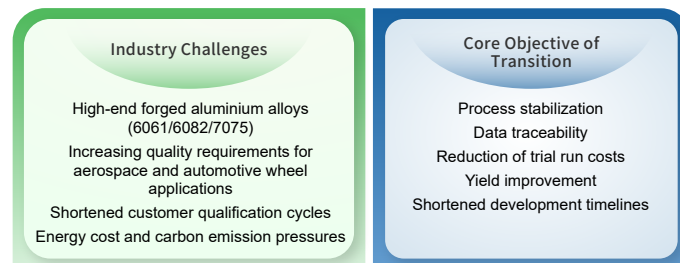
I | Transformation Background and Motivation

As requirements for high stability, high traceability, and low-carbon processes continue to intensify across high-end automotive, semiconductor, aerospace, and high-precision industries, traditional experience-dependent manufacturing models are no longer sufficient to meet market demands. In response, SAI has initiated a smart manufacturing digital transformation project, building a data-driven intelligent forging system through process digitization, the introduction of simulation technologies, and the establishment of quality prediction models.

SAI's core initiative centers on the construction of a full-process digital record system, which channels key data — including ingot segregation layer monitoring, heating temperature profiles, forging pressure and speed, heat treatment time-window control, and final dimensional SPC analysis — into a central data platform in real time, forming a complete and traceable production chain.

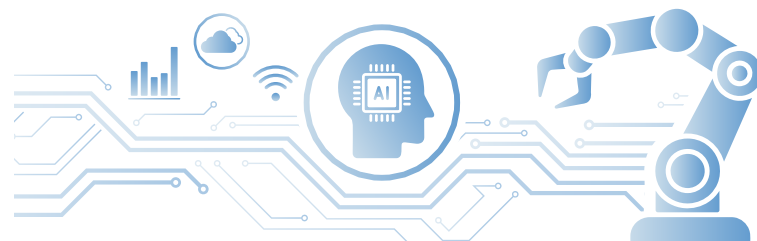
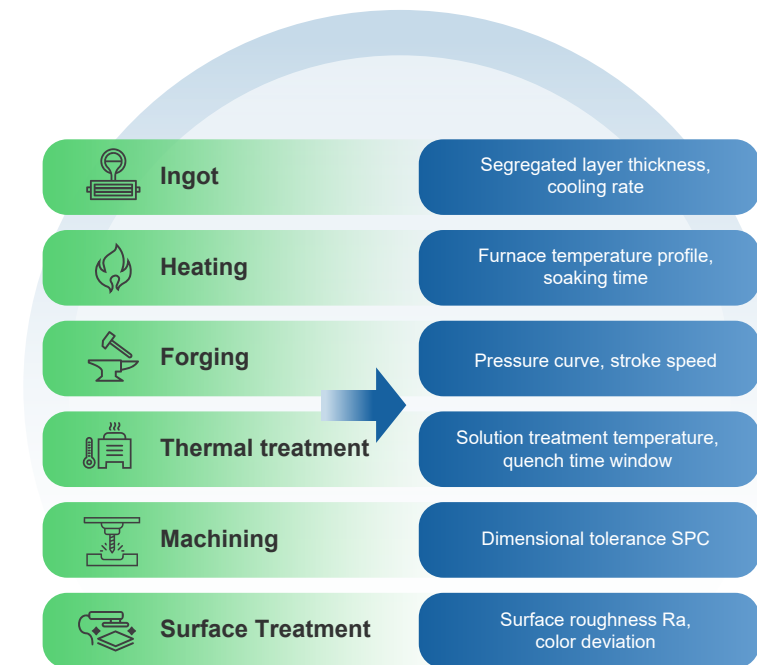
On the technology upgrade front, SAI has introduced forging CAE simulation, utilizing flow line analysis, folding defect prediction, and temperature field simulation to optimize die design and process conditions at an earlier stage. This has reduced the number of trial runs by 40%, shortened development timelines by 30%, and improved first-piece success rates. On the heat treatment side, a 6061-T6 time-window control system and quench delay warning mechanism have been established to ensure mechanical property stability.

In addition, SAI has implemented SPC and big data analytics to monitor Cpk trend variations in real time, driving a shift in quality management from post-inspection to predictive management, and further reducing internal defect rates. Overall, the digital transformation initiative has delivered improvements in yield rates, energy efficiency optimization, shortened development cycles, and enhanced process stability. Going forward, SAI will continue to integrate AI prediction models and digital twin technologies, advancing toward a high-end smart forging factory.



II | Smart Manufacturing Application Architecture

1. Process Digitalization: Establishing Full-Process Data Collection for Forging



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2. Technology Transformation Outcomes and Future Plans

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	Forging CAE Simulation Analysis	Smart Heat Treatment Control	SPC + Big Data Analytics
 Technical Content	◆ Flow line simulation ◆ Overlap prediction ◆ Stress concentration zone ◆ Temperature field analysis ◆ Segregated layer flow determination	◆ 6061-T6 time-window control chart ◆ Quench delay monitoring (< 10-second management) ◆ Automatic alarm mechanism	◆ Pressure trend chart ◆ Real-time Cpk display ◆ Batch anomaly prediction
 Benefits	◆ Reduction of trial runs by 30 to 50% ◆ Improved first-piece success rate ◆ Enhanced forging flow direction control	◆ Ensures compliance with ASTM/AMS specifications	◆ Preventive quality management
 Future Plans	◆ Enhanced process stability, reduced dimensional variability, and decreased internal defects ◆ Improved yield rates, resolution of segregation layer issues and surface color deviation ◆ Accelerated development speed — CAE prediction enables direct die optimization to reduce trial-and-error ◆ AI-based forging defect prediction ◆ Energy monitoring and carbon emission digitization ◆ Semi-solid forging intelligent control ◆ Batch anomaly prediction		

To continue advancing the above digital transformation and forward-looking plans, SAI provides the strongest support for technology upgrades, innovation, and breakthroughs through stable R&D funding. The scale of technology R&D expenses and the ratio to revenue over the past three years are shown in the table below:

Project/Year	2023	2024	2025
 Technical Research and Development (NT\$ thousand)	153,056	151,096	153,353
 Revenue Proportion	2%	2%	2%

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III | Craftsmanship Digitalization: Charting a New Course for the Twin Transition

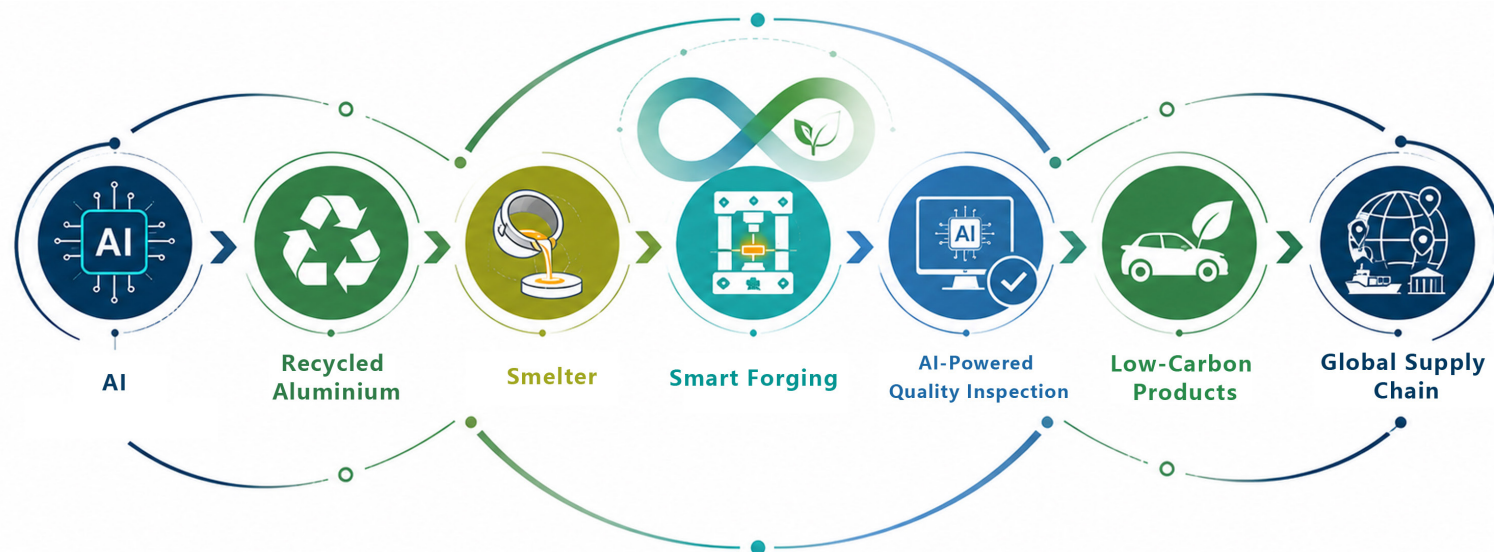
Standing at the forefront of sustainable transformation, SAI recognizes that smart manufacturing is not merely an enhancement of production efficiency, but a strategic pillar through which we fulfill our sustainability commitments.

Through full-process digital records and AI prediction technologies, we not only endow recycled aluminium with a traceable green identity, but also leverage big data prediction to improve process yield rates for precision components in sectors such as semiconductors and aerospace, ensuring that our products demonstrate outstanding stability in demanding application environments. This twin transformation in digitalization and sustainability has propelled us from a traditional manufacturing model reliant on artisanal expertise to a data-driven smart manufacturing leader, providing the most powerful technological foundation for SAI's new vision and new mission.

In the face of a rapidly changing global landscape, SAI will not rest on its achievements. We will continue to deepen our expertise in light metal forging and recycled aluminium applications, remaining committed to our mission "to provide comprehensive, low-carbon and sustainable aluminium industry solutions, and build long-term, trusted partnerships with global customers," and advance side by side with our global value chain partners.

In the pursuit of progress, we have come to a profound understanding that even the most sophisticated technology must ultimately return to the value of people. SAI firmly believes that the key to smart transformation lies in talent, while the accelerating force is driven by technology. Skilled professionals serve as the compass guiding us toward the future, and digital empowerment is the sail that carries us across every challenge. Only by combining the two — and embedding twin-axis thinking at the very core of the enterprise — can we continue to reshape the essence of resources on the journey toward net-zero emissions, and forge a new, sustainable path forward for future generations.

SAI sets sail with the craftsmanship of its people and forges ahead with twin-axis momentum, creating boundless possibilities for a sustainable future together with global partners in the new blue ocean of sustainable transformation.



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		2-2	Entities included in the organization's sustainability reporting	Bearing Witness Through Documentation: About The Report	004-005
		2-3	Reporting period, frequency and contact point	Bearing Witness Through Documentation: About The Report	004-005
		2-4	Restated information	Bearing Witness Through Documentation: About The Report	004-005
		2-5	External assurance	Bearing Witness Through Documentation: About The Report	004-005
	Activities and Workers	2-6	Activities, value chain and other business relationships	2.1 Supplier Management 4.3 Economic Performance	104-110, 178-183
		2-7	Employees	3.1 Inclusive Workplace and Diverse Talent	125-137
		2-8	Workers who are not employees	3.1 Inclusive Workplace and Diverse Talent	125-137
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GRI 3 Material Topics 2021	Strategies, Policies, and Practices	2-22	Statement on sustainable development strategy	Commitment of the Visionary: Executive Pledge to Sustainability Key to the Vision: Our Sustainable Development Strategy	006-007, 014-016
		2-23	Policy commitments	3.2 Human Resources Management and Talent Development 4.2 Integrity Management and Legal Compliance	138-143, 174-177
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	Stakeholder Engagement	2-29	Approach to stakeholder engagement	Bridge of Negotiation: Listening to Key Voices from All Sectors	023-042
		2-30	Collective bargaining agreements	3.2 Human Resources Management and Talent Development	138-143
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	301-3	Reclaimed products and their packaging materials	1.2 A New Circular Economy Model	050-055
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GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	1.4 Environmental Management Performance	066-077
	306-2	Management of significant waste-related impacts	1.4 Environmental Management Performance	066-077
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GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	3.3 Occupational Health and Safety	144-154
	403-2	Hazard identification, risk assessment, and incident investigation	3.3 Occupational Health and Safety	144-154
	403-3	Occupational health services	3.3 Occupational Health and Safety	144-154
	403-4	Worker participation, consultation, and communication on occupational health and safety	3.3 Occupational Health and Safety	144-154
	403-5	Worker training on occupational health and safety	3.3 Occupational Health and Safety	144-154
	403-6	Promotion of worker health	3.3 Occupational Health and Safety	144-154
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.3 Occupational Health and Safety	144-154
	403-8	Workers covered by an occupational health and safety management system	3.3 Occupational Health and Safety	144-154
	403-9	Work-related injuries	3.3 Occupational Health and Safety	144-154
	403-10	Work-related ill health	3.3 Occupational Health and Safety	144-154
Talent Attraction and Retention				
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	3.1 Inclusive Workplace and Diverse Talent	125-137
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.1 Inclusive Workplace and Diverse Talent	125-137
	401-3	Parental leave	3.1 Inclusive Workplace and Diverse Talent	125-137
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	3.1 Inclusive Workplace and Diverse Talent	125-137
	202-2	Proportion of senior management hired from the local community	3.1 Inclusive Workplace and Diverse Talent	125-137

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Category	Indicator Code	Indicator Name	Corresponding Sections	Page Number
Customer Relationship Management				
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	2.3 Quality Management	113-119
	417-2	Incidents of non-compliance concerning product and service information and labeling	4.2 Integrity Management and Legal Compliance	174-177
	417-3	Incidents of non-compliance concerning marketing communications	4.2 Integrity Management and Legal Compliance	174-177
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.4 Customer Service and Relationship Management 4.2 Integrity Management and Legal Compliance	120-123, 174-177
Compliance with Laws and Regulations				
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to anti-corruption	4.2 Integrity Management and Legal Compliance	174-177
	205-2	Communication and training about anti-corruption policies and procedures	4.2 Integrity Management and Legal Compliance	174-177
	205-3	Confirmed incidents of anti-corruption and actions taken	4.2 Integrity Management and Legal Compliance	174-177
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	4.2 Integrity Management and Legal Compliance	174-177
Sustainable Supply Chain				
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using social criteria	2.1 Supplier Management	104-110
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	2.1 Supplier Management	104-110
Innovative Products and Technologies				
Custom Topic	3-3	Management of material topics	Bridge of Negotiation: Listening to Key Voices from All Sectors 5.2 Innovation and R&D: Development of high-precision materials and new business applications	023-042, 193-194
Information Security				
Custom Topic	3-3	Management of material topics	Bridge of Negotiation: Listening to Key Voices from All Sectors	023-042
Risk Management				
Custom Topic	3-3	Management of material topics	4.4 Risk Management	184-188

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類別	主題	指標代號	Climate-related Information for Listed and OTC (Over-the-Counter) Companies	Corresponding Sections	Page Number
Governance	TCFD 1(a)	Describe the Board's oversight of climate-related risks and opportunities.	1. Outline the Board and management's supervision and governance of climate-related risks and opportunities.	1.5 Climate Change Management: Task Force on Climate-related Financial Disclosures (TCFD)	078-084
	TCFD 1(b)	Describe the role of senior management in assessing and managing climate-related risks and opportunities.			
Strategy	TCFD 2(a)	Describe the short, medium, and long-term climate-related risks and opportunities identified by the organization.	2. Explain how the identified climate risks and opportunities impact the business, strategy, and finances of the enterprise in the short, medium, and long terms.	1.5 Climate Change Management: Task Force on Climate-related Financial Disclosures (TCFD)	078-084
	TCFD 2(b)	Describe the organization's response to climate-related risks and opportunities in business, strategy, and financial planning.	3. Explain the impact of extreme weather events and transition actions on finances.	1.5 Climate Change Management: Task Force on Climate-related Financial Disclosures (TCFD)	078-084
	TCFD 2(c)	Describe the organization's strategic resilience, considering different climate-related scenarios (including scenarios of 2°C or more stringent).	5. If utilizing scenario analysis to assess resilience against climate change risks, provide details on the scenarios, parameters, assumptions, analysis factors, and key financial impacts.	1.5 Climate Change Management: Task Force on Climate-related Financial Disclosures (TCFD)	078-084
Risk Management	TCFD 3(a)	Describe the organization's process for identifying and assessing climate-related risks.	4. Explain how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	1.5 Climate Change Management: Task Force on Climate-related Financial Disclosures (TCFD)	078-084
	TCFD 3(b)	Describe the organization's management process for climate-related risks.			
	TCFD 3(c)	Explain how the identification, assessment, and management processes for climate-related risks are integrated into the organization's overall risk management system.			
Metrics and Targets	TCFD 4(a)	Disclose the indicators used by the organization to assess climate-related risks and opportunities following its strategy and risk management processes.	6. If there is a transformation plan to manage climate-related risks, describe the plan's content and the indicators and objectives used to identify and manage physical risks and transition risks.	1.5 Climate Change Management: Task Force on Climate-related Financial Disclosures (TCFD)	078-084
	TCFD 4(b)	Disclose Scope 1, Scope 2, and Scope 3 (if applicable) greenhouse gas emissions and related risks.	9. Provide an inventory of greenhouse gas emissions, certainty levels, reduction targets, strategies, and specific action plans.	1.3 Greenhouse Gas Emissions and Energy Management	056-065
	TCFD 4(c)	Describe the organization's objectives in managing climate-related risks and opportunities, and its performance in achieving those objectives.	8. If climate-related targets are set, provide information on covered activities, greenhouse gas emission scopes, planning timelines, annual progress toward targets, etc. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these targets, specify the source and quantity of carbon offsets or the number of RECs exchanged.	1.3 Greenhouse Gas Emissions and Energy Management 1.5 Climate Change Management: Task Force on Climate-related Financial Disclosures (TCFD)	056-065, 078-084
-			7. If using internal carbon pricing as a planning tool, describe the basis for price determination.	1.1 Journey to Net Zero	044-049

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**Taiwan Sustainable Economic Activity
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Taiwan Sustainable Economic Activity Recognition Guidelines

(I) The enterprise identifies the main economic activities of its operations and the proportion of those activities in total revenue over the past year.	Total value of business activities qualifying as sustainable economic activities (recycled aluminium wheels + recycled aluminium materials)	Total value of business activities not qualifying as sustainable economic activities
	33%	67%
(II) The enterprise identifies whether its main economic activities apply to the “general economic activities” and “supporting economic activities” under the Guidelines.	Supporting Economic Activities	N/A
(III) Determine whether the activity qualifies as a sustainable economic activity based on the following three conditions.	-	-
Condition 1: Does the activity meet the technical screening criteria for “making a substantial contribution to any environmental objective”?	-	
Condition 2: Does the activity meet the requirement of “doing no significant harm to the six environmental objectives”?	Compliant	
Condition 3: Does the activity meet the requirement of “doing no significant harm to social safeguards”?	Compliant	
(IV) Is there a transition plan?	Compliant	N/A
Assessment Result: Compliance of individual economic activities with the Guidelines and degree of sustainability	Compliant	

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Disclosure topic	Indicator Code	Nature	Disclosure Indicator	Response Content	Page Number
Energy Management	TR-AP-130a.1	Quantitative	(1) Total energy consumption (including fuel, electricity) (GJ) (2) Percentage of electricity consumption out of total energy consumption (3) Percentage of renewable energy consumption out of total energy consumption	(1) 789,203.0614GJ (2) 48.83% (3) 0.84%	064
Waste Management	TR-AP-150a.1	Quantitative	(1) Total waste generated from manufacturing (unit: metric tons) (2) Percentage of hazardous waste amount relative to total waste amount (3) Percentage of recycled waste amount relative to total waste amount	(1) 6,896.72 metric tons (2) 1.16% (3) 3.67%	070
Product Safety	TR-AP-250a.1	Quantitative	(1) Total number of recall incidents (2) Total number of recalled products (3) Proportion of voluntary recalls (4) Proportion of involuntary recalls	2.3 Quality Management (1) 0 cases (2) 0 items (3) 0% (4) 0%	119
Fuel efficiency design	TR-AP-410a.1	Quantitative	Total revenue from products that enhance fuel efficiency and/or reduce emissions.	Information difficult to obtain, disclosure deferred.	N/A
Procurement of Raw Materials	TR-AP-440a.1	Qualitative explanation	Explanation of risk management related to the use of key materials	2.1 Supplier Management Risk Management of Critical Raw Materials	105
Raw material consumption efficiency	TR-AP-440b.1	Quantitative	Percentage of recyclable products sold	SAI products are aluminium-based, 100% recyclable	053
	TR-AP-440b.2	Quantitative	Percentage of materials input sourced from recycling or remanufacturing	36.93%	054
Anti-competitive behavior	TR-AP-520a.1	Quantitative	Total monetary losses due to anti-competitive litigation	No anti-competitive litigation	177
Activity indicators	TR-AP-000.A	Quantitative	(1) Total production quantity (Unit: pieces, metric tons)	Wheels: 525,000 pieces Aluminium material: 21,399 metric tons Others: 127,000 pieces	182
	TR-AP-000.B	Quantitative	(2) Total manufacturing weight (Unit: metric tons)	Wheels: 8,112 metric tons Aluminium material: 21,399 metric tons Others: 387 metric tons	N/A
	TR-AP-000.C	Quantitative	(3) Manufacturing plant area (Unit: square meters)	167,917.50 square meters	N/A

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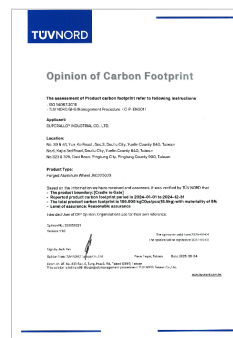
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(valid until April 6, 2029)



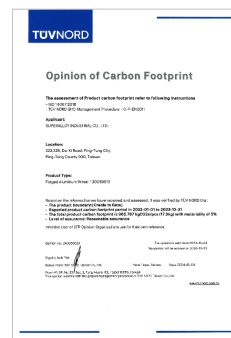
ISO 9001:2015
(valid until November 25, 2028)



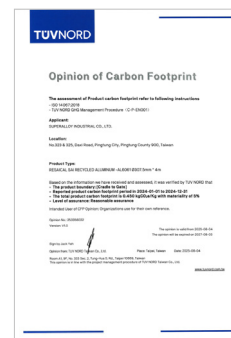
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(valid until December 7, 2028)



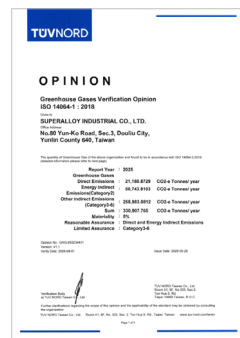
ISO 14067:2018 Pintung
Wheels
(valid until August 3, 2027)



ISO 14067:2018 Pintung
Wheels
(valid until August 3, 2027)



ISO 14067:2018 Pintung
Aluminium
(valid until August 3, 2027)



ISO 14064-1:2018
(verified on April 1, 2026)



ISO 14001:2015
(valid until February 15, 2027)



ISO 45001:2018
(valid until January 16, 2027)



ISO 50001:2018
(valid until February 7, 2027)



ISO/IEC 27001:2022
(valid until May 22, 2029)



TISAX: 2023
(valid until May 26, 2026)

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Assurance Statement

SuperAlloy Industrial Co., Ltd Sustainability Report

TUV NORD Taiwan Co., Ltd. (hereinafter referred to as TUV NORD) was commissioned by SuperAlloy Industrial Co., Ltd. (hereinafter referred to as SuperAlloy) to perform the 2025 Sustainability Report Verification (hereinafter referred to as Sustainability Report) in accordance with the AA1000 Assurance Standard Version 3 and the GRI Sustainability Reporting Standards (GRI Standards) and related assurance standards.

The Scope of Statement and Assurance Standards

- 1) The scope of assurance is consistent with the scope of disclosure in SuperAlloy 2025 Sustainability Report, which covers the period from 1 January 2025 to 31 December 2025.
- 2) The verification of compliance with the AA1000 Principles of Accountability for SuperAlloy is based on the AA1000 Assurance Standard, Third Edition, Application Type II that includes verification of the reliability of the information/data disclosed in the report.
- 3) Sustainability Accounting Standards Board (SASB) Auto Parts industry sustainability accounting metrics.
- 4) Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Sustainability Disclosure Indicators.
- 5) TCFD Climate Related Financial Disclosure Recommendation.

Intended Users

The intended users of this statement are the stakeholders of SuperAlloy.

Assurance Type and Level

In accordance with the requirements of the AA1000 Assurance Standard Version 3, Type 2, Moderate of Assurance Level.

Opinion Statement

SuperAlloy complies with the GRI Standards and AA1000 accountability principles of inclusivity, materiality, responsiveness and impact. The sustainability report presents the commitment of top management, the needs and expectations of stakeholders. To achieve sustainability performance indicators by stakeholders' engagement.

We assure that SuperAlloy complies with the SASB Auto Parts industry sustainability accounting standards to disclose relevant metrics.

We assure that SuperAlloy complies with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Sustainability Disclosure Indicators.

We assure that SuperAlloy complies with TCFD's climate-related financial disclosure recommendations and discloses relevant metrics.

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Methodology

The verification is in accordance with the above stated assurance standards and the TUV NORD Sustainability Report Verification Agreement.

Our verification includes the following activities:

- * Collect objective evidence of relevant performance metrics, as mentioned in the report.
- * Assurance of expectations of local or national regulations; international standards as set forth in public opinion and/or expert opinion are relevant to such general considerations.
- * Document review records and report content assessment in the context of GRI criteria application requirements.
- * Interviews with managers and related staff on issues of concern to the company's stakeholders.
- * Interviews with personnel involved in sustainability management, information gathering and report preparation.
- * Review significant organizational developments and review internal and external audit findings.
- * Review AA1000(2018) Principles of Accountability and other compliance requirements.

Conclusion

The results of the AA1000 accountability standard for inclusivity, materiality, responsiveness and impact in the report are set out below.

Inclusivity

SuperAlloy identifies 7 stakeholders and their concerns via the questionnaire and decides materiality through stakeholder engagement, sustainability committees and experts. There are 13 material topics determined among the 36 sustainability topics including economic, governance, social, human rights and climate impact.

Materiality

SuperAlloy complies with the GRI Standard, SASB Auto Parts industry sustainability indicators disclosure related metrics, Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Sustainability Disclosure Indicators, and TCFD Climate Related Financial Disclosure Proposed Indicators to fully disclose the company's material risks and opportunities, taking into account the extent of impact on the company and prioritize the materiality of the report.

Responsiveness

SuperAlloy Sustainability Report clearly describes the relationship between sustainability and organizational strategy and the performance metrics corresponding to the materiality and their achievement status and adequately addresses the main issues of concern to stakeholders.

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Impact

SuperAlloy Sustainability Report fully identifies materiality that reflect the significant economic, environmental, and social impacts on the organization. The company has established a robust process to monitor and measure the impact and establish short-, medium-, and long-term strategic planning through corporate governance.

Reliability and quality

The data and information in the report are sampling verified, and the accuracy of the sampling data is reliable.

GRI Sustainability Reporting Standards

SuperAlloy Sustainability Report complies with the GRI 1 to GRI 3 universal Standards and the GRI 200 Series, GRI 300 Series and GRI 400 Series topic standards, and meet the requirements for disclosure.

Limitations

The financial report was certified by PricewaterhouseCoopers, Taiwan (PwC), the accounting firm appointed by the company.

Independent Statements and Competence

TUV NORD Group is a leader in the supervision, testing and certification. It operates businesses and provides services in more than 150 countries around the world. The services include management systems and product certification; quality, environmental safety, social and moral audits and training; corporate sustainability report assurance.

TUV NORD and SuperAlloy are mutually independent organizations, and there is no conflict of interest with SuperAlloy or any of its affiliates or interested parties when performing the verification of the sustainability report. Regarding the sustainability report of SuperAlloy, TUV NORD issues on the SuperAlloy verification agreement, and does not assume any legal or other responsibilities. SuperAlloy is responsible for responding to any questions that intended users concerned.

The verification team is composed of experienced chief reviewers such as ISO 9001, ISO 14001, ISO 14064-1, ISO 14067, ISO 45001, SA 8000, ISO 50001, ISO 27001 etc., and has received the CSAP verification practice qualification certification of AA1000 AS v3 accountability training. The verification team is based on his qualifications, extensive knowledge and experience in the industry to provide professional advice in this assignment.

Jack Yeh
Chairman

Date of Issuance: 2026.06.22
TUV NORD Taiwan Co., Ltd.
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