SAI
Forging the Future

2024 SuperAlloy Industrial

Sustainability Report

Contents

About SAI Sustainability Report

SuperAlloy Industrial Co., Ltd. (hereafter, SAI) continues to promote sustainable actions in all dimensions of environmental, social, and governance (ESG), and upholds the principles of integrity, foresight, and mutual benefit. Through the regular issue of the Sustainability Report in Chinese and English, SAI presents to stakeholders the Company' s short, medium and long-term strategies, substantive investment and performance in all ESG dimensions. It discloses relevant information on the corporate sustainability website, in the hope of maintaining good, smooth communication channels to respond to the concerns and expectations of all stakeholders for the sustainable development of SAI.

Reporting Period	From January 1, 2024 to December 31, 2024.
Frequency of Issuing the Sustainability Report	Once a year. The previous report was issued in June 2024, and the subsequent report will be issued in August 2025.

Scope of This Report

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

Headquarters	No. 80, Sec. 3, Yun-Ko Road, Douliu City, Yunlin County
Plants	– Yunlin Plant 1 No. 80, 82, Sec. 3, Yun-Ko Road, Douliu City, Yunlin County – Yunlin Plant 2 No. 39, 41, Sec. 3, Yun-Ko Road, Douliu City, Yunlin County, No. 6, Kejia 3rd Rd., Douliu City, Yunlin County – Pingtung Plant No. 323, 325, Daxi Rd., Pingtung City, Pingtung County

Assurance Statement

This report was verified by a third-party verification unit TÜV NORD Taiwan in accordance with the AA1000 AS v3 Type 1 moderate assurance standard; the report information was compiled in reference to the GRI Standards 2021 and SASB Standards.

Guidelines

- Global Reporting Initiative (GRI) version 2021
- Sustainability Accounting Standards Board (SASB)--Auto Parts
- Task Force on Climate-related Financial Disclosures (TCFD)
- Sustainable Development Goals (SDGs)
- Regulations for the Preparation and Submission of Sustainability Reports by Listed Companies

Restated Information

The calculation method of occupational disaster statistics in 2024 was adjusted, and historical data were adjusted to maintain consistency and comparability.

The charts and some content in the Human Rights Due Diligence paragraphs have been rearranged.

In the table of health examination management indicators, the level text was incorrectly inserted last year and has been corrected this year.

Management Process

The information and data in this report are provided by respective departments, and the integrity and accuracy are preliminarily reviewed by department heads. The information and data are further validated with content planned and editorial revisions made collectively by the Sustainable Development Taskforce.

The final compilation of the Sustainability Report undergoes assurance by an external third-party organization to ensure confidence. It is then submitted for review by the Sustainable Development Committee, which reports to the Board of Directors. Upon approval by the Board of Directors, this report is prepared for public disclosure.

Contact

If you have any questions or suggestions regarding this report, please do not hesitate to contact us.

Contact person	Corporate spokesperson
Tel.	05-5512288
E-mail	admin@superalloy.tw
Address	No. 80, Sec. 3, Yun-Ko Road, Douliu City, Yunlin County 640111

ASI Sustainability Page

ASI official website

A Message from the Management

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

2024 marked a particularly significant milestone for SAI. In May, we successfully completed our IPO, fulfilling our commitment to investors as we enter our 30th anniversary year, ushering in a phase of transformation. With "forging" technology as our core value, we have established three key strategies: diversified industry expansion, low-carbon solutions, and stable, sustainable operations. These initiatives will drive future growth momentum for our overall business, generating maximum value for the Company, shareholders, and employees.

Despite facing ongoing operational challenges—such as inflationary pressure and shifting international market policies in 2024, along with delayed shipments of customized wheel orders for specific new vehicle models due to the automotive industry's adjusted procurement momentum in the second half of the year—we have actively enhanced production efficiency, optimized order structures, and strictly controlled costs. We achieved outstanding performance across all three key financial ratios for 2024: gross operating margin reached 26.81%, operating profit margin stood at 13.08%, and net profit margin attributable to parent company shareholders reached 10.11%. These accomplishments are entirely due to your support and the collective efforts of our entire team.

In 2024, guided by the four core pillars and commitments established in the previous year as part of the blueprint for SAI's sustainable development, we launched our action plans. This demonstrates even greater determination on our sustainability journey. We participated in the 5th Taiwan Circular Economy Award 2025 with our RESAICAL® 100% Recycled Aluminum and were honored to receive the Exemplary Product Award of the Year. This highlights RESAICAL®' s industry-leading performance in circular economy principles—from design and management to technology. We are grateful for the acknowledgment from the Taiwan Circular Economy Award and continue to expand the application of our circular economy model.

Looking ahead amid volatile market changes, SAI maintains prudent yet agile business strategies while deepening our forging technology expertise and actively expanding non-wheel businesses. In addition to semiconductor equipment components that are currently gaining market traction, we are expanding our forging applications to high-potential sectors, such as heavy electrical equipment parts and aerospace. We aim to increase the contribution of non-passenger-vehicle wheel revenue from 15% to over 40% within three years, optimizing our revenue structure. Moreover, with the planned construction of our second aluminum smelting plant, SAI is committed to broadening its application scope while strengthening green manufacturing opportunities. We aspire to lead the green transformation of industrial supply chains, establishing mutual benefits and win-win outcomes that will usher in the next 30 years of prosperity. Thank you!

ESG Performance Highlights

Environmental

- A 12.44% increase from 2023 in the use of recycled aluminum as raw materials.
- Adopted the TNFD framework to assess dependencies and potential impacts on ecosystem services and natural capital within the industry.
- An 8.4% reduction in greenhouse gas emissions compared to the baseline year (2022).
- A 21.5% decrease in carbon intensity compared to the baseline year.
- Four products were certified under ISO 14067 for carbon footprint verification in 2024; recycled aluminum demonstrates a 97% lower footprint than the global average.

Social

- The disability injury frequency rate was 0.34, significantly lower than the industry average of 1.83.
- The “Three-Day Paid Volunteer Leave” policy was introduced in 2024.
- The Employee Stock Ownership Trust Mechanism was launched in 2024.
- Health initiatives expanded with the introduction of free AI-based stroke detection.
- Comprehensive benefit increases, including annual bonuses and childcare subsidies.

Economic/Governance

- Achieved a 13% operating profit margin in 2024, the highest since 2019.
- Attained Aluminum Stewardship Initiative (ASI) Performance Standard Certification.
- Attained ISO 27001 Information Security Management System Certification.
- Achieved a 40% independent directors ratio.

Annual Special Report on Sustainability

"A New Era for Brilliance and Sustainability"—SAI' s Commitment to Sustainable Transformation and Industrial Upgrading

From Vehicle Use to Multiple Industries: Launching Three Major Strategies for Transformation and Upgrading

2024 marks the 30th anniversary of SAI' s operations. With a "New Era for Brilliance and Sustainability" as its core Vision, the Company promotes the all-around transformation of business management, product development, technology research and development, and talent development. The Company has clearly defined three major sustainable strategic directions—diversified industrial field layout, low-carbon solutions, and stable and sustainable operations—as its key driving force, moving toward the next decade of growth.

After laying the foundation for cooperation among European high-end car manufacturers, SAI is accelerating the horizontal expansion of recycled aluminum materials, actively striving to enter emerging application fields such as semiconductor, heavy electrical equipment, aerospace, and electric auxiliary vehicles, further extending the industrial influence of green manufacturing.

Diversified Industrial Field Layout

Strengthening the industry' s technological advantages, SAI actively uses "net shape forging" core technology to reduce processing time and improve process efficiency. In addition to enhancing the competitiveness of automotive products, SAI is expanding into diversified industrial application fields. Looking forward, we are expanding into high-end manufacturing fields, including heavy electrical equipment, aerospace, machinery, and transportation, in addition to the automotive industry. In 2024, we increased investment in recycled aluminum smelting facilities to consolidate the recycled aluminum supply base and expand the green manufacturing value chain. We will continue to expand investment in industries with potential, build corporate resilience, and actively respond to global market changes.

Low-carbon Solutions

SAI actively invests in recycled aluminum to reduce carbon emissions. It continues to invest in low-carbon equipment, energy efficiency optimization, and renewable energy construction to promote low-carbon transformation through practical action.

- In 2024, a total of 1.8895 million kWh of green electricity was generated, equivalent to 1,896 green energy certificates.
- In 2024, three significant energy-using equipment improvements were implemented, with total energy savings of 5.299 million kWh/year.

Stable and Sustainable operations

As its operating principles, SAI follows the four central pillars of "integrity in governance, sustainable products, green operations, and an inclusive society." The products and services developed by the Company incorporate sustainable thinking to minimize the potential environmental and societal impacts while creating a positive influence.
We will continue to apply risk-oriented management thinking to address diverse issues such as supply chain carbon reduction, talent cultivation, information security, and local feedback. We are jointly implementing the Company' s development vision to ensure long-term stability and a positive social environment.

Forward-Looking Leadership, Green Model- SAI Wins the First Yunlin Industrial Excellence Award-Forward-Looking Award

In response to global sustainable development trends and the need for local carbon reduction and transformation, SAI adheres to a forward-looking vision and innovative actions, committing to creating a high-efficiency, low-carbon green process system. It recently won the Yunlin County Government' s affirmation of the first Yunlin Industrial Experience Forward-Looking Award, demonstrating SAI' s solid strength in industrial transformation and environmental governance. The Yunlin Industrial Excellence Award was initiated by the Yunlin County Government in response to the United Nations Sustainable Development Goals (SDGs). Selection was led by the county government. A professional committee of industry, academia, and research experts was invited to conduct on-site surveys and rigorous reviews, focusing on the Companies' practical results in carbon emission reduction, environmental sustainability, and industrial innovation.

In this highly competitive selection, SAI stood out due to its practical outcomes in reducing process waste and implementing carbon reduction actions. This award is not only an affirmation of SAI' s sustainable actions, but also serves as meaningful encouragement. We will continue to act as a practitioner and leader in the industry' s net-zero transformation, working together with supply chains, communities, and local governments to move toward a new future that is resilient, forward-looking, and sustainable.

Information Disclosure Re-evolving: SAI Achieves New Milestone in Sustainability Transparency

Winning Gold for First-Time Participation, SAI Information Transparency Reaches Another Peak

For SAI, 2024 was a crucial year to build on past achievements and move toward comprehensive, sustainable management. The Company participated in the Taiwan Corporate Sustainability Awards (TCSA) sustainability reporting category for the first time and won the Gold Award for Corporate Sustainability Reporting, marking another critical milestone along the path of sustainable transformation.

The Taiwan Corporate Sustainability Awards (TCSA) is organized by the Taiwan Institute for Sustainable Energy and is one of the most indicative and credible ESG selection activities in Taiwan. The jury comprises experts from diverse backgrounds, including industry, government, academia, and research. It conducts a comprehensive review of the enterprises' disclosure of sustainable strategies, performance outcomes, and data transparency, with strict evaluation standards. SAI' s winning the award for first-time participation reflects the high degree of recognition of the Company' s sustainable management capabilities and information transparency.

Information Disclosure, Digital Transformation, and Action Power Go Hand in Hand

The award-winning 2023 Sustainability Report comprehensively covers the three dimensions of Environmental (E), Social (S), and Governance (G). The report reveals the Company' s specific actions and performance results in energy conservation and carbon reduction, aluminum recycling, workplace health and safety, and social welfare participation. The report also introduces digital design, improved readability, and openness through official website platforms and interactive charts, enhancing the efficiency of information communication that was recognized during the review process.

In terms of the alignment of standards, the report content aligns with an international mainstream disclosure framework, including GRI Standards, SASB Industry Indicators, and the TCFD (Task Force on Climate-related Financial Disclosures) framework, demonstrating the Company' s active deployment in responding to global sustainable development trends. In 2024, we also took the lead in incorporating the TNFD (Task Force on Nature-Related Financial Disclosure) to strengthen the identification, evaluation, and management of natural capital risks and opportunities, thereby responding to the expectations of multiple stakeholders for transparency in the Company' s impact on natural resources.

Looking to the future, SAI continues to implement ESG core values, upholds the business belief of "innovation, responsibility, and transparency," deepens the sustainable governance structure, expands partnerships with customers, employees, suppliers, and society, and achieves prosperity in operational effectiveness and social impacts. We understand that sustainability is not the end goal, but rather a continuous commitment. The SAI is moving toward becoming a model enterprise in international green manufacturing and low-carbon transformation, taking steady steps.

Expanded Layout of Recycled Aluminum: Invest in New Plants to Strengthen Global Market Competitiveness

Recycled Aluminum's Strategic Edge: Seizing First-Mover Advantages in the CBAM Era

The European Union's "Carbon Border Adjustment Mechanism (CBAM)" is expected to be launched in 2026, imposing carbon tariffs on high-carbon emission products. This will put global supply chains under unprecedented pressure to reduce carbon emissions. Facing this transformation trend, SAI has taken the lead in deployment; the Company's products, which are 100% recycled aluminum, have been verified and adopted by many international luxury car manufacturers, including Porsche, JLR, BMW, Toyota, Lexus, Stellantis, and Rolls-Royce.

RESAICAL® Recycled Aluminum: New Paradigm for Sustainable Materials for a Low-Carbon Future

As aluminum recycling technology becomes increasingly mature and the pressure for energy conservation and carbon reduction increases, SAI actively promotes the recycled aluminum brand RESAICAL®. Through a 100% recycling process, this brand has successfully developed a low-carbon material that reduces carbon emissions by approximately 97% compared to primary aluminum, echoing the high expectations of global customers for green supply chains and ESG sustainability standards.

Moreover, RESAICAL® recycled aluminum has attained its Aluminum Stewardship Initiative (ASI) Performance Standard Certification. This not only demonstrates its low-carbon advantages in environmental aspects but also ensures that it is comparable to primary aluminum wheel products in terms of quality, performance, and safety. The brand has become the material of choice for many global automotive brands.

In 2024, revenue from SAI 100% recycled aluminum products reached NTD 3.631 billion, accounting for 48.61% of the overall revenue. As newly certified customers continue to verify and introduce products, it will create steady and continuous growth momentum for the future use of RESAICAL®. SAI has set a goal of using 50% recycled aluminum materials by 2025, hoping to lead the entire industrial chain toward green transformation.

Expanding Layout of Recycled Aluminum, SAI Invests in a New Plant to Strengthen Global Competitiveness

In response to the global trend of carbon neutrality and a circular economy, SAI has actively expanded its production capacity for recycled aluminum, with an official investment in its subsidiary for a recycled aluminum rod smelting plant with an annual output of 60 KTA. In addition to expanding the application scope of RESAICAL® recycled aluminum, it serves as a crucial driving force for SAI's future operational growth. We join hands with Taiwan's local recycled aluminum industry chain to jointly seize tremendous business opportunities in the global recycled aluminum market.

The global aluminum market scale is growing rapidly, driven by the need for lightweight materials in the automobile manufacturing industry. The global recycled aluminum market is forecast to exceed USD $78.07 billion by 2031. The smelting capacity and vertical integration strategy established by SAI can adapt to market fluctuations and strengthen supply flexibility and delivery capabilities in the international market.

RESAICAL® 100% Recycled Aluminum was nominated to participate at the end of 2024, winning the Annual Model Award of the 5th Taiwan Circular Economy Award – Product Awards in 2025.

Empower Employees to Co-Create Sustainable Future

Launch of the Employee Stock Ownership Trust Mechanism for Long-Term Asset Protection

To deepen sustainable operations and fulfill its commitment to employee care, SAI has officially partnered with Yuanta Commercial Bank, launching the "Employee Stock Ownership Trust Mechanism" in 2024, which demonstrates our commitment to enhancing employee welfare. The mechanism adopts the method of "voluntary participation, self-contribution, and relative contribution by the Company." Employees can withdraw an amount from their salary and allocate it to the trust account in accordance with their personal financial planning wishes; a 100% relative allocation bonus is provided to grassroots colleagues. The fund is professionally managed by Yuanta Commercial Bank to help employees accumulate retirement, seeing their value steadily increase.

SAI aims to strengthen corporate cohesion through the employee stock ownership trust mechanism, practicing the concept of "employees and the company sharing operating results," while laying a foundation for long-term, stable development.

Promoting a Happy Corporate Culture and Deepening ESG Practical Action

SAI regards employees as the most critical partners in promoting the sustainable development of the Company. It upholds its responsibility to become the optimal supplier for the industry, creating a sustainable, win-win enterprise while actively promoting ESG practices. A "Three-Day Paid Volunteer Leave" option was introduced in 2024 to encourage employees to invest in social welfare, extending a "happy workplace" culture to the broader community through the practice of corporate citizenship responsibilities.

Responding to sustainable governance trends, SAI continues to strengthen employee well-being through institutional innovation and people-oriented management, promote social participation, and use concrete actions to cultivate a sustainable enterprise with competitiveness and positive influence.

Upholding Dreams, Infinite Possibilities

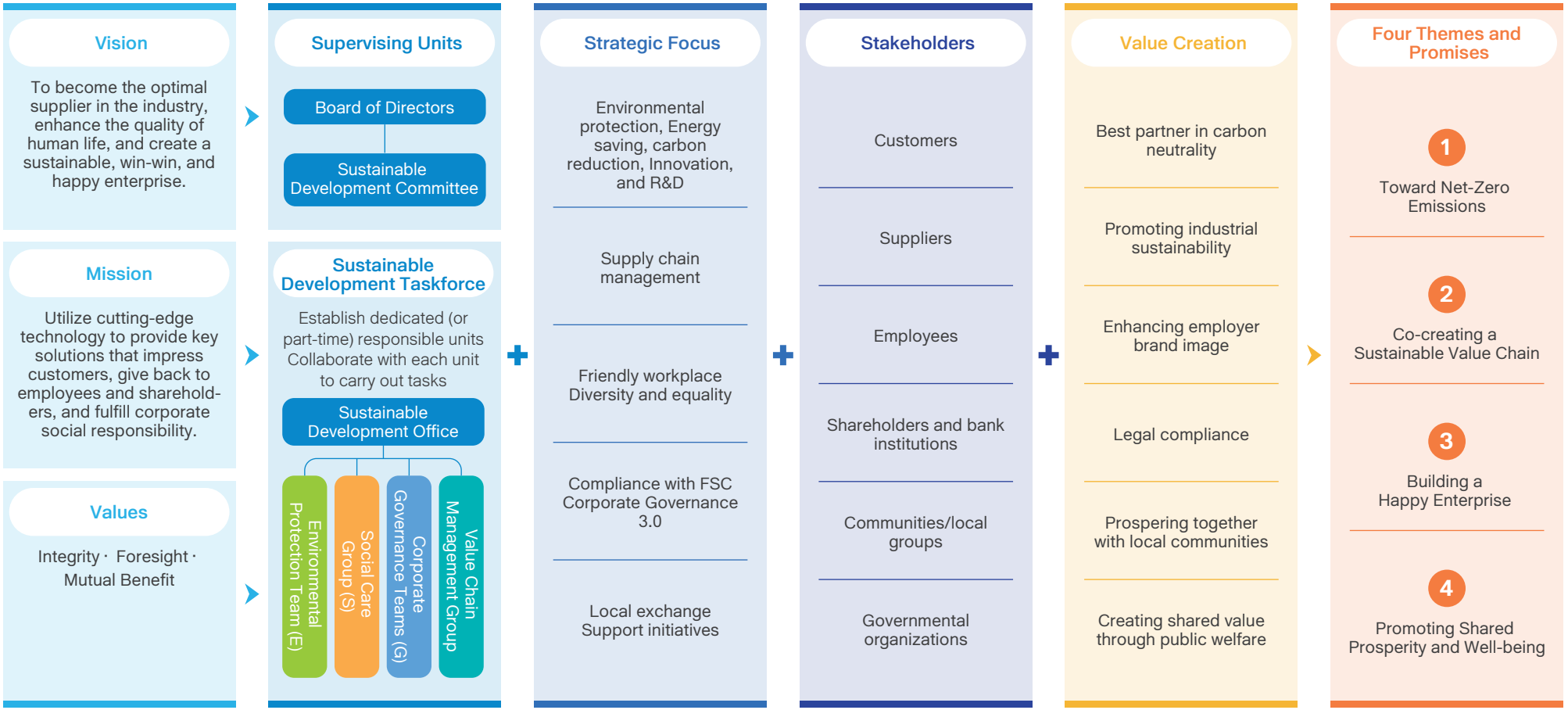
Mission	Sustainable Management for Social Care
ESG goals	1 NO POVERTY, 2 ZERO HUNGER, 4 QUALITY EDUCATION, 10 REDUCED INEQUALITIES
Scope	Community Care / Rooting Education / Arts and Humanities
Volunteer policy	Three-day paid volunteer leave starting in 2024
Execution unit	Fude SAI Social Welfare Foundation

1 Forging a Sustainable Future

1.1 Blueprint of Sustainable Development Strategies

To realize the vision of "becoming an industry leader and a happy enterprise," SAI is based on the values of integrity, foresight, and mutual benefit. Beginning with its core operations, the Company focuses on key issues such as environmental protection, energy conservation, carbon reduction, value chain management, a friendly workplace, and diversity and equality. SAI develops sustainable development strategies that encompass core aspects, including "Responsible Value Chain Management," "Local Communication and Social Trust," and "Promoting Corporate Governance 3.0," to deepen the sustainable competitiveness of the Company.

Upholding four central pillars and commitments—Toward Net-Zero Emissions; Co-Creating a Sustainable Supply Chain; Building a Happy Enterprise; Promoting Shared Prosperity and Well-Being—the Company sets short, medium, and long-term goals. It launches various action plans to collaborate with stakeholders, including customers, suppliers, employees, shareholders, communities, and governments, to foster positive impacts across all ESG dimensions. By developing this blueprint, the Company is committed to steady operational growth, developing products and services with sustainable benefits, reducing potential impacts on society and the environment, and jointly promoting sustainable economic, social, and environmental development.



Short, Medium, and Long-Term Sustainability Goals across the Four Major Sustainability Pillars

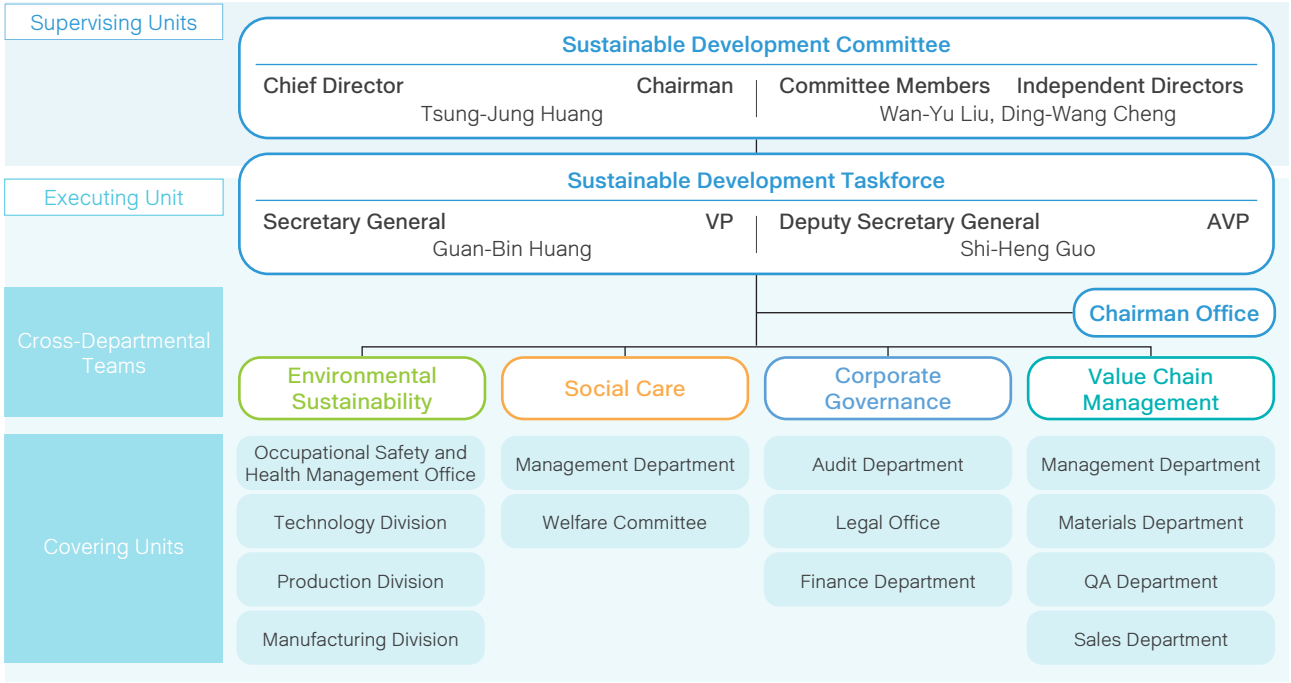
Four Main Themes	Main SDGs	Item	2024 Goals	2024 Achievements	2025 Goals	2026 Goals	2030 Goals
Toward Net-Zero Emissions	7 AFFORDABLE AND CLEAN ENERGY	Energy management	Annual energy savings reach 1%	According to the Bureau of Energy' s calculation method, the average energy savings from the 2018 baseline year to 2024 reached 2.06%	● According to the Bureau of Energy' s calculation method, the average annual energy savings reached 1.5% compared to the 2018 baseline year. ● Proportion of renewable energy reaches 10% of the contracted capacity	● According to the Bureau of Energy' s calculation method, the average annual energy savings reached 1.5% compared to the 2018 baseline year.	● According to the Bureau of Energy' s calculation method, the average annual energy savings reached 1.5% compared to the 2018 baseline year.
	13 CLIMATE ACTION	Greenhouse gas emission	● Carbon emissions were reduced by 1% compared to the 2022 baseline year ● ISO 14067 verification passed	● Scope 1 and Scope 2 greenhouse gas emission intensity decreased by 8.4% compared to the 2022 baseline year ● Four products passed the ISO 14067 check	Submit the greenhouse gas voluntary reduction plan to the Ministry of Environment to comply with the carbon fee policy. ● Scope 1 and Scope 2 greenhouse gas emission intensity decreased by 23% compared to the 2022 baseline year	● Passed the ISO 14064-2 reduction check ● Scope 1 and Scope 2 greenhouse gas emission intensity decreased by 25% compared to the 2022 baseline year	● Scope 1 and Scope 2 greenhouse gas emission intensity decreased by 30% compared to the 2022 baseline year
	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Green innovative products	Recycled aluminum usage rate ≧ 40%	Client certification is delayed due to the product combo; Recycled aluminum usage rate is 35.53%	Recycled aluminum usage rate ≧ 40%	Recycled aluminum usage rate ≧ 50%	Recycled aluminum usage rate ≧ 55%
			Aluminum slag refining ≧ 50%	Below the economies of scale	-	-	-
			Production yield of recycled aluminum smelting ≧ 98%	Production yield of recycled aluminum smelting is 97.45%	Production yield of recycled aluminum smelting ≧ 98%	Production yield of recycled aluminum smelting ≧ 98%	Production yield of recycled aluminum smelting ≧ 98%
		Waste management	The consumption of organic solvents per wheel rim decreased by 20% compared to the baseline year. Yunlin Plant and the Pingtung Plant use 2022 and 2023 as their respective baseline years	The consumption of organic solvents per wheel rim: Yunlin Plant decreased by 36.0%, and Pingtung Plant decreased by 41.1%	The consumption of organic solvents per wheel rim decreased by 30% compared to the baseline year. Yunlin Plant and the Pingtung Plant use 2022 and 2023 as their respective baseline years.	The consumption of organic solvents per wheel rim decreased by 30% compared to the baseline year. Yunlin Plant and the Pingtung Plant use 2022 and 2023 as their respective baseline years.	The consumption of organic solvents per wheel rim decreased by 50% compared to the baseline year. Yunlin Plant and the Pingtung Plant use 2022 and 2023 as their respective baseline years.
	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Air pollution control	Assessment and planning for the installation of prevention and control equipment	● Preliminary assessment completed, with implementation planning and further evaluation underway ● Air pollution intensity decreased by 17.73% compared to the baseline year	Air pollution emissions decreased by 3% compared to the 2022 baseline year	Air pollution emissions decreased by 3% compared to the 2022 baseline year	Air pollution emissions decreased by 3% compared to the 2022 baseline year
	6 CLEAN WATER AND SANITATION	Water resources management	Wastewater recycling rate of Yunlin Plant ≧ 30%	Wastewater recycling rate of Yunlin Plant is 21.84%	Wastewater recycling rate of Yunlin Plant ≧ 30%	Wastewater recycling rate of Yunlin Plant ≧ 60%	Wastewater recycling rate of Yunlin Plant ≧ 80%

Note : The "aluminum slag refining" related goal has been removed because it did not reach economies of scale.

Four Main Themes	Main SDGs	Item	2024 Goals	2024 Achievements	2025 Goals	2026 Goals	2030 Goals
Co-creating a Sustainable Value Chain	13 CLIMATE ACTION 17 PARTNERSHIPS FOR THE GOALS	Sustainable value chain	Top 100 suppliers sign the "SAI Supplier Code of Conduct"	97% of the top 100 suppliers have signed the "SAI Supplier Code of Conduct"	Top 200 suppliers sign the "SAI Supplier Code of Conduct".	Top 200 suppliers sign the "SAI Supplier Code of Conduct".	All suppliers sign the "SAI Supplier Code of Conduct".
			Percentage of local procurement amount in Taiwan ≧ 85% Excluding aluminum materials not produced in Taiwan	Percentage of local procurement amount in Taiwan 88.59% Excluding aluminum materials not produced in Taiwan	Percentage of local procurement amount in Taiwan ≧ 90% Excluding aluminum materials not produced in Taiwan	Percentage of local procurement amount in Taiwan ≧ 90% Excluding aluminum materials not produced in Taiwan	Percentage of local procurement amount in Taiwan > 90% Excluding aluminum materials not produced in Taiwan
			Survey the top 100 suppliers on carbon inventory operations	91 valid questionnaires	At least 5 of the top 20 suppliers conduct carbon inventory operations	At least 5 of the top 20 suppliers conduct carbon inventory operations	At least 5 of the top 20 suppliers conduct carbon inventory operations
Building a Happy Enterprise	8 DECENT WORK AND ECONOMIC GROWTH	Talent attraction and retention	Establish a stock trust	Established a stock trust on June 28	Number of participants in the stock trust > 50%	Number of participants in the stock trust > 60%	Number of participants in the stock trust > 70%
			Conduct an employee engagement survey	Employee engagement survey score is 3.96	NA Conduct an employee engagement survey in 2026 (once every 2 years)	Employee engagement survey score > 4	Employee engagement survey score >4
	4 QUALITY EDUCATION	Talent cultivation and development	Average training time for management positions > 24 hours	The course start date is postponed due to MCES management trait assessments	Average training time for management positions > 24 hours	Average training time for management positions > 32 hours	Average training time for management positions > 40 hours
			Cultivating a well-rooted talent pool > 15 person-time/year	Initial training was postponed due to adjusting the course design and career path	Cultivating a well-rooted talent pool > 15 person-time/year	Cultivating a well-rooted talent pool > 15 person-time/year	Cultivating a well-rooted talent pool > 15 person-time/year
	10 REDUCED INEQUALITIES	Diversity, Equity, and Inclusion	Organize Mandarin lessons for foreign workers	Organize Mandarin lessons for foreign workers for 60 person times	Organize Mandarin lessons for foreign workers >60 person times	Organize Mandarin lessons for foreign workers >60 person times	Organize Mandarin lessons for foreign workers >60 person times
			Organize a Water Splashing Festival and ball games.	3 times	Organize diverse cultural activities >3 times	Organize diverse cultural activities >4 times	Organize diverse cultural activities >5 times
Promoting Shared Prosperity and Well-being	17 PARTNERSHIPS FOR THE GOALS	Social Welfare and Participation	Employee volunteer participation > 100 person times	Employee volunteer participation is 73 person times	Employee volunteer participation > 120 person times	Employee volunteer participation > 120 person times	Employee volunteer participation > 150 person times

1.2 Sustainable Development Governance Structure

SAI has established the Sustainable Development Committee and the Sustainable Development Taskforce to draw a sustainability blueprint. We have continued to innovate and make breakthroughs in operational, economic, environmental, and social dimensions by setting a vision, becoming a corporate leader with sustainable operating value. The Sustainable Development Committee is responsible for charting the Company's sustainability path. The Sustainable Development Taskforce is developing implementation plans and goals to enhance the sustainability framework, continuously generating value for stakeholders.



Sustainable Development Committee

The Sustainable Development Committee encompasses the Chair and 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 Taskforce and various units in implementing sustainability goals. Before publishing 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 2024, the committee submitted two reports to the Board of Directors, including a materiality analysis and the approval of the Sustainability Report.

Sustainable Development Taskforce

The Vice President serves as the Secretary General; the Assistant Vice President is Deputy Secretary General; convening departments form four teams: Environmental Sustainability, Social Care, Corporate Governance, and Supply Chain Management. Relevant department heads are appointed as conveners responsible for overseeing the team operations. Each team aligns with SAI's sustainability pillars, devising and implementing corresponding strategies and objectives. It is responsible for engaging stakeholders through communication and alignment. The Secretary General and Deputy Secretary General 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.

Professor Wan-Yu Liu, National Chung Hsing University

Professor Wan-Yu Liu, from the Department of Forestry at National Chung Hsing University, is an independent director of SAI. With expertise in environmental resources, natural carbon sinks, and climate change, she also serves as a member of the Sustainable Development Committee.

Ting-Wong Cheng, Former President of National Chengchi University

Ting-Wong Cheng is an independent director, a member of the Company's Sustainable Development Committee, and the Chief Director of the Accounting Research and Development Foundation of Sustainability Accounting Standards Board. He is deeply involved in the formulation of Taiwan's sustainability standards, enabling the Company to effectively communicate with external investors and accurately convey sustainability-related information.

1.3 Materiality and Stakeholders

Materiality Analysis

To identify and manage sustainability risks, SAI follows the GRI Standards 2021. It refers to the European Sustainability Reporting Standards' (ESRS) concept of "double materiality," published by the European Corporate Sustainability Reporting Directive (CSRD). This serves to establish three steps—identification, evaluation, and confirmation—while integrating the dimensions of "stakeholders' attention to sustainability issues," "impact of sustainability issues on the Company's operations," and "significant impact on the economy, environment, and people (human rights)" to determine the materiality matrix. SAI evaluates the effectiveness of materiality topic goals annually, implementing a biennial identification process for materiality topics. It regularly checks the impact of topics as the basis for sustainable development strategic planning. The Company is committed to transparently disclosing the positive and negative impact information related to sustainability issues, facilitating stakeholders' understanding of the Company's progress in sustainable operations.

Process to identify materiality topics

SETP 01

Understanding organizational context

In accordance with international sustainability standards, including the GRI Universal Standards 2021, Sustainability Accounting Standards Board (SASB), SDGs, TCFD, etc., and materiality topics of relevant industries, stakeholder feedback was gathered to identify 27 sustainability issues categorized into economic, environmental, and social dimensions.

27 sustainability issues

SETP 02

Sustainability impact assessment

[Senior Management]
According to their roles, senior executives (including directors) assessed the potential impacts and likelihood of occurrence of sustainability issues related to company strategies across economic, environmental, and social dimensions. A total of 30 questionnaires were collected.

[Stakeholders]
Seven key stakeholders were invited to assess the impact of sustainability issues on themselves to gather stakeholder feedback. A total of 1,004 questionnaires were collected.
The results from senior management and stakeholders were compiled and categorized into impacts on economic, environmental, and social aspects.

30 executive questionnaires

1,004 stakeholder questionnaires

SETP 03

Operational impact assessment

According to their roles, senior executives (including directors) assessed whether sustainability issues within their responsibilities affect operational aspects such as revenue performance, costs, customer satisfaction, employee morale, and reputation. A total of 30 questionnaires were collected.

30 executive questionnaires

SETP 04

Materiality ranking

The impacts on economic, environmental, and social aspects in the second step were aggregated, including survey results from senior executives and stakeholders; operational impacts identified in the third step were also assessed. The materiality scores were calculated for ranking, with a threshold value for materiality topics set. The top 12 industry-specific materiality topics were selected, including ''energy management'' as a special topic, by referencing SASB's industry, materiality, and materiality topics from the previous year, totaling 13 materiality topics.

13 materiality topics

SETP 05

Determining materiality topics

Following discussions between the Sustainable Development Taskforce and external consultants, the results of the materiality analysis were presented to the Chief Director of the Sustainable Development Committee. Subsequently, 13 materiality topics were officially established. Each team and department formulated implementation plans and goals for these topics. Since SAI has not encountered major business issues that have caused drastic changes in the results of materiality analysis, starting in 2024, the frequency of materiality analysis was changed from once a year to every other year. A new materiality analysis will be implemented if issues impacting operations in the future arise in a year when a materiality analysis is not conducted.

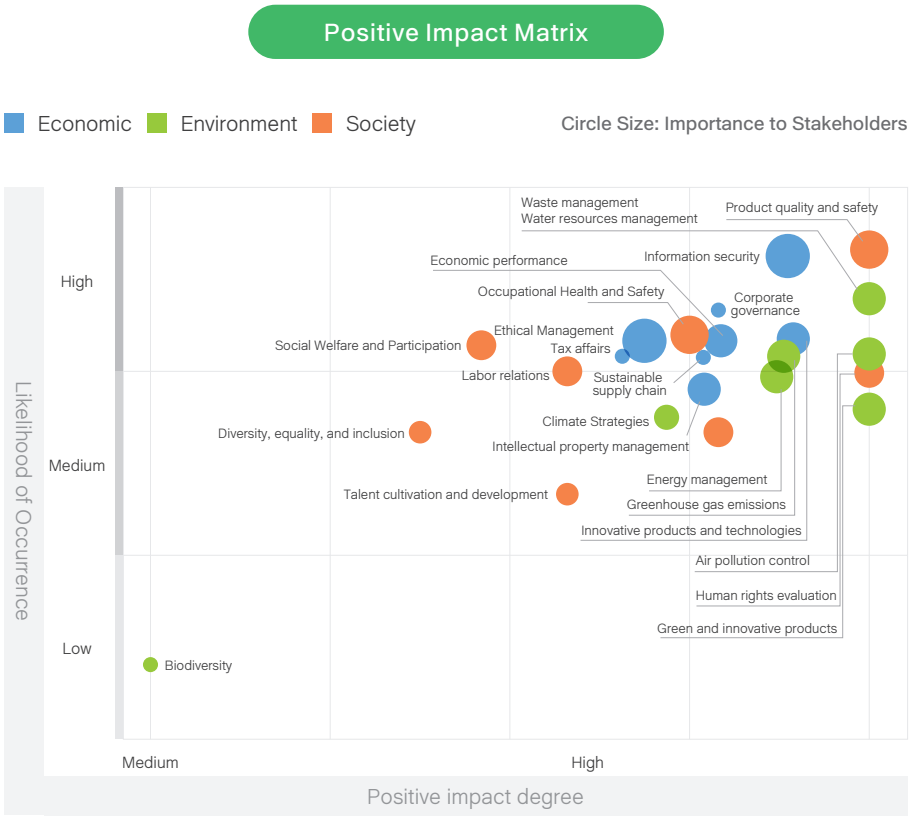
Goal validity assessed annually

Materiality analysis implemented biennially

Positive and Negative Impacts on Economic, Environmental, and Social Dimensions in 2024

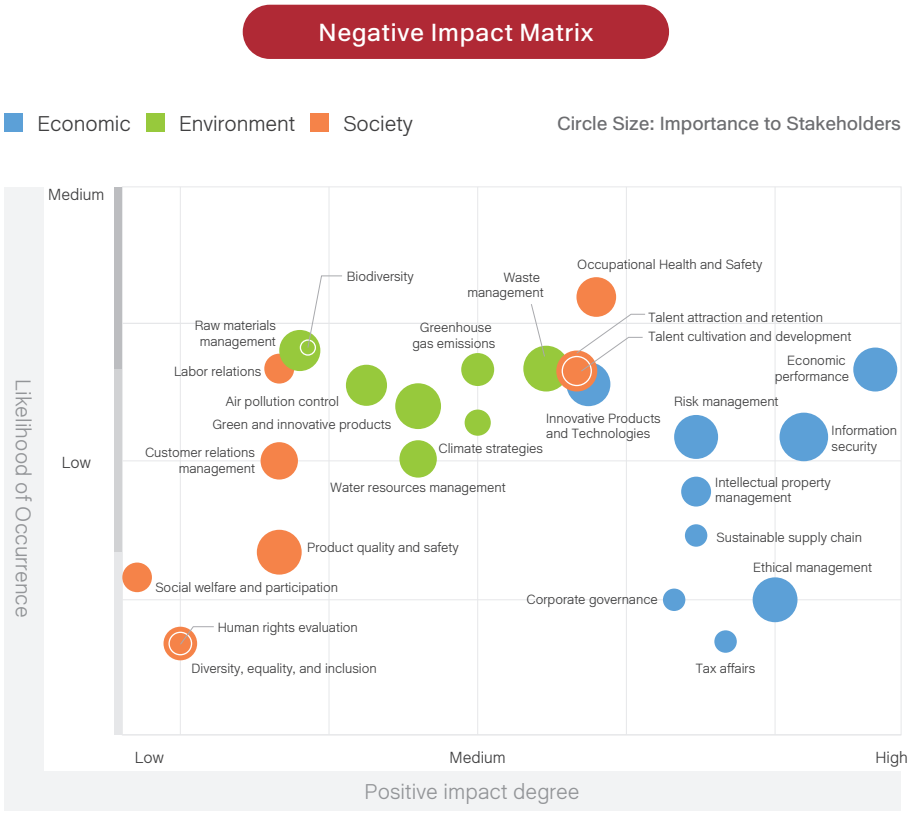
To assess the Company' s impact on economic, environmental, and social dimensions, senior executives (including directors) evaluated the magnitude and likelihood of positive and negative impacts. Separate matrices for positive and negative impacts are developed to strengthen management of issues with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

Positive Impact Matrix



Most sustainability issues exhibit high potential for positive impact and likelihood, with biodiversity showing a relatively lower positive impact. The Company has assessed the impact on local ecological environments at Taiwan factory sites and will continue to track international trends and industry cases to enhance the positive impact of biodiversity.

Negative Impact Matrix



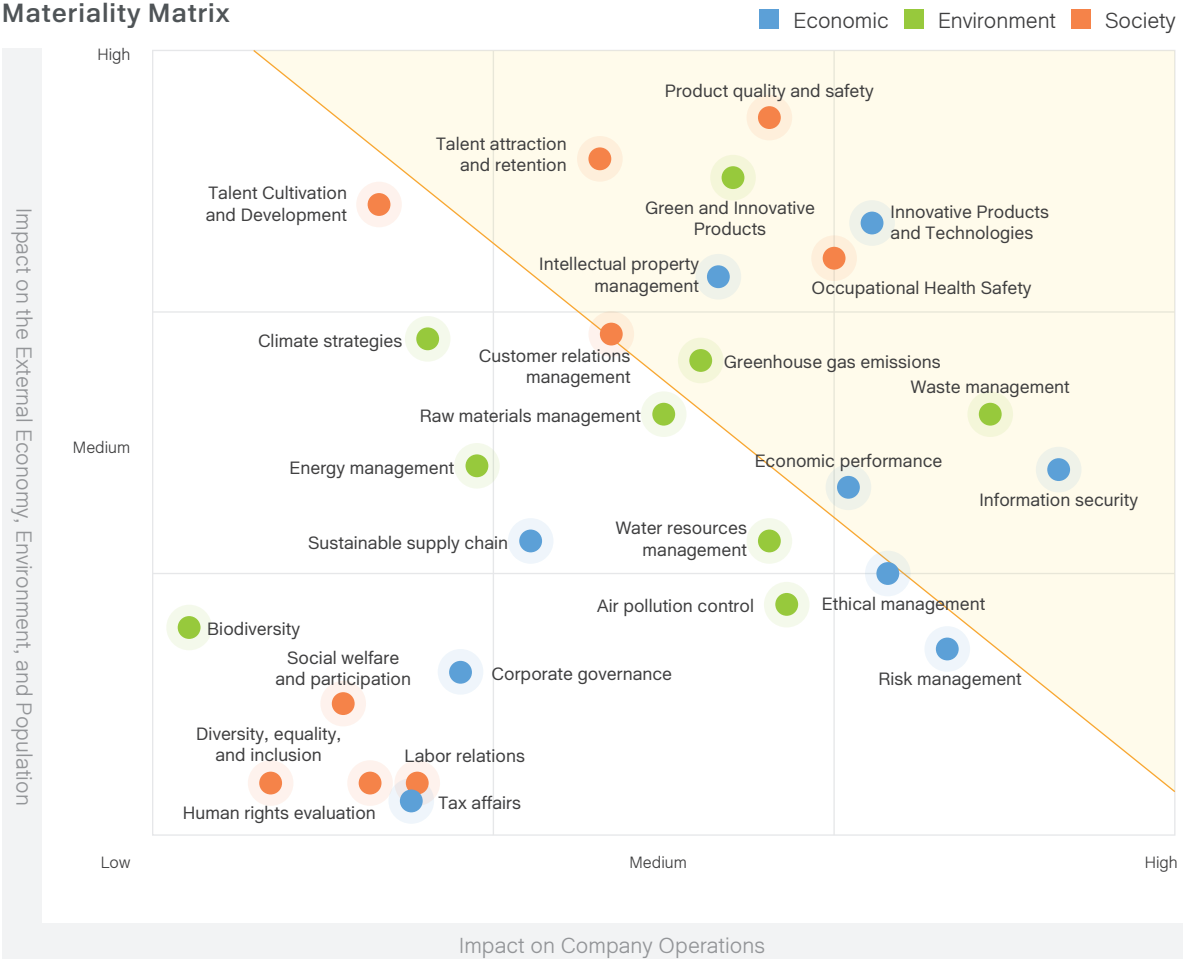
No sustainability issues in this assessment present a high likelihood of negative impacts. Issues with overall higher impact include economic performance and occupational health and safety. We will continue to enhance our brand image and operational strategies, strengthen occupational health management and audits to create a zero-accident work environment.

Note : Among the 27 sustainability issues assessed, none fall under low positive impact or high negative impact likelihood categories. For optimal chart size, this area has been omitted from the matrices.

Materiality Topics Ranking

The Company adopts the Double Materiality principle, as proposed by the European Union, integrating economic, environmental, and social impacts, as well as operational impacts, into its materiality analysis. The materiality matrix was established as follows. By considering SASB industry topics, materiality topics specific to the industry, and materiality topics from the previous year, we have consolidated the "Raw Materials Management" issues with "Green Innovative Products" and included "Energy Management." This ranking has established 13 materiality topics.

Materiality Matrix



Changes in Materiality Topics

In 2024, the materiality analysis implemented in 2023 was used to assess that there have been no significant changes in the risk situation of the Company and external parties this year. As such, the materiality topics have not been adjusted. The Company remains committed to monitoring topic changes to mitigate significant impacts.

Dimension	Materiality Topics of 2024
Environment	Green and innovative products Waste management Greenhouse gas emissions Energy management
Society	Product quality and safety Occupational Health and Safety Talent attraction and retention Customer relations management
Economic/ Governance	Innovative products and technologies Information security Intellectual property management Economic performance Ethical management

Materiality Boundary

SAI identifies 13 materiality topics covering governance, environment, and society. It explains the significance of materiality topics to SAI and expounds the direct impact on various stakeholders in the internal and external value chain of the organization.

Dimension	Materiality topics	Impact Description and Causes of Significance		Corresponding Indicators	Value Chain Impact Boundary		
		Impact on Economic, Environmental, and Social Aspects	Impact on Company Operations		SAI	Upstream Suppliers	Downstream Customers/ Consumers
Environmental	Green and innovative products	【Positive Impact】Supporting Green Innovation Continuously innovate and develop green products to reduce energy and resource consumption during the manufacturing process and product usage stages, thereby mitigating environmental impacts and driving industry-wide green innovation.	Investing additional funds in green R&D and optimizing low-carbon manufacturing processes enhances product competitiveness and the Company' s external image. By producing recycled aluminum in-house, we reduce raw material costs by 15% – 20%, mitigate exposure to price volatility, and enhance operational resilience.	GRI 301-2 GRI 301-3 SASB TR-AP-410a.1 SASB TR-AP-440a.1 SASB TR-AP-440b.1 SASB TR-AP-440b.2	●	●	●
	Waste management	【Positive Impact】Preventing Emission Pollution Implementing waste reduction initiatives, increasing waste recycling rates, and preventing the leakage of hazardous substances to mitigate environmental impacts and enhance the quality of life for local residents.	Procuring waste recycling equipment to reduce raw material costs and waste generation, thereby lowering disposal costs. Regular monitoring of waste haulers and preventing pollution leakage protects the Company' s image.	GRI 306: Waste SASB TR-AP-150a.1	●		
	Greenhouse gas emission	【Positive Impact】Implementing Energy Saving and Carbon Reduction By committing to a low-carbon transformation and targeting net-zero emissions, we contribute to mitigating global temperature rise.	Increased investment in low-carbon equipment and renewable energy infrastructure reduces carbon fee costs while enhancing the Company' s competitiveness and external image.	GRI 305: Emissions	●		
	Energy management	【Positive Impact】Implementing Energy Saving and Carbon Reduction Promoting energy reduction initiatives by replacing high-energy-consuming equipment to decrease overall energy usage and reduce environmental impact.	Gradually phase out high-energy-consuming equipment to lower energy procurement costs. Implement energy-saving initiatives in alignment with the Net-zero Policy, enhancing the Company' s external image.	GRI 302-1 GRI 302-3 GRI 302-4 GRI 302-5 SASB TR-AP-130a.1	●		
Social	Product quality and safety	【Positive Impact】Protecting Customer Rights Strictly ensuring product quality to provide customers with safe products and prevent any potential dangers during 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 the Company' s image.	GRI 416: Customer Health and Safety SASB TR-AP-250a.1	●		●
	Occupational Safety and Health	【Negative Impact】Endangering Health and Safety Workplace injuries occurring during operations negatively impact employee health and quality of life.	Incidents of workplace injuries reduce operational efficiency, increase operating costs, and adversely affect the physical and mental well-being of employees, damaging the Company' s image.	GRI 403: Occupational Safety and Health	●		
	Talent attraction and retention	【Positive Impact】Creating Employment Opportunities Offering comprehensive benefits and competitive salaries to enhance employee satisfaction, promote employee rights, and increase overall employment willingness.	Improve employee remuneration and benefits to boost retention rates and cultivate a corporate image of a "happy workplace."	GRI 401-1 GRI 401-2 GRI 202: Market Presence	●		

Dimension	Materiality topics	Impact Description and Causes of Significance		Corresponding Indicators	Value Chain Impact Boundary		
		Impact on Economic, Environmental, and Social Aspects	Impact on Company Operations		SAI	Upstream Suppliers	Downstream Customers/ Consumers
Social	Customer relations management	【Positive Impact】Protecting Customer Rights Thoroughly understanding customer needs to offer low-carbon products and high-quality services, becoming the preferred partner for customers to achieve carbon neutrality.	Regularly review and improve customer satisfaction, enhance product and service quality, manage brand image, and drive business revenue growth.	GRI 417: Marketing and Labeling GRI 418: Customer Privacy	●		●
Economic/Governance	Innovative products and technologies	【Positive Impact】Driving Technological Innovation Staying abreast of industry trends and customer demands to continually offer innovative products and services, driving technological advancements across the industry.	Allocating a set percentage of annual revenue to research and develop innovative products enhances company competitiveness, meets customer needs, and stimulates revenue growth.	Custom Topic	●		●
	Information security	【Positive Impact】Protecting Fundamental Rights Implementing information security management to safeguard confidential information of customers, supply chains, and employees, ensuring privacy rights. 【Negative Impact】Impacting Fundamental Rights With the evolution of cyber threats, there is a risk of data breaches compromising the confidential information of customers, supply chains, and employees, thereby infringing on their rights.	Strengthening information security management enhances customer trust and prevents damage to the Company's reputation by preventing cyberattacks and data breaches.	Custom Topic	●	●	●
	Intellectual property management	【Positive Impact】Driving Technological Innovation Actively applying for and maintaining relevant patents to foster a fair market competition environment and drive continuous technological innovation in the industry.	Continuously researching and managing company trademark patents to enhance competitiveness and industry reputation.	Custom Topic	●		
	Economic performance	【Positive Impact】Promoting Economic Development Enhancing company profitability, expanding market business, increasing investment in environmental protection, employee welfare, and social responsibility, while creating job opportunities to promote overall economic development. 【Negative Impact】Damaging Economic Development If the Company's revenue performance falls short of expectations or if the market experiences a downturn, it may lead to budget cuts in research and development, personnel, or environmental protection, reducing overall industry competitiveness and impacting economic growth.	Stable financial performance contributes to enhancing customer trust, employee confidence, and external reputation.	GRI 201: Economic performance	●		
	Ethical management	【Negative Impact】Impacting Fundamental Rights Failure to adhere to the Company's code of conduct and ethical standards may lead to incidents of integrity violations, thereby jeopardizing the rights of stakeholders.	Instances of dishonesty can harm long-term customer relationships, erode employee trust in the Company, and negatively impact the Company's external reputation.	GRI 205: Anti-Corruption SASB TR-AP-520a.	●	●	●

Materiality Issues Management Guidelines

Materiality Topic	Green and Innovative Products	Waste Management	Greenhouse Gas Emissions	Energy Management
Policy Commitments	**Providing customized low-carbon wheel solutions to lead the automotive supply chain' s green transformation, assisting customers in achieving carbon neutrality goals, and promoting green growth.**	**Establishing waste management procedures based on the ISO 14001 management system to prevent incidents of harmful substance leaks.**	**Setting a long-term goal to achieve net-zero emissions by 2050, following the Financial Supervisory Commission' s sustainable development path for listed companies, and planning reduction strategies in accordance with ISO 14064-2, in addition to submitting a voluntary reduction compliance plan to the Ministry of Environment.**	**Implementing the ISO 50001 energy management system and continuously improving process energy efficiency in alignment with national energy policies.**
Management Measures	● Concentrating on aluminum scrap generated in the manufacturing process, utilizing highly automated HERTWICH smelting equipment to produce recycled aluminum materials for use in product manufacturing, resulting in over 97% reduction in carbon emissions compared to traditional primary aluminum. ● Research and development of lightweight products to reduce energy consumption during product usage.	● Recycling scrap, cuttings, and offcuts from the manufacturing process by remelting them into recycled aluminum materials for use as raw materials. ● Implementing organic solvent recovery equipment to improve recovery rates continuously. ● Accompanying waste disposal vehicles to processing facilities occasionally, conducting annual inspections of waste treatment facilities, and weekly monitoring of waste disposal vehicle GPS records.	● Planning assessments of supplier carbon footprint execution status and evaluating initiatives to promote significant suppliers' implementation of carbon footprint assessments in the future. ● Assessing the establishment of greenhouse gas inventory and carbon footprint platforms to enhance factory decarbonization and smart transformation. ● Phasing out high-carbon-emitting equipment to reduce process carbon emissions.	● Establishing energy monitoring systems for real-time monitoring of the 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.
2024 Implementation Results	● 35.53% adoption rate of recycled aluminum in raw materials. ● Recycled aluminum verified by seven clients.	● Promotion of organic solvent recovery, reducing organic solvent consumption per wheel (kg) by 36.0% (Yunlin Plant) and 41.1% (Pingtung Plant). ● No significant leakage incidents affecting the local environment. ● Conducting audits of waste transport and treatment facilities with zero deficiencies.	● Carbon emissions reduced by 8.4% compared to the 2022 base year by 2024. ● Carbon footprint verified for four products under ISO 14067 by 2024.	● According to the calculation method of the Energy Bureau, the average energy conservation from the base year of 2018 to 2024 reached 2.06%. ● In 2024, a total of 1.8895 million kWh of green electricity was generated, equivalent to 1,896 green energy certificates.
Indicators and Goals	● Achieve a 40% proportion of recycled aluminum input by 2025, improve this to ≧ 50% by 2026, and estimate to increase it ≧ 55% by 2030.	● Reducing organic solvent (banana oil) consumption per wheel by 20% by 2025. ● Conducting audits of waste transport and treatment facilities with zero deficiencies.	● Submit the independent greenhouse gas reduction plan of the Ministry of Environment in 2025 to respond to the carbon fee collection policy.	● According to the calculation method of the Energy Bureau, the average energy conservation from the base year of 2018 reached 1.5%. ● Attain a renewable energy proportion of 10% of contracted capacity by 2025.
Management Mechanisms	● Increase customer quality verification for recycled aluminum. ● The Research and Development department tracks the yield of recycled aluminum and optimizes the process on a monthly basis.	● Conduct annual audits of waste treatment vendors. ● The Environmental Protection Division regularly tracks and evaluates waste reduction measures. ● Maintain the effectiveness of ISO 14001 certification on a continuous basis.	● Conduct annual ISO 14064-1 greenhouse gas inventory verification. ● The Manufacturing Division regularly monitors carbon emissions and plans carbon reduction initiatives.	● The Manufacturing Division monitors the real-time energy consumption status of the monitoring system. ● Conduct annual PDCA effectiveness assessments. ● Maintain the effectiveness of ISO 50001 certification on a continuous basis.
Corresponding Sections	3.4 Waste Management 4.1 Innovation and R&D	3.4 Waste Management	3.3 Greenhouse Gas Emissions	3.2 Energy Management

Materiality Topic	Product Quality and Safety	Occupational Health and Safety	Talent Attraction and Retention	Customer Relations Management	Ethical Management
Policy Commitments	**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.**	**Adhering to the ISO 45001 Occupational Health and Safety Management System, we have established SAI's Environment, Safety, and Health (ESH) policy to improve workplace safety and create a zero-accident work environment.**	**We 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," to enhance our employer brand image and create a happy workplace.**	**With the service policy of "customer satisfaction, full participation, and continuous improvement," and the establishment of a "Customer Satisfaction Assessment Procedure," we regularly monitor customer conditions.**	**We conduct our business activities in accordance with the principles of fairness, honesty, trustworthiness, and transparency, and have implemented an integrity management policy.**
Management Measures	• Establishment of a laboratory accredited by the Taiwan Accreditation Foundation (TAF) with ISO/IEC 17025 certification. • 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.	• Semi-annual execution of hazard identification and risk assessment, with preventive improvements for hazard factors. • Annual provision of health check-ups, special health examinations, and family health screenings for employees. • Enhancement of employees' safety awareness and perception through diversified education and training courses.	• Evaluation of an employee stock ownership trust mechanism and continuous optimization of employee compensation and benefits to attract and retain talent. • Interviews with voluntarily resigning employees to analyze reasons for departure and plan improvement goals. • Development of relevant courses and activities to facilitate the integration of international migrant workers into life in Taiwan.	• 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 aluminum wheels and CNC net shape forging aluminum wheels to reduce material usage.	• Requiring senior executives to sign an integrity and honesty commitment. • Promoting integrity management guidelines and complaint mechanisms during new employee training. • Incorporating integrity management into employee performance evaluations and human resources policies, and establishing clear and effective reward, punishment, and complaint systems.
2024 Implementation Results	• Continuing to comply with the requirements of ISO 9001, IATF 16949, ISO/IEC 17025, and other management systems in 2024. • Total hours of quality education and training: 10,793 hours. • 36 improvement proposals received, with a 100% implementation rate • Quality improvement actions are expected to reduce costs by NTD 48,289,900.	• The effectiveness of ISO 45001 certification will be continuously maintained in 2024. • Health promotion activities involved 1,659 participants. • Occupational safety training involved 19.843 participants. • No fatal occupational accidents occurred. • One disability injury in 2024.	• The Employee Stock Trust was established in 2024. • Chinese language courses for foreign migrant workers were provided in 2024, with a total of 60 participants, achieving a 150% pass rate. • A total of multicultural activities were held in 2024.	• In 2024, 58% of customers achieved customer satisfaction scores of 80% or higher. • Six customer complaints were received, with 100% of them resolved. • No violations of marketing or labeling regulations. • No complaints received regarding customer privacy breaches.	• 100% compliance with the Code of Conduct with all staff. • 100% signing rate of the "Integrity and Honesty Commitment" code of conduct annually by managers at the director level and above. • No incidents of integrity management violations.
Indicators and Goals	• Continually meet the requirements of ISO 9001, IATF 16949, and ISO/IEC 17025 management systems.	• Maintain the effectiveness of ISO 45001 certification continuously in 2025. • In 2025, implement improvements to reduce commuting-related occupational accidents for students through industry – university cooperation and contractor management. • Zero disability injuries.	• The number of participants in the shareholding trust is >50% in 2025. • Hold 3 Chinese language courses for foreign migrant workers in 2025 • Hold six multicultural activities in 2025.	• Achieve a customer satisfaction score of ≧ 80% in 2025.	• Ensure a 100% signing rate of the "Integrity and Honesty Commitment" code of conduct annually among managers at the director level and above.
Management Mechanisms	• The President's Office holds semi-annual management review meetings to track and evaluate policy objectives. • The QA Department conducts regular internal audits to ensure the effectiveness of the system.	• Management review meetings are held regularly. • Monthly inspections are conducted.	• The HR Section holds quarterly meetings with foreign migrant workers to address their living conditions. • Retention bonus system.	• The Customer Service Department tracks customer scorecard results monthly and provides feedback to internal responsible units for improvement.	• Conduct annual corruption risk identification and assessment.
Corresponding Sections	4.2 Quality Management	5.4 Occupational Health and Safety	5.1 Happy Workplace	4.3 Customer Service	2.5 Ethical Management

Materiality Topic	Innovative Products and Technologies	Information Security	Intellectual Property Management	Economic Performance
Policy Commitments	**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 the Company.**	**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.**	**We are committed to maintaining intellectual property rights, complying with the "Intellectual Property Rights Act" to effectively manage and promote the utilization of R&D results, thereby enhancing the Company's technological competitiveness.**	**Leveraging cutting-edge technologies, we aim to enhance operational efficiency and profitability, with the benefits accruing to both employees and shareholders, thereby fulfilling our corporate social responsibility.**
Management Measures	• Establishing aerospace-grade mechanical performance laboratories, corrosion laboratories, and fatigue performance laboratories to support R&D testing and verification. • Collaborating with research institutions and universities, and participating in relevant seminars to promote technological advancement. • Offering R&D incentive bonuses to encourage employee proposals.	• Implementing information security education and training, as well as social engineering drills, for all employees to enhance information security awareness. • Including customer confidential information protection in new employee training and annual education programs to enforce customer confidential information protection management. • Conducting regular technical inspections and implementing improvement measures for identified vulnerabilities to reduce or eliminate risks and improve the overall security of information systems	• Actively pursuing patents related to energy saving, carbon reduction, and carbon-neutral green technologies. • Signing confidentiality agreements with customers and suppliers to prevent the leakage of intellectual property secrets. • Following the operation procedures for the "acquisition, protection, and utilization of intellectual property."	• The Board of Directors plans future operational strategies, while the Finance Department is responsible for controlling costs and operational performance. • Simplifying production processes with highly automated net shape forging aluminum wheels, increasing capacity utilization, and improving asset turnover. • Increasing the proportion of recycled aluminum raw materials to reduce procurement costs.
2024 Implementation Results	• Investment of 2% of revenue in research and development in 2024. • Production yield of recycled aluminum smelting was 96.96%. • Two innovative technologies have been successfully developed. • Introduction of a three-step sand blasting machine, reducing grinding time by 50%. • Mass production of 37 models of net-shaped forged aluminum wheels, with 60 models under development.	• TISAX® AL3 Information Security and Prototype Protection label obtained. • Certified with ISO 27001:2013 Information Security Management System. • Achieved 100% participation in information security education and training for all employees. • No information security incidents.	• Two new patents in 2024, with 24 patents held continuously.	• Revenue reached NTD 7.474 billion, down 3.9% from 2023.
Indicators and Goals	• Continuously invest 2% of annual revenue into research and development. • Production yield of recycled aluminum smelting ≧ 98% in 2025.	• Achieve ISO 27001:2022 transition certification in 2025.	• Add two new development results.	• Achieve annual revenue growth of over 10%.
Management Mechanisms	• Formulate the Company's R&D strategic direction to be developed and implemented by the R&D Department.	• The Information Security Audit Team conducts an annual internal audit. • The Information Security Committee conducts an annual internal management review • At least an external audit review is conducted twice annually.	• Handle applications for technical patents by the R&D Department. • Conduct annual ongoing awareness campaigns on trade secrets. • Utilize electronic systems to manage confidential company documents.	• The Audit Committee conducts regular reviews of financial statements. • Senior management regularly reviews financial performance. • The Board of Directors is convened regularly to discuss major decisions.
Corresponding Sections	4.1 Innovation and R&D	2.4 Risk Management	4.1 Innovation and R&D	2.2 Economic Performance

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, influence, diverse perspectives, and tension. The identified key stakeholders are customers, employees, shareholders, government organizations, bank institutions, suppliers, and community/local groups. We offer multiple communication channels to facilitate feedback and dialogue with stakeholders. This year's assessment continues the results from the previous year, with plans to reassess every three years.

Stakeholders	Customers	Employees	Shareholders
Significance of Stakeholders to the Company	**SAI provides excellent services and product quality to meet customer needs and expectations.**	**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 the Company's goal of sustainable operations.**	**The sustainable operations and development of SAI rely on the long-term support and trust of shareholders.**
Communication Methods and Channels / Communication Frequency	Customer visits, ❶ Process audits ❼ Product audits ❷ Product audits ❽ Quality system audits ❶ Quality issue meetings ❹	Labor-management meetings ❿ Employee performance reviews ❾ Manager communication meetings ❸ Welfare Committee meetings ❿ Opinion surveys ❷ Internal communication channels ❶ Complaint consultation channels ❶	Annual general meeting of shareholders ❼ Monthly revenue announcements ❺ Domestic interview meetings ❻ Overseas investor forums ❼
Key Issues of Concern	Information security Risk management Product quality and safety	Talent attraction and retention Labor relations Occupational Safety and Health	Information security Ethical management Innovative products and technologies
Response Sections	2.4 Risk management 4.3 Quality management 4.4 Customer service	5. Building a Happy Enterprise	2.4 Risk management 2.5 Ethical management 4.2 Innovation and R&D
Communication Effectiveness	• A total of 38 customer audits were conducted in 2024. • 58% of customers scored 80% or above on the scorecards in 2024.	• Employee remuneration and benefits expenditures accounted for 16.73% of revenue in 2024. • The Welfare Committee held eight meetings in 2024. • There were zero employee complaints reported in 2024.	• A total of 46 significant announcements were issued in 2024, including 12 sessions of overseas and domestic investor forums.

❶Immediate ❷Irregularly ❸Biweekly ❹Monthly ❺Once a month ❻One session per month ❼Annually ❽Twice a year ❾Three times a year ❿Quarterly

Stakeholders	Government Organizations	Bank Institutions	Suppliers	Communities/Local Groups
Significance of Stakeholders to the Company	SAI adheres to governmental laws and regulations and collaborates in advancing various regulatory frameworks.	Bank institutions are important partners of SAI, actively supporting green finance initiatives and demonstrating a commitment to environmental sustainability.	Suppliers are essential partners of SAI, fostering long-term relationships that contribute to achieving corporate sustainability.	SAI demonstrates a commitment to social welfare and community engagement by annually sponsoring or donating to local disadvantaged groups and community activities.
Communication Methods and Channels / Communication Frequency	Document management and circulation: ❶ Market observation post system: ❶ Company official website: ❶ External audits: ❷	Environmental compliance statements: ❷	Supplier evaluation: ❼ Environmental and safety risk assessments: ❶ Supplier code of conduct: ❶	Document management and circulation: ❶ Market observation post system: ❶ Company official website: ❶
Key Issues of Concern	Information security, Ethical management, Green and innovative products, Raw materials management, Waste management, Labor relations, Occupational Health and Safety	Risk management, Information security, Ethical management, Intellectual property management	Economic performance, Information security, Ethical management	Waste management, Air pollution control, Social welfare and participation
Response Sections	2.4 Risk management 2.5 Ethical management 4.1 Innovation and R&D 3.4 Waste management 5.1 Happy workplace 5.4 Occupational Safety	2.4 Risk management 2.5 Ethical management 4.1 Innovation and R&D	2.2 Economic performance 2.4 Risk management 2.5 Ethical management	3.4 Waste management 3.5 Air pollution control 6.1 Social influences
Communication Effectiveness	• There were eight government audits (labor inspection, fire control) in 2024.	• A sustainable performance-linked credit contract was signed with Cathay United Bank to achieve sustainability goals and save interest expenses.	• Key supplier evaluation (Class A, Class B, Outsourced Suppliers) completion rate: 100% • Six critical suppliers were audited, none of which had major violations. • 97 of the top 100 suppliers have completed signing the Supplier Code of Conduct.	• Employee volunteer service totaled 73 person-times.

❶Immediate ❷Irregularly ❸Biweekly ❹Monthly ❺Once a month ❻One session per month ❼Annually ❽Twice a year ❾Three times a year ❿Quarterly

2 About SuperAlloy Industrial (SAI)

2.1 SuperAlloy Industrial (SAI)

About SuperAlloy Industrial (SAI)

Global Leader in Forging Solutions

SuperAlloy Industrial Co., Ltd. (SAI) (Stock Code 1563) was established in 1994. We specialize in providing high-end customized and lightweight forging solutions for the mobility industry. In the premium/luxury car forged aluminum wheel market, SAI is the world' s leading supplier of forged aluminum wheels. Over the years, we have actively invested in and mastered key technologies, providing market-leading solutions. Our mission is to give back to our employees, shareholders, and the social environment, continuously creating a sustainable environment and improving the quality of human life. We are committed to becoming a multi-win, happiness-driven enterprise.

SAI maintains a strong presence in the forged aluminum wheel market, serving 31 customers and 43 internally-renowned automotive brands, including Porsche, McLaren, Bentley, Aston Martin, Mercedes Benz (AMG), BMW (Rolls-Royce and Mini), Jaguar & Land Rover, Lexus, and Lotus. We are the preferred partner for high-end vehicle and super sports car manufacturers worldwide. Headquartered in Taiwan, our sales regions encompass North America, Europe, and Asia. We have offices in Germany, the United States, the United Kingdom, and the Netherlands, providing regional services. Our production facilities include the Yunlin Plant and the Pingtung Plant in Taiwan, and a painting plant in Germany, comprising a total area of 183,599.63 square meters for production.

Future: SAI is Just Beginning

SAI stands for "Sustainability, Advancement, Innovation." Amid a new era of mobility, SAI continuously strives to provide sustainable, cutting-edge, and innovative customized solutions to meet ever-changing market demands. SAI is committed to reshaping and shaping the future world through its core forging technology, cultivating innovative value and experiences for all stakeholders.

Forging the Future

Sustainability | Advanced | Innovation

Company Business Philosophy

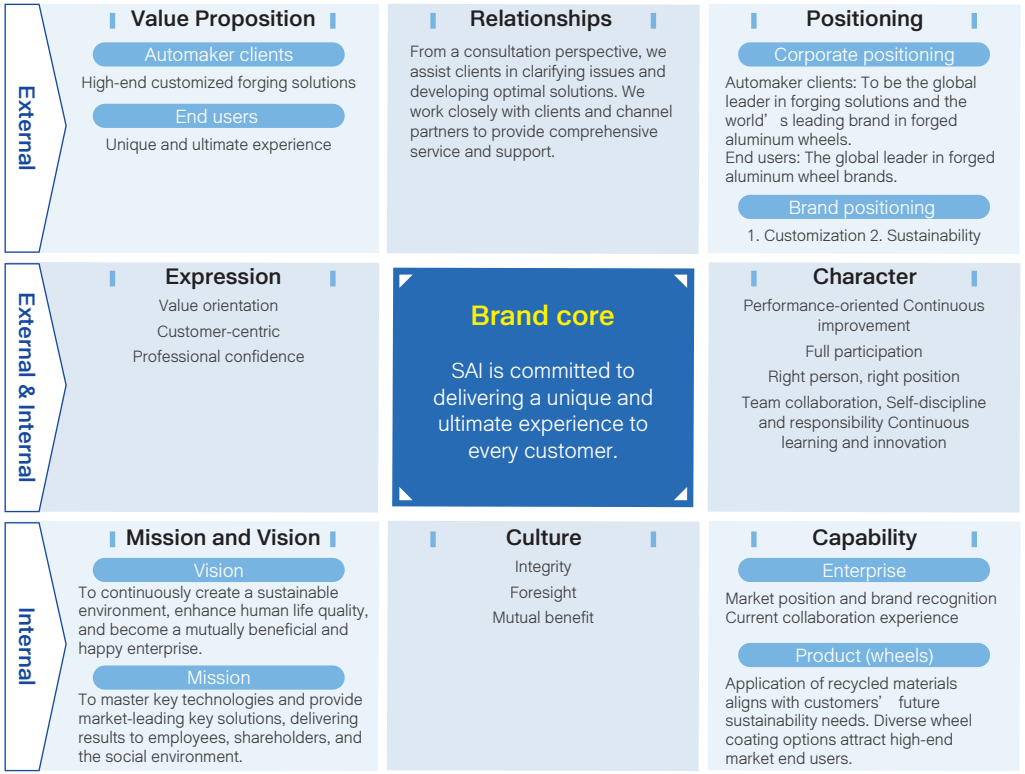
Business Objectives

To become the optimal supplier in the industry, enhance the quality of human life, and create a sustainable and multi-win happiness-driven enterprise.

Company Culture	Integrity	External: Upholding the spirit of honesty and trustworthiness, we are committed to fulfilling promises to our customers and partners without fail. Internal: We do not shirk responsibility or cover up mistakes. We value order and discipline, maintaining a commitment to safeguarding the safety of every user in all processes and products, ensuring the highest quality standards. Our goal is to become the best partner that every stakeholder can trust and rely on.
	Foresight	Strategic layout: The Company prioritizes balancing short-term business growth with long-term development, focusing on cultivating key core competencies while aiming for profitability. Rooted in Taiwan, we maintain a global perspective. Technical leadership: We strive for excellence in research and development, technology, and equipment, continuously optimizing our processes. Customer satisfaction: We always plan ahead and prepare more than expected for our customers and partners, providing superior service and optimal quality to achieve customer satisfaction.
	Mutual Benefit	Management philosophy: Promoting industry development together with our customers and suppliers. Sharing business success with our employees and shareholders. Pursuing sustainable development in harmony with the environment.
Management Philosophy	Performance Oriented	We provide 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.
	Continual Improvement	We strive for continuous improvement in all aspects, never overlooking any issue. We address issues by comprehensively investigating their root causes to prevent recurrence.
	Full Participation	We encourage employees to confidently propose suggestions, plans, and implementation schemes for the Company. Mutual respect and trust are fostered between supervisors and subordinates and across all departments, working together to continually improve SAI's operations.
Talent Philosophy	Right Person, Right Position	We respect our employees' expertise and strengths, assigning the most suitable tasks and positions based on job standards and responsibilities.
	Team Collaboration	We value collaborative effort, information and knowledge sharing, and the sharing of experience. Staff achieve personal success and help others succeed together to accomplish team goals.
	Self-discipline and Responsibility	We emphasize self-discipline and clear, precise planning with strong execution. We focus not only on completing tasks but also on completing them effectively, maintaining the highest standards.
	Continuous Learning and Innovation	We encourage ongoing learning, acquiring new knowledge, and applying it to continual improvements and innovation.

Company Brand Core

Our brand showcases unique competitive advantages and brand spirit, emphasizing the value and significance our Company creates. This enhances our brand's image internally and externally.



Future Goals

As a global leader in forging solutions, SAI is committed to advancing the sustainable development of the forging industry. We actively invest in metal material recycling technologies, implement high-level monitoring technologies, and establish recycling smelting plants to oversee the entire material recovery process. Over the years, SAI has diligently enhanced diversification, employee welfare, operational management, and corporate social responsibility. We have also established a charitable foundation and continuously explore opportunities to achieve sustainability. Our goal is to provide users with exceptional experiences, showcasing our preferred products' stylish features and powerful performance while shaping a sustainable future.

2.2 Economic Performance

Product Sales Status

SAI actively invests in and masters key technologies, prioritizing high-end customized and lightweight forging solutions for the automotive and aerospace industries.

Through years of accumulating core technological capabilities, SAI has become a leading brand in global forged aluminum wheels and a preferred partner for luxury and super sports car manufacturers worldwide. We continuously enhance forging technology, factory automation, coating processes, and design proposal capabilities, offering market-leading customized solutions that are lighter, safer, more tailored to individual needs, and competitively priced. These achievements underscore our product differentiation and value creation that meet customer requirements, maintaining our competitive edge. SAI's primary sales regions span across Europe, the Americas, and Asia, with total product sales amounting to NTD 7,473,579 Thousand in 2024.

Main Products and Technical Services

SAI is dedicated to creating exceptional service experiences for customers, from initial technical consultation, raw material procurement, design development, manufacturing, processing, coating, logistics management, to after-sales service.

Forged Aluminum Wheels

Forged aluminum wheels are our Company's core product. These are supplied across 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 European, American, and Japanese automakers while catering to global clientele.

Chassis Parts

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

Recycled Aluminum

SAI not only focuses on providing top-notch automotive wheel and chassis component solutions but also strives to uphold environmental sustainability. RESAICAL® 100% Recycled Aluminum represents our Company's sustainable practice of energy conservation and waste reduction. Giving aluminum alloys an eternal life cycle exemplifies best practices in environmental sustainability and the circular economy.

Product Sales Status

Products and Services	Sales Region	Customer Type	Sales Volume in 2023	Sales Volume in 2024	Unit of Sales Volume
Wheels	Europe	OEM	375.876	366.962	Thousand
Wheels	Americas	OEM	236.377	138.231	Thousand
Wheels	Others	OEM	93.795	149.109	Thousand
Aluminum	Others	Aluminum product processing	9,698.915	6,554.010	Metric ton
Others	Others	Others	365.087	77.903	Thousand

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

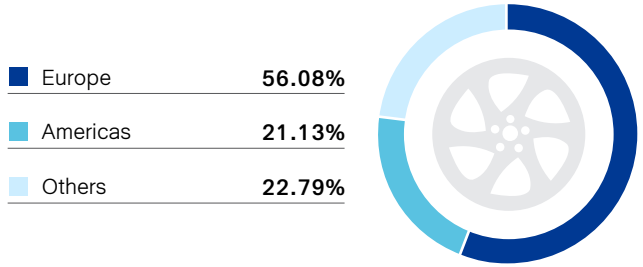
Production Output in the Past Three Years

Production output unit: NTD Thousand

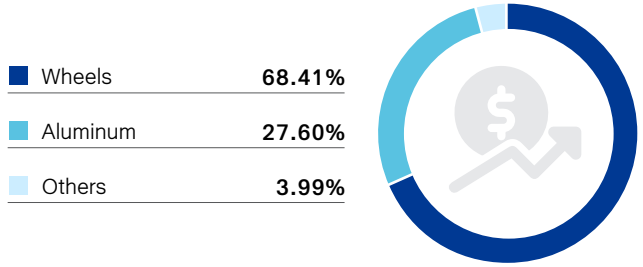
Item	2022		2023		2024	
	Production output	Production value	Production output	Production value	Production output	Production value
Wheels	639	3,716,844	752	4,531,273	629	3,794,151
Aluminum	24,143	1,756,276	22,589	1,525,713	21,968	1,530,688
Others	225	367,808	183	307,292	134	221,071
Total	-	5,840,928	-	6,364,278	-	5,545,910

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

Market Overview of Wheel Sales in 2024



Product Category Revenue Distribution in 2024



Top Five Customers

Lexus (Toyota) | Jaguar Land Rover | Porsche | BMW | Mercedes Benz

Financial Operational Performance

Financial Performance

Affected by the global economic situation and China's auto market, the overall luxury car market demand and procurement schedule have slowed compared to expectations. Customers of various car manufacturers have adjusted their procurement intensity in the second half of 2024, resulting in deferred shipments of some new models of customized wheels. SAI's consolidated revenue in 2024 was NTD 7,473,579 thousand, representing a 3.9% decline from 2023. Earnings per share were NTD 3.3. However, by continuously optimizing production process efficiency and enhancing the use of recycled and net-shape forged aluminum wheels, SAI's operating profit margin resumed its upward trend, reaching 13% in 2024— a record high since 2019.

Unit: NTD Thousand

Category	Item	2022	2023	2024
Financial Operating Performance	Operating revenue	6,401,739	7,779,316	7,473,579
	Operating costs	5,189,053	6,044,901	5,469,886
	Gross profit	1,212,686	1,734,415	2,003,693
	Operating profit (loss)	118,954	754,859	977,858
	Net profit after tax for this period	582,675	608,436	755,484
Distribution of Economic Value	Employee remuneration and benefits	1,153,278	1,219,115	1,250,647
	Payments to investors	194,777	416,892	428,510
	Payments to the government	75,563	143,505	322,946
	Social investments/ donations	45	9	225

Note1. Payments to investors: This includes shareholder dividends, interest on any form of debt or loans, and unpaid dividends to preferred shareholders.
Note2. Payments to the government: All taxes and fines paid by the Company in complying with local government regulations. These include business tax, income tax, and property tax.

Future Operating Outlook

The automobile industry—in which the Company primarily operates—is connected to the global political and economic situation and pulse of prosperity. Based on the global economy and China's developments in the automobile industry in 2024, the transition of some luxury automakers to electric vehicles has progressed more slowly than expected. As a result, overall operations of automakers have been impacted, leading to downward adjustments in assembly plans and reduced demand for parts and components.

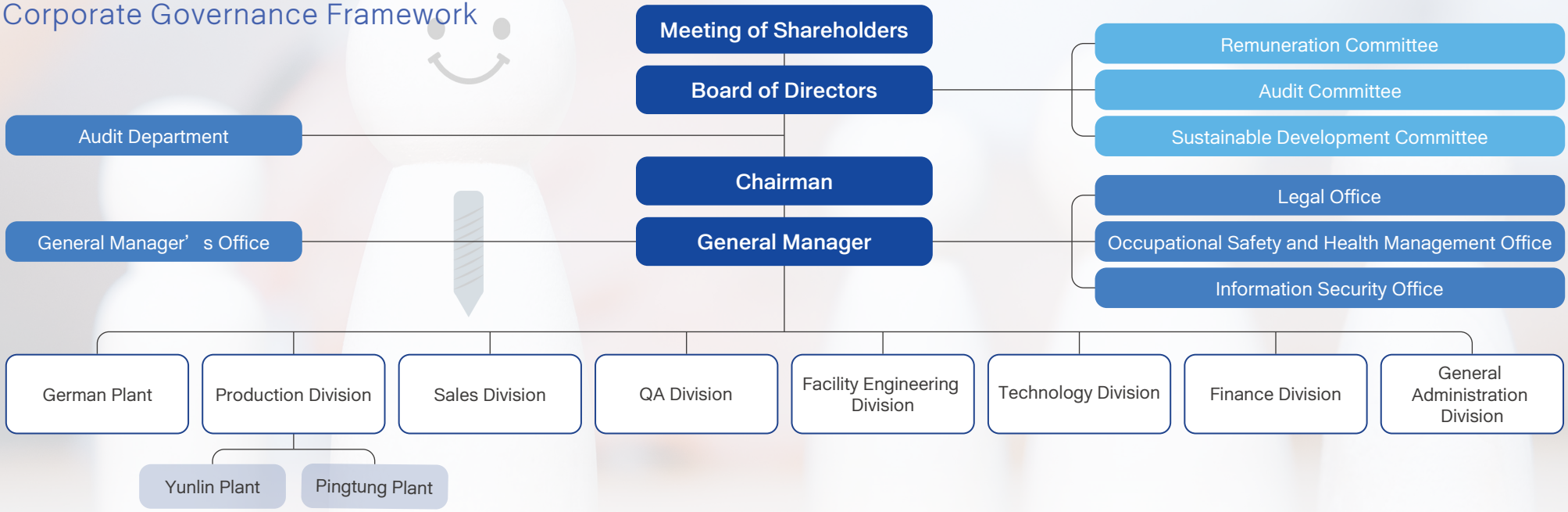
In 2025, the global political and economic landscape will be affected by the developments under "Trump 2.0." Although the impact has yet to materialize directly, the Company will closely monitor industry trends and market signals through robust information gathering and will continue to adjust in-plant production plans flexibly in response to customer needs and market changes. At the same time, it is deepening its presence in non-automotive sectors, aiming to collaborate with customers in industries such as semiconductors, mobile equipment, heavy electrical equipment, and aerospace. These efforts serve to broaden the application scope of the Company's forged aluminum and recycled aluminum products and mitigate the effects of global political and economic shifts and industrial cycles on overall operations.

Government Subsidy Program Applications

Item	Subsidy Period	Subsidy Provider	Subsidy amount (NTD)
Big Leading Small	2024	Industrial Development Administration, MOEA	13,039,000
Interest Rate Preferential Program for Rooted-in-Taiwan	2024	Ministry of Economic Affairs	7,047,527
Entrepreneurship and Innovation	2024	Ministry of Economic Affairs	1,000,000
Total			21,086,527

2.3 Corporate Governance

Corporate Governance Framework



- The foundation of sustainable business operations lies in a robust governance framework. SAI is committed to establishing an effective corporate governance structure that safeguards shareholder rights, strengthens the Board of Directors' functions, empowers the Audit Committee, respects stakeholder interests, enhances information transparency, and adheres to the principles of governance. We progressively implement various systems to continuously improve the quality and effectiveness of corporate governance, pursuing maximized shareholder value and sustainable business practices.

- The Board of Directors serves as the highest governance body of the Company. It is responsible for setting operational directions, overseeing business performance, preventing conflicts of interest, ensuring compliance with all laws, and identifying and responding to risks. While the Board strives to protect shareholder interests, it also upholds the interests of stakeholders, including employees, customers, suppliers, communities, government, environment, and society, as guiding principles, ensuring the spirit of corporate governance is effectively implemented.

- The Board convenes at least quarterly, with SAI management providing reports to the Board. The Board has established three functional committees—the Audit Committee, Remuneration Committee, and Sustainable Development Committee—to review decisions and report back to the Board for discussion. These committees assist the Board in fulfilling its responsibilities. Six meetings of the Board of Directors of SAI were held in 2024 with an average director attendance rate of 96%.

Director Nomination and Selection

Board member nomination and selection adhere to the "Directors Election Procedures" using a candidate nomination system and a cumulative voting method. According to the Company's Articles of Incorporation, the Board comprises seven to 13 members who serve three-year terms; members are elected from the list of director candidates from the shareholders' meeting, with the possibility of reelection. All members maintain independence in accordance with relevant provisions of the "Regulations Governing the Establishment and Compliance Matters of Independent Directors of Public Companies."

SAI's Board of Directors comprises 10 members from various professional backgrounds, including four independent directors, four general directors, one external director, and one director who is also the Company's manager. The overall capabilities that the Board possesses include operational judgment competence, accounting and financial analysis competence, operation and management competence, crisis management competence, industry knowledge, international market outlook, sustainable management, and decision-making competence. Board composition considers diversity. A policy for diversity of directors has been formulated based on the needs of the Company's operations, business model, and future development trends, including basic conditions and values (gender, age, and nationality), and professional knowledge and skills (law, accounting, industry, finance, and marketing, etc.). For details on board diversity and independence, refer to **pages 10 to 11 of the 2024 Annual Report**.

All members of the Board are prominent figures in their respective industries with extensive business experience. In accordance with SAI's "Corporate Governance Practices Guideline," Article 20 stipulates that board composition should be diverse, with no more than one-third of directors also serving as Company executives. The board formulates appropriate diversity policies based on its operations, business models, and development needs. For comprehensive profiles, educational backgrounds, and other corporate affiliations of board members, please visit **the Company's website**.

10	40%	20%
Board Members	Independent Directors	Female Directors

Board Performance Evaluation

SAI's Board of Directors has established the "Board Performance Evaluation Procedures" to conduct an internal board performance evaluation annually. Evaluation criteria include understanding the Company's goals and Mission, recognition of responsibilities, participation in Company operations, management, and communication of internal relationships, professional competence and continuing education among directors, effectiveness of internal control mechanisms, and ESG-related action. The Board uses these criteria to comprehensively assess its performance while taking appropriate measures based on the results to enhance the Company's governance standards.

Board Performance Evaluation

- Participating in Company operations
- Board decision-making quality
- Board composition and structure
- Director selection and continuing education
- Internal controls
- ESG actions (environmental protection, social inclusion, sustainable governance)

Individual Director Performance Evaluation

- Understanding the Company's goals and Mission
- Recognizing the directors' responsibilities
- Participating in Company operations
- Managing internal communication
- Professional competence and continuing education among directors
- Internal controls
- ESG action (environmental protection, social inclusion, sustainable governance)

Functional Committee Performance Evaluation

- Participating in Company operations
- Recognizing Functional Committees' responsibilities
- Functional Committees' decision-making capacity
- Functional Committee composition and member selection

Director Executive Remuneration

The remuneration process for SAI's directors follows the Company's Articles of Incorporation; it allocates the amount of no more than 3% of the current year's profits. Reasonable remuneration is provided based on the Company's operating results and their contributions. Directors' remuneration follows the "Remuneration and Compensation Procedures for Directors, Independent Directors, Functional Committee Members, and Managers" and is approved by the Remuneration Committee and the Board of Directors before compensation is made. SAI directors' remuneration includes compensation and directors' fees, with no signing bonuses, hiring bonuses, severance payments, or drawback mechanisms.

Director Executive Remuneration

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

Director ESG Training

SAI arranges for directors to participate in training courses each year in due course to continue to improve sustainable development, governance functions, and professional capabilities. Training content includes risk management, supply chain management, carbon/energy management, and related topics. In 2024, a total of 72 hours of training for directors ensued. Each director participated in training related to sustainable development as follows:

Organizer	Course Name	Training Director	Total Hours
Securities and Futures Institute	2024 Legal Compliance Advocacy Briefing on Insider Equity Transactions	Chairman Tsung-Jung Huang	3
Taiwan Academy of Banking and Finance	Corporate Governance and Corporate Sustainable Management Workshop	Director Long-Cheng Wei	3
Securities and Futures Institute	Sustainable Development Committee and Chief Sustainability Office Seminar	Director Ke-Chang Liu	3
Taiwan Corporate Governance Association	Latest ESG Laws and Regulations, Trends, Impacts, and Responses	Director Mao-Lin Shih	3
Securities and Futures Institute	2024 Legal Compliance Advocacy Briefing on Insider Equity Transactions	Director representative Shun-Chung Wang	3
Securities and Futures Institute	2024 Conference on Prevention of Insider Trading Advocacy	Director representative Chiou-Yueh Chang	3
Taiwan Corporate Governance Association	Introduction and Response to IFRS S1 and S2 Sustainability Disclosure Standards	Independent director Ting-Wong Cheng	3
Taiwan Corporate Governance Association	Senior Manager, Compensation and ESG Performance System Design	Independent director Wan-Yu Liu	3
Securities and Futures Institute	Perceptions and Implications of Corporate ESG Sustainable Governance: Global Trend of Net-Zero Carbon Emissions and Corporate Response	Independent director Wan-Yu Liu	3
Securities and Futures Institute	Carbon Rights Trading Mechanism and Carbon Management Application	Independent director Wun-Zong Chen	3
Taiwan Corporate Governance Association	Introduction to Corporate Governance Personnel System and Role of Legal Personnel in Corporate Governance	Independent director Ming-Shiou Cherng	3

Note：For detailed information on director training, please refer to pages 29 and 30 of the Company's annual report.

Functional Committees

To enhance comprehensive protection of stakeholders' rights, SAI has established Functional Committees to integrate and manage various functional issues, enhancing the operational efficiency of its governance structure.

Committee	Responsibilities	Member	Attendance Rate	Important Resolutions
Remuneration Committee	Establishing and regularly reviewing policies, systems, standards, and structures for director and executive performance evaluation and remuneration. Periodically evaluating and determining remuneration for directors and executives.	Committee member: Ting-Wong Cheng, independent director Convener: Ming-Shiou Cherng, independent director Committee member: Wun-Zong Chen, independent director	100% (convening 5 times)	1. Passed the 2025 annual performance evaluation standards for directors and independent directors. 2. Passed the 2025 annual performance evaluation standards for managers.
Audit Committee	Overseeing the adequacy of financial statement disclosures, appointment (or dismissal) and independence, and performance evaluation of signing auditors, effective implementation of internal controls, compliance with relevant laws and regulations, and management of existing or potential risks	Chief Director: Ting-Wong Cheng, independent director Committee member: Wan-Yu Liu, independent director Committee member: Ming-Shiou Cherng, independent director Committee member: Wun-Zong Chen, independent director	92.86% (convening 7 times)	Please refer to page 19 of the annual report.
Sustainable Development Committee	Drafting the Company's sustainable development vision and strategy, establishing future sustainable development priorities, and overseeing the execution of sustainable development initiatives. Effectively integrating resources and implementing sustainable strategies across units, as well as engaging in dialogue and consensus-building with stakeholders.	Chief Director: Tsung-Jung Huang Chairman Committee member: Wan-Yu Liu, independent director Committee member: Ting-Wong Cheng, independent director	100% (convening twice)	Established sustainability indicators and reported on implementation.

Conflict of Interest

The Company has set out provisions on directors' conflicts of interest in the Rules of Procedure of the Board of Directors and the Ethical Corporate Management Procedures and Guidelines. For any matter under discussion at a board meeting involving a director or their represented entity, the director is prohibited from participating in discussions and voting if such involvement may harm the Company's interests; the director must abstain from voting and discussion and cannot delegate voting rights to other directors. For situations where directors hold positions on other boards, please refer to pages 17 and 18 of the 2024 Annual Report.

Communication of Materiality Issues

To enhance the transparency of operational information, SAI has established the "Internal Handling of Material Information and Prevention of Insider Trading Procedures." It has appointed a spokesperson and deputy spokesperson to promptly disclose significant event information through the Company's official website and Market Observation Post System (code 1563), ensuring stakeholders' rights and interests are protected.

When the Sustainable Development Taskforce finds that materiality issues require changes in current practices—or sustainability-related matters that are important to other stakeholders will pose risks or opportunities to the Company——it will be reported to the Sustainable Development Committee for discussion; then reported to the Board of Directors after confirmation. There were no major incidents in 2024.

Channels of Stakeholders' Communication

SAI has established dedicated communication channels to obtain valuable feedback and opinions from stakeholders.

Stakeholders	Contact Information
Customers	Director Tseng +886-5-551-2288#646 stephen.tseng@superalloy.tw
Employees	Manager Huang +886-5-551-2288#748 gary.huang@superalloy.tw
Shareholders	Spokesman: Executive Assistant Hsiao +886-5-551-2288#102 felicia.hsiao@superalloy.tw Acting Spokesman: Manager Wang +886-5-551-2288#204 info@superalloy.tw
Government Organizations	Manager Lee +886-5-551-2288#215 tony.lee@superalloy.tw
Bank Institutions	Manager Wang +886-5-551-2288#204 kelly.wang@superalloy.tw
Suppliers	Manager Huang +886-5-551-2288#748 gary.huang@superalloy.tw
Communities /Local Organizations	Manager Lee +886-5-551-2288#215 tony.lee@superalloy.tw

2.4 Risk Management

Risk Management

To strengthen corporate governance and support the Company's goals for stable operations and sustainable development, SAI has established a robust risk management framework. This framework aims to keep risks within acceptable limits, continuously monitor internal and external conditions, assess operational impacts, and enhance the Company's ability to respond to emerging challenges. SAI adopts a preventive policy approach to risk management, adhering to the "Guidelines for Establishing Internal Control Systems by Publicly Traded Companies." It formulates reasonable, practical internal control systems. It conducts regular and ad hoc audits through internal auditing procedures, assesses significant risk events preemptively, establishes crisis management procedures and recovery plans, and mitigates the severity of operational impacts. Furthermore, we continuously refine our risk management mechanisms and reduce response times to enhance the integrity of our risk management practices.

SAI has established a dedicated Audit Department directly reporting to the Board of Directors, led by an Audit Manager. The department collaborates with the Audit Committee to assist the Board and management in examining and reviewing internal control systems, issuing reliable, timely, and transparent audit reports. SAI conducts regular self-assessments and continuously strengthens corporate resilience to ensure uninterrupted operations, thereby safeguarding the best interests of customers and stakeholders. For more information on our internal audit operations, please visit our Company's website.

Risk Identification and Management Measures

SAI adheres to its overarching operating policy and is committed to establishing a risk management system capable of early identification, accurate assessment, effective oversight, and strict control—ensuring that operations remain within acceptable risk thresholds. The Company continuously refines its risk management practices by proactively preventing potential losses and closely monitoring internal and external developments. These efforts serve to protect the rights and interests of our employees, shareholders, partners, and customers, while enhancing corporate value and optimizing resource allocation.

Department heads at all levels implement risk assessment and control measures in accordance with the risk management policies formulated by the Risk Management Team, as part of their daily management operations. Each unit must regularly report risk management information to the department head according to its functions and business nature; if an incident of major or abnormal risk occurs, it should be reported immediately to facilitate rapid response. Additionally, the Audit Department is responsible for supervising each department to ensure compliance with existing approval authorities, relevant management methods, procedures, and laws and regulations. Thus, risk management awareness and execution capabilities of all colleagues can be improved.

In terms of risk identification, SAI employs a risk matrix to conduct systematic analyses each year, identifying key risk items that need to be prioritized; this leads to the formulation of an annual audit plan to support implementation. Applying the risk matrix, the Company comprehensively evaluates the probability, potential impact, and risk level of various risk incidents. The Company also formulates corresponding management strategies based on risk level to strengthen operational resilience and continue to improve management efficiency, ensuring the effective operations of the Company. When risks arise, appropriate strategies—such as avoidance, transfer, control, or acceptance—will be adopted to effectively manage and mitigate potential impacts.

Likelihood of Occurrence / Significance of Impact	High probability ≧ 80%	Medium 20%< probability <80%	Low probability ≦ 20%
High	High risks	Medium risks	Medium risks
Medium	Medium risks	Medium risks	Medium risks
Low	Medium risks	Medium risks	Low risks

High risks	Effective risk reduction measures should be taken immediately; we stop or avoid relevant operations before the risk is reduced to an acceptable range
Medium risks	Improvement plans are actively promoted; the proportion of moderate risks are gradually reduced, considering cost-effectiveness and finances.
Low risks	No additional reduction measures are required; the effectiveness of existing protective measures must be continuously monitored and ensured.

SAI implemented the following risk assessment and response measures in 2024:

Risk Category	Risk Content	Likelihood of Occurrence	Significance of Impact	Risk Level	Materiality Issue Management	Countermeasures for Risk Improvement or Prevention
Operating Risks	Evaluating market supply and demand changes, concentrated purchases, legal compliance, recruitment and retention, corporate image maintenance, etc.; implementing improvement and preventive measures to address the risk of concentrated purchases.	High	Low	Medium	Yes	● Concentrated purchases are more likely to occur; improvement measures include accelerating customer certification and increasing the utilization rate of homemade recycled aluminum.
Economic/ Financial Risks	Evaluating market risks, credit risks, liquidity risks, accounts receivable risks, and financial operation risks; implementing improvement and preventive measures for accounts receivable risks.	High	Medium	Medium	Yes	● We implement credit management, credit reporting before transactions, monitor accounts receivable payments after transactions, and stop supply if necessary.

Risk Category	Risk Content	Likelihood of Occurrence	Significance of Impact	Risk Level	Materiality Issue Management	Countermeasures for Risk Improvement or Prevention
Environmental Risks	Operational risks such as climate change (TCFD, TNFD), occupational safety protection, environmental pollution, fire safety, and workers' physical and mental health.	High	High	High	Yes	● We actively develop solutions (such as low-carbon manufacturing) while aiming to reduce the operational and financial impact of climate change to improve The Company' s climate resilience. ● The Company has obtained ISO 14001 environmental management system certification and ISO 45001 occupational safety management. It conducts annual re-inspections in accordance with environmental and occupational safety management regulations to ensure implementation effectiveness. ● We have assigned a special officer responsible for maintaining the safety and health of employees and the working environment. In addition to the requirements for new employees to undergo physical examinations and health education and training when they first join the Company, safety and health education and training are provided to in-service employees each year; free health checkups are offered to employees and their families; regular resident physician services are also arranged. ● We conduct internal assessments on human rights impacts regularly and develop risk management and control measures based on employee risk exposure.
Technological Risks	Protection of new technologies and intellectual property rights, product safety, business secrets, and information security risks.	Low	High	Medium	Yes	● The Company continually applies for patents and intellectual property rights. ● Confidentiality agreements are signed. ● We implement the requirements of the ISO 27001 information security management system. This enhances information security capabilities and effectively reduces the risks of theft, improper use, leakage, tampering or destruction of information assets caused by human error, deliberate or natural disasters, etc. It also protects the Company' s assets, assisting in complying with international regulations on sensitive information requirements for customers and employees; reduces risks and penalties for violations of regulations; enhances the Company' s reputation and competitiveness.
Anthropogenic Risks	Operational risks and institutional risks.	Medium	Low	Medium	No	● The audit department performs audits based on the audit plan to reduce institutional risks. ● Quality assurance units conduct irregular inspections to reduce operational risks.
Legal and Other Risks	Contract risks, compliance risks, and other risks that may affect the Company.	Low	Low	Low	No	● We strengthen legal functions and implement contract review.

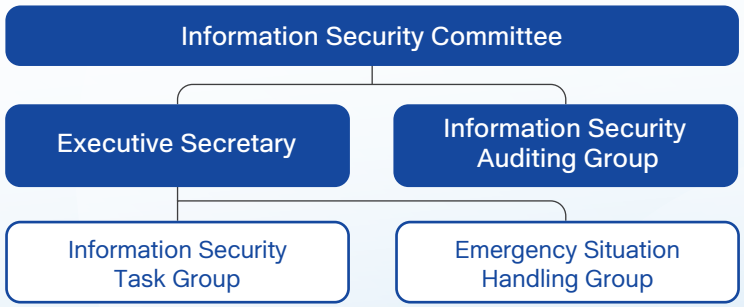
Information Security

To strengthen information security management, SAI achieved ISO 27001:2013 information security management system certification in 2023 and obtained its "TISAX®(AL3) Information Security and Prototype Protection" label in 2024. This demonstrates the Company's commitment to the protection of information security and customer confidentiality. Following relevant verification requirements, we continue to implement information security systems and operating procedures, enhance personnel awareness of security, regularly conduct internal audits and external reviews, and continuously strengthen information security monitoring and management through the PDCA (Plan – Do – Check – Act) cycle. This approach aims to reduce enterprise security threats from both technical and procedural perspectives.

SAI has established an Information Security Policy as the basis for various information security management operations, aimed at preventing theft, improper use, disclosure, alteration, or destruction of information assets due to human error, malicious behavior, or natural disasters. This process safeguards the integrity and safety of key operational information and stakeholders' data, ensuring sustainable business operations.

In 2024, there were neither information security incidents nor records of complaints of customer privacy violations or loss of customer data.

Information Security Committee Structure



Roles of Members of the Information Security Organization

Information Security Committee	● The Vice President serves as convener and Chief Information Security Officer. ● Reviewing management systems and establishing policy objectives.
Executive Secretary	● Providing early warning, monitoring, and managing security situations. ● Proposing improvement suggestions and assisting in conducting self-assessments.
Information Security Task Group	● Representatives from each department act as members, responsible for planning and executing various information security operations (such as education and training, corrective/recovery measures, and compliance with information security regulations). ● Develop an internal information security audit plan to assess the implementation status of information security management and prepare internal audit reports.
Emergency Situation Handling Group	● Key business process owners serve as team members. ● In case of emergencies, they initiate contact and notification with relevant external stakeholders.
Information Security Auditing Group	● Formulating an internal audit plan for information security, evaluating the implementation of information security management, and writing an internal audit report.

Information Security and Objectives

1. Ensure that the Company's critical core systems maintain a certain level of system availability.
2. Protect the Company's business activity information, including information security and prototype protection. Prevent unauthorized access and modification to ensure accuracy and integrity.
3. Conduct regular internal audits to ensure the effective implementation of relevant operations.
4. Provide information security and prototype protection training, promoting employee awareness of information security and prototype protection and enhancing their understanding of related responsibilities.

2024 Information Security Education and Training/Social Engineering Exercise

Course/Advocacy	Total Hours
Information Security Awareness Training	1,434
ISO 27001 Lead Auditor Training	80
ISO 27001 Internal Auditor Training	320
TISAX Prototype Protection Awareness Course	1,434

Social Engineering Exercise

A total of 535 employees and management participated in this year' s social engineering exercise. Six templates were designed, and each employee was tested randomly according to business functions. Results showed an average email open rate of 7.9%, a click rate of 3.09%, and an attachment open rate of 4.16%. Employees who opened an email, clicked a link, or accessed an attachment were required to retake social engineering awareness training. These measures aim to strengthen phishing detection skills and enhance overall information security.

2024 Information Security-Related Tests/Disaster Drills

Information Security-Related Engineering Tests and Protection Scans

To improve its overall information security protection capabilities, the Company uses firewalls to protect against potential network security threats. It has introduced endpoint protection mechanisms and anti-virus software to strengthen the security of user equipment. To improve the ability to monitor and respond to advanced attacks, we have deployed Advanced Threat Protection and EDR (Endpoint Detection and Response) systems to detect and block potential hacking and malicious activities in real time. Since 2023, we have allocated an annual budget to conduct information security technology testing, including system vulnerability scans, website vulnerability scans, and penetration testing. We conduct risk assessment and remediation operations based on test results to reduce potential threats and improve the overall security of the information system. The technical inspection for 2024 was completed in September. After re-scanning, 56 critical and high-priority items were corrected according to the target, resulting in a 100% completion rate.

Information Security Inventory and Disaster Drills

To ensure continual operations and reduce the impact of major failures or disasters on critical business processes, the Company plans to implement disaster recovery drills three times a year, strengthening its emergency response and system recovery capacity. The application scope of the information security management system comprises nine key business processes, including network services and core systems. Corresponding emergency response processing and recovery operating procedures are formulated based on various risk scenarios to ensure the stable operations of key functions.
The items of the 2024 disaster recovery drills included PLM systems, MES systems, AD systems, and a power interruption simulation. Relevant drills were conducted before November 2024 to ensure the ability to respond in real time while continuing operations in the face of emergencies.

Climate Change Management

Extreme climate poses an undeniable threat to global economies and people's lives. The World Economic Forum's Global Risk Report 2025 indicates that "extreme weather events" occupy the highest global risk position over the next decade, while all the top four risks are environmental risks. SAI upholds the principle of aligning corporate growth with ecological sustainability to ensure mutual prosperity. It follows the TCFD (Task Force on Climate-related Financial Disclosure) framework and discloses information in four major areas: governance, strategy, risk management, and metrics and targets. This demonstrates the Company's resilience and response to climate change, laying the foundation for management toward achieving net-zero emissions.

Governance

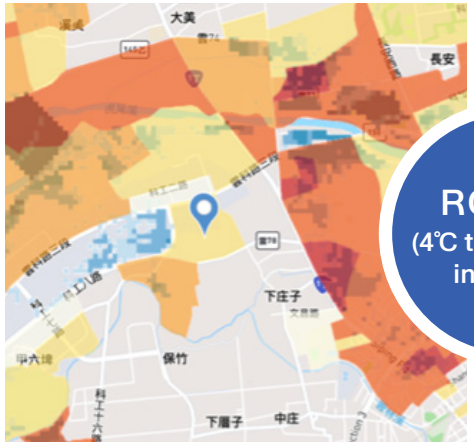
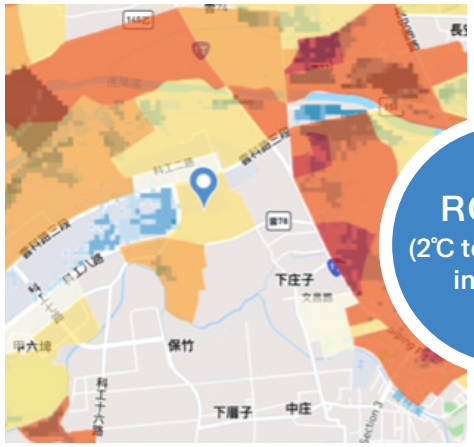
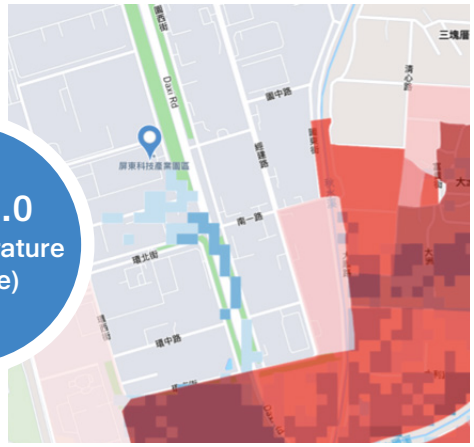
The governance structure for climate change issues is overseen by the Board of Directors, serving as the highest regulatory body. Control mechanisms for related issues are established under the Sustainable Development Committee, comprising various functional groups: the Environmental Protection Team, Corporate Governance Teams, Social Care Group, and Supply Chain Management Group. These groups address stakeholder concerns and collaborate with relevant company departments to plan, promote, and implement related initiatives. The committee meets at least twice a year and reports its activities to the Board of Directors at least once annually.

Strategy

The Company's risk management policy, including subsidiaries, is defined in accordance with overarching business guidelines. The Company has established a risk management system that enables early identification, precise measurement, adequate supervision, and stringent control of various risks. Within an acceptable risk range, this mechanism aims to prevent potential losses. It continuously adjusts and improves risk management best practices based on changes in internal and external environments. This serves to protect the interests of employees, shareholders, partners, and customers, enhance company value, and achieve the optimal allocation of Company resources.

Scenario Analysis

The Company, referencing the "Climate Change Disaster Risk Adaptation Platform," assessed the physical flood risk under the RCP 8.5 scenario (4° C temperature increase) and the RCP 6.0 scenario (2° C temperature increase). The assessment results show that SAI's Yunlin Plant and Pingtung Plant are located in low-risk flood zones, with no significant financial impact expected.

Yunlin Plant	Pingtung Plant
	
RCP 8.5 (4℃ temperature increase)	
	
RCP 6.0 (2℃ temperature increase)	

Risk Management

In accordance with the Company' s Risk Management Policy, each responsible unit must assess identified risk scenarios through a structured process that includes risk identification, analysis, assessment, response, and monitoring, as well as reporting and disclosure. Based on the residual risk level assessed, they are required to propose risk response improvement plans to manage risks effectively.

Internal target management timelines are defined as short-term for impacts under two years, medium-term for three to five years, and long-term for over five years.

Future Potential Significant Impacts

Category	Risk and Opportunity Items	Short-term Financial Impacts	Response Measures
Entity Risks	Increased severity and frequency of extreme weather events, such as drought.	Increased operating costs due to operational disruptions.	● Diversification of operational site selection and machining subcontractors to facilitate production transfer during plant operation interruptions.
	Insufficient resources; unstable water and electricity supply.	For each day of downtime, estimated costs are projected to increase by NTD 10.7 million. Note : Daily average production costs + potential increase in transportation costs (e.g., additional air freight)	● 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 plant during power outages.
Transformation Risks	Greenhouse gas emissions management and carbon taxation.	In 2024, the Scope 1 and Scope 2 greenhouse gas emissions of both plants totaled 35,473.315 metric tons. It is anticipated that a carbon tax will be levied on [35,473.315 metric tons - 25,000 metric tons (exemption quota) x NTD 100 (estimated rate), resulting in an annual cost of approximately NTD 1.0473 million.	● 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.
	Transition to low-carbon emission technology services.	The shift to low-carbon technology (e.g., using recycled aluminum) increases equipment costs by approximately 3 to 4 times while reducing material costs by about 23.53%.	● Evaluate the cost of equipment introduction and the environmental and financial benefits of products; select higher energy-efficient machinery; opt for low-pollution raw materials to reduce environmental pollution.
	Rising energy costs.	The cost of establishing energy-saving, carbon-reduction, and pollution-reduction equipment has increased by approximately NTD 43 million, along with the rising cost of purchasing renewable energy.	● Increase the scale of renewable energy generation to enhance the proportion of self-supplied electricity. ● Develop an energy management platform to monitor electricity usage in the production process, plan energy consumption reduction initiatives, and lower overall energy use.
Opportunity	Market information and customer behavior changes.	Demand from consumers and customers for sustainable and low-carbon products has increased.	● SAI responds to the increasing demand of consumers and customers for sustainable and low-carbon products by evaluating product life cycles and offering low-carbon products to customers. Through product design, we enhance the efficiency of usage cycles and recycle aluminum scrap from the smelting process to produce recycled aluminum as a raw material, reducing our carbon footprint by over 97%.

Indicator Targets

Core Strategies	Indicators	Short-term Management Measures	Medium- to Long-term Management Measures
Energy Conservation	Energy audit reporting	● According to the Bureau of Energy's calculation method, the average annual energy savings reached 1.5% based on the 2018 baseline year.	● According to the Bureau of Energy's calculation method, the average annual energy savings reached 1.5% based on the 2018 baseline year.
	Installation of renewable energy generation equipment	● In 2024, a total of green electricity equivalent to 1,896 green energy certificates was generated and used by SAI itself.	● Regularly upload power generation data to obtain green energy certificates.
Green Growth	Recycling and reusing smelted aluminum materials	● Recycling and reusing smelting aluminum materials at a rate of over 40%.	● SAI achieves a recycling and reusing rate of over 50%.
	Smelting production yield	● Smelting production yields over 98%	● Smelting production yields over 98%.
Greenhouse Gas Management	Greenhouse gas emissions	● Greenhouse gas emission intensity decreased by 23% compared to the 2022 baseline year.	● Greenhouse gas emission intensity decreased by 30% compared to the 2022 baseline year.
	Greenhouse gas inventory	● Concurrent greenhouse gas inventory for the Pingtung Plant, Zhuwei Plant, and Plant 1.	● Annual verification is required to comply with ISO 14064-1.
	Greenhouse gas reduction	● Install energy-saving monitoring systems for chiller units and air compressors. ● Develop greenhouse gas reduction plans aligning with projects for low-carbon and intelligent transformation in the manufacturing sector.	● Collaborating with the government's "Low-Carbon and Intelligent Transformation Project for Manufacturing," establish greenhouse gas inventory and energy management platforms for chillers and air compressors, identifying primary energy-consuming sources to implement improvement plans. ● Execute ISO 14064-2 Reduction Plan Verification.
	Carbon footprint inventory	● Establish a product carbon footprint inventory. ● Execute ISO 14067 verification. ● Provide CBAM-relevant data according to the requirements of EU customers.	● Annual verification required to comply with ISO 14067.

2.5 Ethical Management

Ethical Management

In accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and relevant laws and regulations of our operational locations, SAI has established procedures and guidelines including the "Code of Ethical Conduct," "Ethical Corporate Management Best Practice Principles," "Ethical Corporate Management Procedures and Guidelines," and "Sustainable Development Best Practice Principles." These guidelines encompass regulations on anti-corruption, insider trading, intellectual property rights, and proper information preservation and disclosure, specifically outlining the necessary precautions to uphold the Company's ethical standards and appropriate behavior. We require all employees to fully understand and adhere to these ethical guidelines, respect and strictly abide by confidentiality agreements with customers, and refrain from accepting any bribes or improper benefits. Additionally, we invite customers, suppliers, business partners, and other associated entities to jointly understand and support SAI's core values of integrity.

SAI implemented risk identification in August 2024, identifying a total of eight corruption-oriented risk factors; assessment results indicate that all were low risk.

Board of Directors

Fulfill the audit and assessment responsibilities to ensure the implementation of ethical business practices. The Board of Directors must stipulate that any proposals in which a director or the legal entity they represent has a vested interest must be disclosed at the relevant Board meeting, detailing the significant aspects of the interest. If a matter involves a conflict of interest that may harm the Company, the director must abstain from discussion and voting and recuse themselves from the relevant proceedings. Regarding conflicts of interest in 2024, refer to pages 17 and 18 of the Company's 2024 Annual Report.

Employees

2024 Advocacy and Training:

- 1465 members, accounting for 100% of the organization, have been informed about the anti-corruption policy and procedures.
- 1465 employees have received anti-corruption education training, achieving a completion rate of 100%.
- 100% directors and senior executives have signed integrity commitments.
- A total of 299 people participated in new employee training on anti-corruption.

Business Counterparts (Suppliers, Customers)

Engaging in business transactions must not involve illegal activities. Upon identifying dishonest conduct by a business counterpart or collaborator, the Company must immediately cease all business dealings and classify the party as a refused business partner to uphold its ethical management policies.

- Suppliers are required to sign a Supplier Code of Conduct declaration.
- Customers should be asked to sign CSR-related commitment letters upon request.

Transparency and Integrity Policy Implementation

To implement and promote corporate ethics and strengthen business concepts, SAI has formulated policies regarding responsible business conduct. These policies are implemented by each operational unit to integrate them into the daily operations involving relevant stakeholders (employees, suppliers, etc.). The policy execution results for the year 2024 are as follows:

Policy Name	Policy execution unit	Policy advocacy method	Policy Implementation Method	Execution Outcomes
Ethical Management Policy	Corporate Governance Body	Public announcement	Established a Code of Conduct.	100% compliance with the Code of Conduct across all staff.
Information Security Policy	Information Security Office	Public announcement and education training	Compliance with ISO 27001 requirements.	Certification achieved.
Anti-Corruption and Anti-Bribery Policy	Audit Department	Public announcement	Established a Code of Conduct.	100% compliance with the Code of Conduct across all staff.

Policy Name	Policy execution unit	Policy advocacy method	Policy Implementation Method	Execution Outcomes
No Harassment, No Bullying Workplace Environment Policy	HR Section	Public announcement	Established a complaints channel.	No complaint cases in 2024.
ASI Policy	QA Department	Public announcement	Compliance with ASI management system requirements.	ASI certification achieved.
Human Rights Policy	HR Section	Public announcement	Human rights due diligence.	Please refer to Chapter 5.2 Human Rights Management of this report.
Environmental Health and Safety Policy	Occupational Safety Office	Education training	Compliance with ISO 14001 and ISO 45001 requirements.	Maintaining certificate validity.
Supplier Code of Conduct	Procurement Section	Signing of declaration statement	Request suppliers to sign the declaration.	Please refer to Chapter 4.4 Supplier Management of this report.

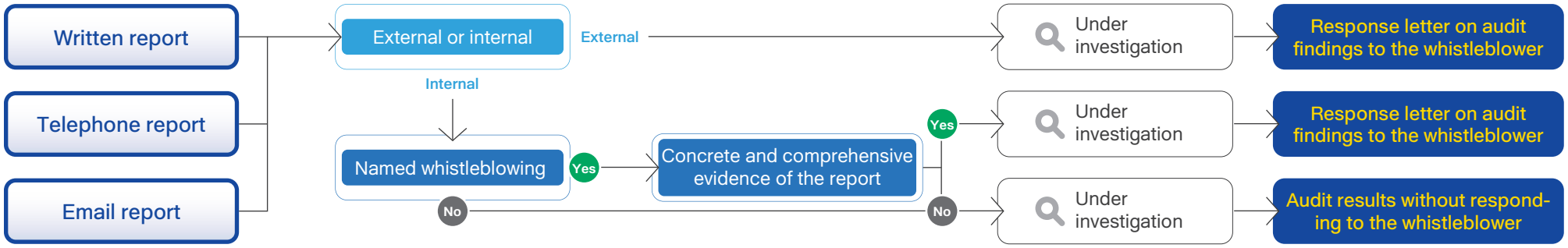
Complaint/Whistleblowing Mechanisms

SAI has consistently upheld a corporate culture of integrity and transparency, promoting sound business practices. We have established the "Whistleblowing Handling Procedure" and the "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 developed and publicized multiple channels—including a whistleblowing hotline, an email address, and a postal address—all available on our official website and internal platforms; these channels are available to both internal colleagues and external parties.

Upon receiving a complaint, the designated unit registers the case and verifies its acceptance based on whistleblowing documents, records, and transcripts, along with relevant information. Confirmed cases are forwarded to the investigating unit for further inquiry. The unit handling complaints appropriately notifies whistleblowers—either in writing or through other suitable means—of the status of their case. Employees can 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.

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, thereby preventing unfair treatment or retaliation. Whistleblowers may legally seek preventive measures if they foresee potential harm. For internal employee whistleblowers, SAI guarantees protection from negative treatment due to whistleblowing. It strictly prohibits any retaliatory measures and allows for anonymous reporting, actively preventing dishonesty, fraud, and criminal activities. In 2024, SAI received zero complaints.

Whistleblowing Case Handling Procedure



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 Complaints/Whistleblowing Cases in the Past Three Years

Complaint/Whistleblowing Aspects	2022	2023	2024
Ethical Management	0	0	0
Labor Human Rights	0	0	0
Environmental Protection	1	0	0
Customer Service	0	0	0

Political Contributions

SAI has established the "Ethical Corporate Management Best Practice Principles," "Ethical Corporate Management Procedures and Guidelines," and the "Whistleblowing System," prohibiting the acceptance or donation of illegal political contributions. In 2024, there were no donations made to political parties or political groups.

Tax Approaches

Tax Policy

The Company adheres to local tax regulations and legislative principles, ensuring the accurate calculation, timely filing, and prompt payment of taxes.

We conduct comprehensive assessments of the impacts of local and international tax regulatory changes and swiftly formulate responsive decisions.

We regularly disclose tax information through our financial and annual reports, which are published on public channels, to ensure transparency of information for our stakeholders.

We maintain open and honest communication with national tax authorities, providing industry insights to help improve the tax environment and system.

By utilizing legal and transparent tax incentive policies, we refrain from methods that violate the spirit of the law to enjoy tax reductions or exemptions.

The corporate structures and transactions are aligned with commercial essence and are not structured and arranged with the primary and sole purpose of reducing tax liabilities.

We develop and implement tax decisions while evaluating associated risks and adopting appropriate strategies.

Tax Information for the Past Two Years

Unit: NTD Thousand

Item	2023	2024	Average
Net profit before tax	972,721	943,520	958,121
Income tax expense	194,544	165,116	179,830
Income tax rate (%)	20%	20%	20%

Regulatory Compliance

SAI adheres to the principles of legal compliance, strictly operating in accordance with laws and regulations. It establishes internal operational procedures based on standards for publicly traded companies. SAI closely monitors domestic and international policies and regulations that may impact the Company's financial and business operations, establishing relevant risk management procedures to mitigate these risks. The Company enhances employees' legal literacy by providing education and training opportunities. In 2024, SAI's operational sites reported no significant fines (exceeding NTD 1 million) related to corporate governance, environmental protection, human resources, products, or services.

Corporate Governance Regulations

- No violations of the Company Act
- 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

Environmental Protection Regulations

- No violations of the Air Pollution Control Act
- No violations of the Water Pollution Control Act
- No significant violations of the Waste Disposal Act

Human Resource Regulations

- No violations of the Gender Equity Education Act
- No forced labor practices
- No child labor
- No infringements on Indigenous rights

Product and Service Regulations

- 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

Despite the absence of significant compliance issues, the Company has incurred fines in other instances, all of which have been addressed with enhanced corrective measures to prevent the recurrence of similar violations:

Type of Penalty	Content of the Penalty	Description of the Regulatory Violation	Improvement Measures
Environmental Regulations	Article 31, Paragraph 1, Subparagraph 1 of Waste Disposal Act, Article 36, Subparagraph 1 of Waste Disposal Act	Failure to operate in accordance with the license or registered matters.	1. Staff on all shifts are expected to maintain environmental cleanliness at all times. 2. Monitor equipment maintenance progress, coordinate production schedules for equipment repairs and aluminum scrap removal, and ensure scrap is transported and stored according to the factory layout specified in the waste removal documentation.
	Article 36, Paragraph 1 of Waste Disposal Act	Provisions of Article 36, Paragraph 1 of the Waste Disposal Act, which are Methods and Facilities Standards for Storage, Clearance and Disposal of Industrial Waste, Article 6, Paragraph 1, Subparagraph 2 and Subparagraph 4, and Article 10, Paragraph 1, Subparagraph 1 and Subparagraph 2.	1. Discharge sludge into space bags or bulk containers during pond cleaning operations. 2. Conduct inspections during and after cleaning operations to ensure that sludge is contained properly and the environment is clean.
Occupational Health and Safety Regulations	Article 6, Paragraph 1 of Occupational Safety and Health Act	1. The employee engaged in replacing the driving shaft bearing of the reducer motor of the annealing furnace with the middle finger of his left hand caught between the transmission shaft and the transmission gear. 2. No appropriate traffic equipment such as handrails, pedals, ladders, etc. installed for crossing the conveyor belt in the operations area.	1. Fixtures contacted during maintenance have been fixed to prevent them from being driven by the equipment. 2. Senior staff guide the correct techniques before construction.
	Article 6, Paragraph 1 of Occupational Safety and Health Act	The motor shaft of Plant 1's preheating furnace was not equipped with safety equipment and measures such as enclosures and shields.	The occupational safety unit lists the entanglement and pinch hazard as an item for review of the month and conducts parallel confirmation by each unit.
Total	Number of incidents: four; total fines: NTD 154,000.		

3 Toward Net-Zero Emissions

3.1 Net-Zero Policy

Net-Zero Strategies

To mitigate the potential impacts of extreme climate events on Company operations and actively respond to leading international automotive brands' expectations of net-zero emissions, SAI—a global leader in forged solutions—has set a long-term goal to achieve net-zero carbon emissions by 2050. Using 2022 as a base year, the Company has set a short-term goal of reducing carbon by 4% by 2026 and a medium-term goal of reducing carbon by 7% by 2030. We continue to monitor the progress of carbon reduction and steadily advance toward the long-term vision of achieving net zero by 2050. The Company continues to promote low-carbon transformation, innovation, and R&D, as well as collaboration along the supply chain. We are committed to leading the forging industry toward sustainable development while cultivating a more resilient and sustainable future.

The Company conducts annual assessments of energy and greenhouse gas emissions. It utilizes SWOT analysis to assess external environmental factors and internal resources, identifying strengths, weaknesses, opportunities, and threats. This strategic approach guides the development of detailed action plans across four strategic directions, progressively moving toward achieving net-zero carbon emissions.

Strategic Direction	Deployment of renewable energy	Fostering a sustainable culture	Optimizing process energy efficiency
Implementation Details	● Each plant installed solar power generation equipment for use in production processes, in compliance with government regulations on renewable energy contract capacity.	● 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.	● 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 revised 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. ● Referred to the Major Energy-Using Equipment Registration Form to evaluate the replacement of high-energy-consuming equipment. New equipment was selected based on the Energy, Environment, and Health Safety Design and Procurement Evaluation Forms to ensure high energy efficiency.
2024 Implementation Results	● In 2024, a total of 1.8895 million kWh of green electricity was generated, equivalent to 1,896 green energy certificates.	● In 2024, Company employees were sent to participate in 13 sessions and a total of 145.5 hours of courses and forums related to climate change, carbon fee regulations, and carbon reduction technologies. ● We actively participated in symposiums and explanation sessions hosted by government departments, such as the Yunlin County Climate Change Adaptation Implementation Plan Symposium.	● We implemented improvements on three major energy-using pieces of equipment, achieving total energy savings of 5.299 million kWh/year.

Environmental Management Policy

To mitigate the environmental impact of our operations, SAI aims to achieve net-zero emissions by 2050 in response to the global warming control goals set by the <Paris Agreement>. The Company upholds its responsibility for mitigating climate change and protecting the ecology in response to the Aluminum Stewardship Initiative (ASI) standards. The Company has established an Environmental Safety and Health Policy to evaluate energy and carbon emissions, set carbon reduction targets, and initiate environmental education and training to raise employee awareness. Together, we strive to execute carbon reduction measures and minimize environmental impacts, while simultaneously addressing stakeholder expectations and adhering to regulatory requirements. This approach strengthens SAI's corporate resilience and sustainable value.

Environmental Safety and Health Policy	Management Action	2024 Implementation Results
Promoting EHS (Environmental, Health, and Safety) awareness among employees and relevant stakeholders	Conducting related education and training for dedicated personnel and all employees.	● EHS personnel: 168 person-hours participation in external training, totaling 662 hours; the Company holds 598 technicians' certificates (including 31 newly added technicians' certificates in 2024). ● All employees: 4,395 person-hours of training, totaling 2,198 hours.
Complying with EHS regulations and related requirements	Monitoring regulatory changes and enhancing improvements and prevention measures for any violations.	● No major violations occurred; all incidents of non-compliance were adequately addressed and prevented. ● No significant violations of the Waste Disposal Act. ● No violations of the Air Pollution Control Act. ● No violations of the Water Pollution Control Act.
Achieving EHS targets by promoting energy conservation, carbon reduction, green environmental protection, and physical and mental well-being	Aiming for net-zero carbon emissions by 2050, following the ISO 14001 and ISO 50001 management system cycles, and actively replacing high-energy-consuming equipment.	● Achieved a 21.5% reduction in carbon emission intensity compared to 2022. ● Energy-saving improvements in various energy installations save 5.299 million kWh annually.
Improving EHS processes to reduce environmental hazards and ensure the safety and health of people	Following ISO 45001 Occupational Health and Safety Management System to mitigate occupational incidents and prevent hazardous substance leaks that could impact the environment and residents' health.	● No major leakage/seepage incidents occurred (affecting off-site surroundings). ● No fatal occupational accidents occurred. ● There was one occupational incident and 13 traffic accidents.

Note : Please refer to Chapter 5.4, Occupational Safety, for occupational safety management-related content.

■ Promoting EHS Awareness

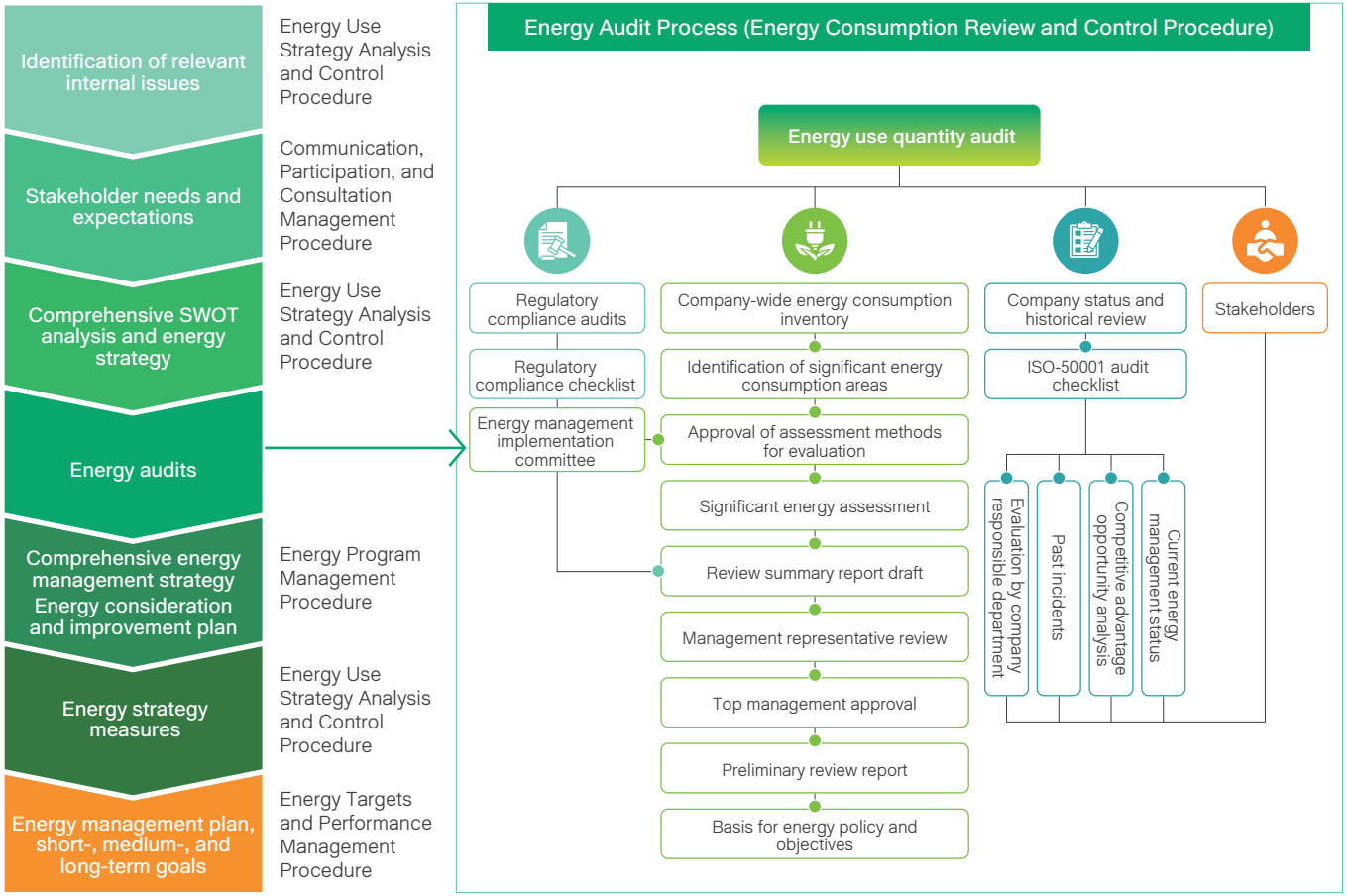
To achieve SAI's environmental goals, education and training are provided to dedicated personnel and all employees. Through the leadership of dedicated personnel, SAI aims to achieve environmental sustainability. All employees are encouraged to practice sustainability in their daily work.

By the end of 2024, SAI had a total of nine employees holding ISO 14064-1 Greenhouse Gas Inventory internal auditor certifications and 38 employees holding ISO 14001 Environmental Management System internal auditor certifications. There were six person-hours of environmental training for dedicated personnel, including wastewater management, waste management, and air pollution control, totaling 64 hours. All employees received education and training on environmental protection-related knowledge, including deep-sea mining, environmental protection badge collection, and brief discussions on SDGs. The total number of participants reached 4,457, and the total training hours were 2,228.5 hours.

Training Participants	Training Focus	Training Content	2024 Training Outcomes
Dedicated personnel	Management system	● Internal auditors for ISO 14001 Environmental Management System	A total of 38 participants, totaling 266 hours
		● Internal auditors for ISO 45001 Occupational Health and Safety Management System	A total of 50 people, totaling 350 hours
	Wastewater management	● Water pollution prevention policies and regulations; Status and future development of wastewater treatment technology	A total of 2 people, totaling 14 hours
	Waste management	● Policies and regulations related to waste and resource recycling; ● Status and future development of waste treatment technology	A total of 2 people, totaling 36 hours
	Air pollution control	● Air pollution prevention policies and regulations; ● Current situation and future development of air pollution prevention and control technologies	Two participants, totaling 14 hours
	ISO 14064-1 Greenhouse gas emissions	● Internal auditors for ISO 14064-1 Greenhouse Gas Inventory	Nine participants
All employees	Environmental protection-related knowledge	● Deep-sea mining, environmental protection badge collection, and brief discussions on SDGs	A total of 4,457 person-hours, totaling 2,228.5 hours

3.2 Energy Management

To respond to the energy transition objectives in national energy policies, SAI has formulated principles and actions focused on reducing coal usage and promoting green initiatives. Through effective energy management systems, the Company monitors energy consumption, develops energy improvement plans, and initiates green energy development projects. The scope of this energy management system covers all operations and processes at SAI' s plants, including Plant 1, Plant 2, the Zhuwei Plant, and the Pingtung Plant in Yunlin Technology Industrial Park; it encompasses all activities, products, and services of employees on-site. It includes five major management procedures, structured as follows:



Energy Usage Policy

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

1. **Promoting energy-saving and carbon reduction awareness among employees and relevant stakeholders.**
2. **Compliance with energy laws and related requirements.**
3. **Achieving energy targets through energy-saving, carbon reduction, efficiency enhancement, and green environmental practices**
4. **Improving energy processes to reduce energy consumption and enhance energy efficiency.**

To achieve these commitments, SAI plans to actively transit and invest in the next five years to enhance recycling rates (aluminum dross refining for recycled materials), promote green product initiatives, increase resource reuse (recycling wastewater), develop low-pollution source products (reduced solvent testing), and implement energy-efficient processes (automation control). These actions aim to advance the goal of achieving net-zero carbon emissions by 2050.

Energy Consumption

In 2024, SAI's total internal energy consumption recorded was 787,483.9 gigajoules (GJ), down 6.1% from 2023. Energy intensity was 0.1054 GJ/NTD thousand, 2.2% lower than the previous year. In the future, the Company will continue to promote energy efficiency management and energy-saving measures.

Energy Usage Statistics for the Past Three Years

Quantitative Indicators	Unit	2022	2023	2024
Natural gas consumption (heating)	M^3/year	9,812,335.29	10,126,977.84	9,603,827.00
	GJ	369,740.57	381,596.68	361,883.37
Gasoline consumption	L/year	19,060.71	22,638.15	17,686.50
	GJ	622.47	739.29	563.45
Diesel consumption	L/year	267,196.96	309,134.20	267,772.40
	GJ	9,397.08	11,389.69	9,688.63
Electricity consumption (excluding refrigeration)	kWh/year	117,458,612.96	121,636,251.45	112,595,785.91
	GJ	422,851.01	437,890.51	405,417.80
Refrigeration electricity consumption	kWh/year	657,719.04	690,164.55	867,442.09
	GJ	2,367.79	2,484.59	3,123.35
Solar power generation	kWh/year	0	1,348,638.99	1,889,465
	GJ	0	4,855.10	6,803.30
Operating revenue	NTD Thousand	6,401,739	7,779,316	7,473,579
Energy consumption	GJ	804,978.92	838,955.86	787,483.90
Energy intensity	GJ/NTD Thousand	0.1257	0.1078	0.1054

Energy Performance

Due to reduced production capacity in some plants this year, production could not be concentrated, resulting in increased energy consumption that impacted performance. However, overall unit energy consumption still declined.

Energy Performance of Each Plant for the Past Three Years

Plant	year	Production Volume	Electricity Performance	Natural Gas Performance
Pingtung Plant	2022	74,611	393.77	60.55
	2023	141,256	260.22	36.77
	2024	190,339	209.13	28.38
	Unit energy consumption		Decreased by 19.63%	Decreased by 22.82%
Plant 2	2022	531,185	121	9.03
	2023	584,696	109.57	7.8
	2024	477,619	112.48	8.34
	Unit energy consumption		Increased by 2.66%	Increased by 6.92%
Plant 1	2022	92,273	104.08	5.47
	2023	66,590	115.2	5.49
	2024	46,772	155.45	4.68
	Unit energy consumption		Increased by 34.94%	Decreased by 14.75%

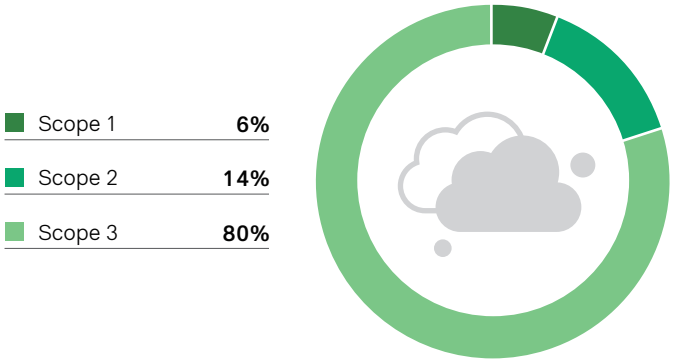
Note1. Energy Performance Indicator is defined as electricity consumption/ production output (Unit: kWh/PCS).
Note2. The electricity and natural gas efficiencies of the Pingtung Plant include the smelting facility; production output is excluded from calculations.
Note3. Thermal energy conversion is calculated based on the calorific value table announced by the Bureau of Energy.

3.3 Greenhouse Gas Emissions Management

In response to the global trend toward net-zero carbon emissions, SAI has implemented the ISO 14064-1 Greenhouse Gas Inventory System by establishing a systematic carbon emission monitoring, management, and disclosure mechanism. This mechanism ensures that the carbon emissions data generated by operating activities are highly consistent with the verification process, improving the transparency and credibility of carbon inventory information.

In 2024, SAI's greenhouse gas emissions regarding Scope 1 and Scope 2 totaled 75,081.4879 tCO_2e, down 8.4% from the baseline year (2022); the emission intensity was 0.0100 (tCO_2e/NTD thousand), a decrease of 21.5% compared to 2022.

SAI's 2024 Greenhouse Gas Emissions Structure



Greenhouse Gas Emissions Statistics for the Past Three Years

Unit:tCO_2e

Item	2022	2023	2024
Scope 1: Greenhouse gas emissions	21,756.7065	22,597.5517	21,299.9178
Scope 2: Greenhouse gas emissions	60,185.5175	60,647.9001	53,781.5701
Scope 1 + Scope 2	81,942.2240	83,245.4518	75,081.4879
Operating revenue (NTD Thousand)	6,401,739	7,779,316	7,473,579
Greenhouse gas emission intensity (tCO_2e /NTD Thousand)	0.0128	0.0107	0.0100

Note：The calculation of power carbon emissions is based on the carbon dioxide emission coefficient of 0.474 for 2024 published by the Energy Administration, Ministry of Economic Affairs; the coefficients of 0.494 and 0.495 for 2022 and 2023 are used, respectively.

Scope 3 Greenhouse Gas Emissions Statistics

Unit:tCO_2e

Indirect Emissions	Emission Sources	2023 emissions	2024 emissions
Category 3	Emissions from the upstream transportation of raw materials	7,275.4845	4,283.1203
	Emissions from the downstream transportation of goods	5,656.5668	5,537.6599
	Emissions from employee commutes	565.2224	538.1380
	Emissions from waste transportation	84.8378	306.8709
	Subtotal	13,582.1115	10,665.7891
Category 4	Organizational procurement of goods (see note)	261,346.9590	284,333.9840
	Disposal of waste generated from company operations	318.8943	424.7197
	Subtotal	261,665.8533	284,758.7037
Total		275,247.9648	295,424.4928

Note：Due to the change in raw material aluminum column data this year, from purchase volume to actual consumption, the carbon emissions of organizational procurement of goods in 2024 increased compared to 2023.

Seven Greenhouse Gas Emissions and Percentage

Unit:tCO_2e

	CO_2	CH_4	N_2O	HFCs	PFCs	SF_6	NF_3	Total
Emissions	369,912.2836	133.0191	21.1949	439.4343	0.0000	0.0489	0.0000	370,505.9810
Percentage	99.840%	0.036%	0.006%	0.119%	0.000%	0.000%	0.000%	100.000%

Scope 3 Indirect Emissions Management

SAI's greenhouse gas emissions are primarily attributed to Category 4—the organizational procurement of goods—driven mainly by the purchase of primary aluminum ingots, resulting in higher carbon emissions. To reduce overall carbon emissions from purchased goods, SAI recycles and reprocesses aluminum scrap and offcuts into recycled aluminum for product materials, significantly lowering total carbon emissions.

Furthermore, SAI is responsible for reducing Scope 3 indirect emissions by collecting carbon emission data from major aluminum ingot suppliers. The Company conducts greenhouse gas inventories with these suppliers. It progressively requires them to implement greenhouse gas inventories and assist in smart energy management systems, leading the industry toward net-zero carbon emissions. Specifically, SAI has investigated the greenhouse gas emissions data of its Dubai aluminum ingot suppliers for two consecutive years. The survey results are as follows:

Raw Material Supplier Greenhouse Gas Emissions Survey: Dubai Primary Aluminum Ingots

Carbon Emission Information for Raw Materials	2022	2023
Product carbon emission intensity (emissions/total aluminum output weight)	13.15 (tCO_2e/t of AL)	13.432 (tCO_2e/t of AL)
Total supplier emissions	39,816,207 (tCO_2e)	15,363,994 (tCO_2e)
Dubai's primary aluminum carbon emission coefficient		11.624 (kg CO_2 eq./kg of product)

- The primary aluminum ingot suppliers have offset Scope 2 emissions through renewable energy certificates.
- The data includes Scope 1 and Scope 3 emissions, confirmed by a third-party verification company.

Note : Due to the varying inventory time of Dubai suppliers, the latest carbon emission data for 2023 provided by the suppliers are used for calculating the carbon emissions in 2024.

Renewable Energy Use

External electricity procurement is the primary source of greenhouse gas emissions regarding SAI's energy resource usage. In addition to energy efficiency initiatives, the Company continues to adopt clean energy sources to help reduce carbon emissions. It aligns with the government's goals of expanding green energy development for sustainable transformation. SAI invested NTD 66.8 million to establish a 1,492.4-kW solar power generation field at its Pingtung Plant, supplying internal energy needs. The facility generates approximately 1.85 million kWh annually.

The solar power generation field of the Pingtung Plant was completed in March 2023, generating a total of 1,889,465 kWh by the end of 2024. This accounted for 4.7% of the total power consumption of Pingtung Plant, equivalent to 1,896 Taiwan renewable energy certificates. Future plans include continuing to increase renewable energy use to meet government-mandated targets, aiming for 10% of contracted capacity from renewable sources to lead the industry toward low-carbon sustainability.

Proportion of Green Electricity Usage for the Past Two Years

Item	2023	2024
Green electricity consumption (kWh)	1,348,639	1,889,465
Total electricity consumption of the Pingtung Plant (kWh)	36,952,194	39,805,504
Proportion of green electricity	3.6%	4.7%

Note1. Total electricity consumption = purchased electricity + green electricity consumption.
Note2. Proportion of green electricity = green electricity consumption/(purchased electricity + green electricity consumption).
Note3. All green electricity is self-generated for self-use.

Energy Conservation and Carbon Reduction Policy

In addition to actively investing in renewable energy to reduce greenhouse gas emissions, SAI promotes energy conservation and carbon reduction activities comprehensively. The Company conducts regular reviews of project effectiveness to ensure that project progress and benefits meet standards. It closely monitors the use of electricity, lighting, and motors within its facilities to maximize overall energy efficiency and reduce unnecessary energy consumption. In 2024, various energy conservation and carbon reduction initiatives resulted in approximately 5,298,977 kWh of electricity savings (about 19,079 GJ) and a reduction of 2,511.715 tCO_2e in greenhouse gas emissions.

Energy Conservation and Carbon Reduction Plan 1

Energy-saving measure: Installation of a monitoring energy-saving system on the chiller unit in Building A of Plant 2 in Yunlin
Specific actions: Installation of flow meters and thermometers on the chiller unit piping, variable frequency drives on chilled water pumps, ice water pumps, cooling tower fans, and smart meters on power-consuming equipment to analyze the required cooling capacity of the chiller system and adjust the operation of peripheral equipment accordingly to achieve energy savings.

Cooling tower diagram

Chiller unit diagram

Energy Conservation and Carbon Reduction Plan 2

Energy-saving measure: Variable frequency control for the forging machine cooling water pump at Yunlin Plant 2
Specific actions: Installation of a variable frequency drive on the cooling water pump to lower pump speed after the forging machine oil temperature reaches the operating temperature, reducing inefficient energy consumption.

Cooling water pump variable frequency control diagram

Energy Conservation and Carbon Reduction Plan 3

Energy-saving measure: Installation of monitoring energy-saving systems on air compressors at Yunlin Plant 1 and 2
Specific actions: Installation of smart meters on air compressors, and installation of flow meters and pressure gauges on pipelines to optimize the number of fully loaded air compressors and shut down unloaded air compressors when the gas production meets production requirements.

Air compression system control diagram

Air compressor diagram

	Energy savings (kWh)	Energy savings (GJ)	Carbon reduction (tCO_2e)
Plan 1	619,405	2,230.26	293.597
Plan 2	67,067	241.48	31.790
Plan 3	4,612,505	16,608.00	2186.327
Total	5,298,977	19,079.74	2,511.714

Note1. Energy savings = (electricity consumption before improvement − electricity consumption after improvement).
Note2. 1 kWh = 0.0036 GJ.
Note3. Recorded values from smart meters are used to calculate electricity consumption after improvements.
Note4. Carbon emission calculation is based on the 2024 carbon dioxide emission coefficient of 0.474 published by the Energy Administration, Ministry of Economic Affairs.

3.4 Waste Management

Waste Management

The waste generated by SAI during its operations, with waste oil mixtures as the main item, totaled 5,018.81 metric tons, accounting for 71.83% of the total waste. To effectively manage different types of general and hazardous business waste, the Company has established a comprehensive waste management procedure, covering all stages of waste classification, transportation, removal, and treatment. It implements outsourcing disposal and reuse processes in compliance with regulations to reduce the potential impact on the environment.

In terms of source reduction, the Company has introduced organic solvent recycling equipment. In 2024, the organic solvent consumption per unit wheel decreased by 36.0% (Yunlin Plant) and 41.1% (Pingtung Plant), respectively, compared to the previous period, effectively reducing solvent use and waste liquid generation. At the same time, the Company optimizes product packaging design and reduces the consumption of cartons and support plates. In 2024, the recycling proportion of plastic dividers reached 48.36%. In addition to extending waste management to the end of the value chain, SAI has promoted the Waste Plastic Empty Drum Recycling Plan and commissioned suppliers to recycle and reuse, with a recycling rate of 92.38%.

Non-Hazardous Waste

Unit: metric tons

Composition of Waste	Offsite			
	Treatment method	2022	2023	2024
Yunlin Plant				
General waste generated from business activities	Incineration treatment	355.84	251.18	229.89
Waste paint, paint sludge		28.81	97.74	142.86
Waste plastic mixtures		0.05	5.51	6.14
Waste fibers or other cotton, cloth mixtures		207.82	251.68	151.52
Waste oil mixtures		---	---	46.204
Non-hazardous oil sludge	Physical treatment	99.27	105.13	71.19
Inorganic sludge		394.78	436.57	352.31
Waste oil mixtures		2,966.21	2,334.04	2,034.46
Waste fibers or other cotton, cloth mixtures		0	4.18	0
Waste lubricating oil		20.15	0	0
Non-hazardous waste dust or mixtures	Landfilling	242.1	211.07	155.57
Sandblasting waste		6.07	6.91	10.15
Waste oil mixtures	Heat treatment	0	67.86	0
Waste wood	Announced for reuse	175.46	199.31	128.28
Waste ceramics		---	52.53	0
Waste plastics		52.07	153.89	63.43
Waste lubricating oil		---	---	14.85
Total		4,548.63	4,177.60	3,406.854
Announced reuse ratio		5%	9.71%	6.06%

Non-Hazardous Waste

Unit: metric tons

Composition of Waste	Offsite			
	Treatment Method	2022	2023	2024
Pingtung Plant				
Organic sludge	Incineration treatment	0	4.08	27.08
General waste generated from business activities		97.99	131.67	138.73
Waste plastic mixtures		31.16	49.28	34.67
Waste fibers or other cotton, cloth mixtures		22.01	63.50	76.45
Waste oil mixtures		---	---	179.496
Waste paint, paint sludge		---	---	14.24
Inorganic sludge	Physical treatment	9.09	0	0
Waste oil mixtures		1,528.56	1,655.70	2,758.65
Waste refractory materials		5.48	44.31	20.47
Waste lubricating oil		226.41	0	0
Non-hazardous waste dust or mixtures	Landfilling	45.6	65.50	96.58
Waste oil mixtures	Heat treatment	128.89	100.69	0
Waste wood	Announced for reuse	85.08	87.65	94.32
Waste plastics		8.24	17.694	12.97
Total		2,188.51	2,220.07	3,453.656
Announced Reuse Ratio		4.26%	4.75%	3.11%

Note : Heat treatment does not include incineration treatment.

Hazardous Waste

Unit: metric tons

Composition of Waste		Offsite			
		Treatment Method	2022	2023	2024
Yunlin Plant	Waste liquid with a flash point below 60° C (excluding alcoholic waste with an ethanol volume concentration of less than 24%).	Incineration treatment	0	8.46	99.46
	Waste liquid with a flash point below 60° C (excluding alcoholic waste with an ethanol volume concentration of less than 24%).	Physical treatment	46.74	56.40	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 treatment	52.07	16.38	26.96
Total			98.81	81.24	126.42

Waste Generation in 2024

Unit: metric tons

Yunlin Plant	Non-Hazardous Waste		Hazardous Waste		Total	
	Waste output (metric tons)	Percentage (%)	Waste output (metric tons)	Percentage (%)	Waste output (metric tons)	Percentage (%)
Yunlin Plant	3,406.854	48.76%	99.46	1.42%	3,506.314	50.18%
Pingtung Plant	3,453.656	49.43%	26.96	0.39%	3,480.616	49.82%
Total	6,860.510	98.19%	126.42	1.81%	6,986.930	100.00%

Waste Intensity for the Last Three Years

Unit: metric tons / NTD million

	2022	2023	2024
Waste output per unit of revenue	1.07	0.83	0.93
Non-hazardous waste output per unit of revenue	1.05	0.82	0.92
Hazardous waste output per unit of revenue	0.02	0.01	0.02

Waste disposal Management

In 2024, to ensure that the waste treatment process is legal, compliant and in compliance with environmental standards, SAI not only entrusted qualified operators to carry out removal and treatment in accordance with the regulations, but also sent personnel to accompany waste removal vehicles to the treatment facilities from to confirm the implementation status of each link. It conducts regular visits to the waste treatment plant each year.

2024 Waste Monitoring Management	
Collaborating Companies	● 23 qualified waste transport companies and 29 qualified treatment facilities.
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
Monthly	● Track records of waste processing flow. ● Report waste storage and output records.
Annually	● Eight waste treatment facilities were visited in 2024.

Audit of facilities handling waste oil-water mixtures

Aluminum Waste Recycling

Aluminum is the primary raw material for SAI's products. Responding to environmental concerns and limited natural resources, the Company is continuously committed to reducing its dependence on natural resources. It actively promotes the Research and Development (R&D) of recycled materials. Scrap, cuttings, and offcuts generated during manufacturing processes are centralized for recycling and remelting into aluminum needed for production, achieving waste resource recycling. In 2024, the internal aluminum scrap recycling rate reached 100%, effectively reducing raw materials consumption and waste output.

Moving forward, SAI will continue to utilize highly automated HERTWICH smelting equipment in its manufacturing processes. This ensures that the Company continues to produce high-quality aluminum materials that meet international standards, moving toward a sustainable operating model that combines low-carbon manufacturing and a circular economy.

With increased operational capacity at the Pingtung Plant and in alignment with customer supply chain decarbonization goals and relevant product certification requirements, SAI will gradually increase the proportion of recycled aluminum wheels in its products. In 2024, SAI incorporated recycled aluminum into its manufacturing processes. 100% recycled aluminum, totaling 12,103.87 metric tons, was used for automotive wheels, while 428.91 metric tons were partially melted with primary aluminum for chassis products as recycled aluminum material. The use of annual recycled aluminum totaled 12,532.78 metric tons in 2024. After deducting the primary aluminum contained in chassis products, the actual quantity of recycled aluminum used was 12,361.22 metric tons, accounting for 35.53% of the total material use for the year.

To further increase the use proportion of recycled aluminum, SAI has set a phased target to incorporate recycled aluminum into its processes by over 40% in 2025, increasing it to over 50% by 2026, and achieving over 55% by 2030, continuing to promote low-carbon transformation and resource recycling.

Raw Material Consumption Statistics

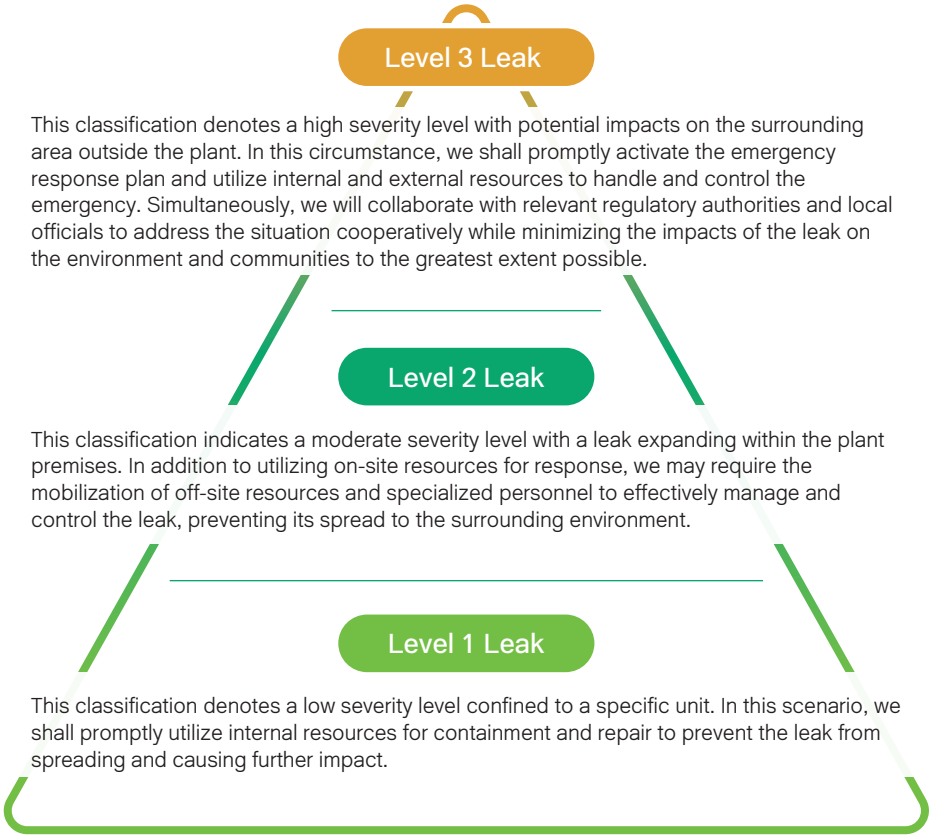
Unit: metric tons

Raw Materials	2022	2023	2024	2024 Proportion
SAI's 100% recycled aluminum	11,746.35	11,323.45	12,103.87	34.79%
Other recycled aluminum (see note)	502.94	368.73	257.35	0.74%
Total recycled aluminum	**12,249.29**	**11,692.18**	**12,361.22**	**35.53%**
Other recycled aluminum: primary aluminum (see note)	335.30	245.82	171.56	0.49%
Primary aluminum from Dubai	25,285.76	24,954.62	22,257.65	63.98%
Total primary aluminum	**25,621.06**	**25,200.44**	**22,429.21**	**64.47%**

Note : Other recycled aluminum materials consist of approximately 60% SAI's recycled aluminum and 40% primary aluminum, used for chassis products.

Leakage and Seepage Management Plan

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



Over the past three years, the Company has not experienced any major leakage/seepage incidents of air pollutants, wastewater, or waste, demonstrating the stable effectiveness of our implementation of the environmental management system. In the future, SAI will uphold sustainable operating principles and enhance pollutant monitoring and treatment in accordance with ISO 14001 procedures and licensing requirements, ensuring ongoing, effective management of environmental risks.

3.5 Air Pollution Control

The Company' s pollution control items include volatile organic compounds (VOCs), total suspended particles (TSP), nitrogen oxides (NOx), and sulfur oxides (SOx). We conduct pipeline inspections according to the contents specified in the environmental permits issued by the environmental protection agencies. The inspection results are within the scope of legal standards; there are no emissions from ozone-destroying substances.

Adhering to the principle of sustainable operations and aligning with the Company' s health, safety, and environmental policy, SAI plans to increase the investment by approximately NTD 50 million. This initiative aims to improve air pollution control efficiency, develop low-pollution raw materials, and enhance pollution source equipment to reduce key pollutant emissions. The Company has also set a goal to reduce air pollutant emissions by 3% in 2025 compared to the baseline year (2022); it will regularly review and update the emission reduction plan every five years to continue to promote the effectiveness of air pollution control.

Statistics on Air Pollution Emissions

Year	2022	2023	2024
Total air pollution emissions/turnover (kg/NTD Thousand)	0.0141	0.0105	0.0116
Turnover (NTD Thousand)	6,401,739	7,779,316	7,473,579
Total air pollution emissions (kg)	89,975	81,841	86,589
Volatile organic compound (VOCs) emissions (kg)	54,191	53,291	56,233
Total suspended particles (TSP) emissions (kg)	14,447	8,969	7,300
Sulfur oxides (SOx) emissions (kg)	2,813	2,172	3,951
Nitrogen oxides (NOx) emissions (kg)	18,524	17,409	19,106

Air Pollution Control and Emission Reduction Plan

Prevention and Control Items	Prevention and Control Equipment	Emission Reduction Efficiency
VOCs	Yunlin Plant adopts BACT, incorporating low-pollution raw materials or installation of RTO for heat recovery incineration/condensation recovery.	95%
TSP	Pingtung Plant employs BACT with the addition of scrubbers and dust collectors.	58.95%
Nox	Yunlin Plant and Pingtung Plant implement BACT with the installation of SCR denitrification equipment.	35.7%
SOx	Pingtung Plant adopts BACT with the addition of FGD for smoke exhaust desulfurization.	40.8%

3.6 Water Resource Management

The Company recognizes the importance of conserving water resources and continues to enhance the efficiency of water resource utilization and risk management. Through water resource risk assessment mapping, SAI's Plant 1, Plant H, Plant 2, the Zhuwei Plant, and the Pingtung Plant are all located in areas with relatively low water risks; no plants are located in areas with high water pressure.

In 2024, the Company's water withdrawal was 658.68 km^3, the water discharge was 493.61 km^3, and the water consumption was 165.07 km^3. Compared to 2023, the overall water withdrawal was flat; the discharge volume increased slightly, mainly due to an increase in discharge volume from the Pingtung Plant; water consumption showed a downward trend during the same period.

Water Usage Statistics over the Past Three Years

Unit: km^3

Year	2022	2023	2024
Water Withdrawal	568.82	660.41	658.68
Water Discharge	437.10	473.53	493.61
Water Consumption	131.72	186.88	165.07

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

1. Daily monitoring of tap water usage to promptly address any anomalies.
2. Adoption of overflow water from cleaning line equipment for the reuse of cleaner water.
3. Regular maintenance of cooling towers is necessary to maintain efficiency.
4. Recycling purified water to reduce tap water consumption.
5. Evaluation for implementing water recovery equipment, including biological treatment, distillation systems, and UF & RO filtration systems.
6. Use of water-saving faucets, toilets, and other products.

Overview of Wastewater Discharge

At the Yunlin and Pingtung plants, wastewater primarily originates from production processes and staff domestic sewage. Before discharge, wastewater undergoes pretreatment in accordance with water pollution control measures within onsite wastewater treatment facilities. Following treatment, it is discharged into industrial zone sewage treatment plants. Ultimately, wastewater from Yunlin Plant is released into the Huwei River, while that from Pingtung Plant enters the Gaoping River. Due to the addition of equipment at the Pingtung Plant, the total wastewater discharge volume rose from 96.05 km3 to 125.70 km^3.

Statistics of Wastewater Discharge Volume

Unit: km^3

	2022	2023	2024
Yunlin Plant	353.87	377.48	367.90
Pingtung Plant	83.20	96.05	125.70
Total	**437.07**	**473.53**	**493.60**

These plants are equipped with various wastewater treatment facilities, including fine screens, equalization tanks, pH adjustment tanks, electrocoagulation systems, sedimentation tanks, biological reactors, and discharge ponds. Their facilities are complemented by monitoring equipment that conducts daily assessments of water quality conditions.

Overview of Wastewater Quality

Plant	Measurement items	Suspended Solid (SS)	Chemical oxygen demand (COD)	PH value
Yunlin Plant	Regulatory standards	320	480	6~9
	Measurement results	3.7~182	7.4~458	6.2~8.2
Pingtung Plant	Regulatory standards	30	100	6~9
	Measurement results	27.8	10.9	7.0

Water Pollution Reduction Plan

To reduce wastewater discharge, SAI aims to enhance water resource reuse by evaluating water recovery equipment, improving water efficiency, and implementing distillation and filtration systems. The goal is to achieve an 80% total wastewater recycling rate by 2027, with regular quarterly reviews of the reduction plan.

Wastewater Recycling Rate Status

Plant	Wastewater Recycling Rate in 2023	Wastewater recycling rate in 2024
Yunlin Plant	23.41%	21.84%

3.7 Biodiversity Management

Faced with the challenges of global ecosystem degradation and rising natural capital risks, companies must not only focus on the rational use of resources during their development process, but also actively identify and manage dependence and impacts on biodiversity and ecosystem services. Recognizing the importance of biodiversity conservation to the stability and sustainable value of corporate operations, SAI has incorporated nature-related issues into its risk assessment and operation planning process. The Company is committed to reducing the impact on ecosystems while promoting a sustainable business model of coexistence and shared prosperity with the environment.

During the initial establishment of the Company' s facilities, careful consideration was given to the impacts on the local ecological environment, with a commitment to minimizing impacts on the ecological environment during development and operational processes. To confirm the potential risks of our operational activities on the local natural environment, SAI conducted a biodiversity and ecosystem services-related risk assessment for both its Pingtung and Yunlin plants. The scope comprises aspects of air pollution, abnormal wastewater discharge, invasive alien species, and ecosystem services. Based on the "risk source – scope of impact – probability of occurrence – severity of impact" framework, the assessment conducted is a systematic analysis of the impacts on animals, plants, humans, and surrounding communities.

The assessment results indicate that the impact of related operating activities on the local ecosystem at the two plants is of low risk with no significant effect. Regular inspections and local information updates will continue to be carried out to ensure a positive and stable relationship between plant operations and the natural environment.

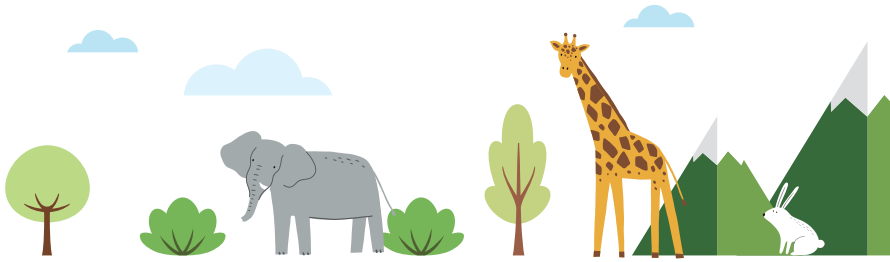
Risk Source		Scope of Impact	Risk Assessment		
			Probability of Occurrence	Severity of Impact	Risk Level
Environmental pollution	Reduction in biodiversity due to air pollution.	Animals, plants, and humans	Low	Low	Low
	Abnormal discharge of wastewater, leading to river pollution and affecting riverine ecology.		Low	Low	Low
Invasive species	Wooden crates and pallets may harbor invasive biological species, impacting local ecology.	Animals, plants	Low	Low	Low
Ecosystem services	Noise, air quality, wastewater discharge, and light pollution.	Surrounding residents	Low	Low	Low

TNFD Disclosure Framework

In response to the importance that international investors and stakeholders attach to environmental disclosure information, SAI refers to the framework released by the Taskforce on Nature-related Financial Disclosures (TNFD). This serves to gradually introduce the dimensions of governance, strategy, risk management, and metrics and targets, assess nature-related dependencies and risks, and incorporate them into organizational operations and decision-making processes.

The Company launched internal inventory and cross-department collaboration to initially assess the natural resources and ecological risks around the plant area and incorporate biodiversity and water resources issues into supplier management norms. It has strengthened governance mechanisms and management participation and gradually constructed corresponding response strategies and information disclosure capabilities.

SAI will continue to monitor future developments of the TNFD framework, gradually expand the scope of assessment to global operating locations and upstream and downstream activities in the value chain, and continue to enhance the Company' s natural risk resilience and sustainable competitiveness.



Dimension	TNFD Disclosure	Content
Governance	Board' s oversight of nature-related dependencies, impacts, risks, and opportunities.	● The Company has integrated climate change and natural resource-related risks (including emerging issues such as biodiversity) into its overall risk management structure, which is regularly supervised by high-level governance. Relevant information is submitted to the Board of Directors at least once a year as the basis for decisions on sustainability strategies and risk response. ● Functional Committees participate in the governance of climate and environmental issues. For example, the Audit Committee holds quarterly meetings; the internal audit chief reports on the audit operations and findings of the audit department on the effectiveness of the design and implementation of the internal control system for climate-related risks. This serves to strengthen the Company' s ability to control and respond to environmental risks.
	Management' s role in assessing and managing nature-related dependencies, impacts, risks, and opportunities.	● The Office of Corporate Sustainable Development analyzes and evaluates nature-related frameworks (such as TNFD) and applies corresponding methodologies to gradually and comprehensively study the impact of biodiversity issues on corporate promotion methods while formulating implementation directions and strategies. ● Sustainable supply chains incorporate biodiversity issues into the Supplier Code of Conduct, working with suppliers to reduce dependencies and impacts on key environmental capital.
	The Company' s human rights policies and engagement activities, and oversight by the Board and management, concerning Indigenous peoples, local communities, affected and other stakeholders, in the assessment of, and response to, nature-related dependencies, impacts, risks, and opportunities.	
Strategy	Nature-related dependencies, impacts, risks and opportunities the Company has identified over the short, medium and long term.	● Based on the results of the "Company Location" and "Assessment" phases, the Company lists risks and opportunities and assesses their qualitative importance. The relationship between enterprises and biodiversity varies depending on regional characteristics and the external environment. We conduct evaluations within a 2-kilometer radius of our operating activities, concerning projects such as protected areas and key biodiversity areas, and results fluctuate. ● We monitor the natural resources and biodiversity coverage around the Plant 2 area and communicate with the competent local authority to understand the nearby natural ecology and cultural protection initiatives. The Company is located in a well-planned local industrial park. The local competent authority has assessed that activities related to the area where the plant is situated are of low risk to local biodiversity and ecosystems.
	The effect that nature-related dependencies, impacts, risks, and opportunities have had on the organization' s business model, value chain, strategy, and financial planning, as well as any transition plans or analysis in place.	● Through exchanges with domestic industry, government, academic, and research units, we continue to monitor the ecological environment, respect ecological balance, and safeguard endangered species. ● In the future, the Company will continue to promote the planning and implementation of nature and biodiversity-related courses to strengthen internal awareness and professional competencies. ● We expand the scope of biodiversity risk assessment to cover overseas manufacturing plants, areas around office areas, and upstream and downstream operating activities in the value chain. Through more comprehensive identification and analysis, we further develop management strategies for nature-related risks and opportunities, assess their potential impact on operations, and improve overall environmental resilience and adaptive capacity.
	Resilience of the Company' s strategy to nature-related risks and opportunities, considering different scenarios.	● We have established a sound natural disaster response plan for risk management to address potential storms, floods, and earthquakes, ensuring the continued operation of the business and the safety of employees. To reduce risks along the supply chain, we adopt diversification strategies to reduce dependence on a single region or material and improve adaptability. ● We actively seek innovation in renewable energy and environmental protection technologies. In addition to renewable energy, we are committed to developing resource recycling technologies to cope with future changes in environmental regulations and market demand. This will provide opportunities for the Company to explore new markets and development areas.
	Disclosure of the locations of assets and/or activities in the Company' s direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.	● The locations where companies conduct business activities are closely related to nature; thus, it is essential to evaluate the locations of relevant activities to identify, assess, avoid, mitigate, and manage the risks they face. During the "Positioning" stage, we evaluated the locations of plant and office activities from various aspects such as ecosystem integrity, biodiversity importance, and water pressure to determine priority locations. ● We conduct assessments of biodiversity-related risks for the Company' s operating locations and activities, including physical and reputational risks. The sites selected by the Company are all located in well-planned industrial parks, as evaluated by the competent authorities.

<table>
<tr><th>Dimension</th><th>TNFD Disclosure</th><th>Content</th></tr>
<tr><td rowspan="5">Risk and impact management</td><td>The processes for identifying and assessing nature-related dependencies, impacts, risks, and opportunities.</td><td>● Impacts based on environmental capital (e.g., water resources) vary depending on location and region; relevant goals and strategies must be adapted to local conditions. We use the LEAP method of the TNFD disclosure framework for integrated disclosure.
● At this time, we conduct a preliminary assessment of the dependencies and potential impacts on the industries in which we operate, ecosystem services, and environmental capital, excluding upstream and downstream suppliers and customers. Several items with high and medium dependencies have been identified (see the table below for details).
● Process operations depend partly on water resources; therefore, water scarcity may disrupt production lines. After a comprehensive assessment, the risk of water resource-related dependencies and impacts is classified as a moderate risk item. Please refer to the short-term financial impact of climate change management for the risk and cost of operating interruption caused by water shortage. For high-risk climate regulations, we use the Company’ s Risk Management Policy, including environmental risks and response measures, to ensure compliance with regulations.
● In terms of the impact of the production process on environmental capital, the high impact of greenhouse gas emissions due to the large amount of energy used in the production process, and the medium impact of waste are monitored and managed through materiality issues.</td></tr>
<tr><td>The processes for identifying and assessing nature-related dependencies, impacts, risks and opportunities in its upstream, own operating and downstream/investment and financing activities.</td><td>
<table>
<tr><th>Value Chain Location</th><th>Risk Category</th><th>Risk Name</th><th>Risk Correlation Assessment</th><th>Degree of Impact</th></tr>
<tr><td rowspan="4">Company operations</td><td rowspan="4">Physical impacts</td><td rowspan="2">Dependency on ecosystem services</td><td>Climate regulations</td><td>High</td></tr>
<tr><td>Water shortages</td><td>Medium</td></tr>
<tr><td rowspan="2">Impact of production processes on environmental capital</td><td>Greenhouse gas emissions</td><td>High</td></tr>
<tr><td>Waste, pollution</td><td>Medium</td></tr>
</table>
</td></tr>
<tr><td>The processes for identifying, assessing, and managing nature-related risks are integrated into the organization’ s overall risk management system.</td><td>● The Company’ s risk management mechanism integrates nature-related risks. In accordance with the Company’ s Risk Management Policy—through risk identification, risk analysis, risk assessment, risk response and monitoring, risk reporting and disclosure, and other management processes—each risk authority unit must conduct a risk assessment based on the identified risk scenarios and propose a risk response improvement plan based on the assessed residual risk level to adjust risks effectively.</td></tr>
<tr><td>How the Company’ s assessment of nature-related dependencies, impacts, risks, and opportunities affects and responds to its stakeholders.</td><td>● The Company continues to conduct environmental pollution investigations and tracking for multiple locations. Through environmental education and promotion, we actively give back to the community, aiming to continually improve the natural environment.</td></tr>
<tr><td rowspan="3">Indicators and goals</td><td>The Company uses metrics to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.</td><td>● When we establish a new investment base, environmental impact assessment is included in key review items and used as a condition for investment decisions and settlement.
● Suppliers are prohibited from doing business in locations that contain globally or nationally significant biodiversity.
● Risk and opportunity metrics will be updated after the analysis and evaluation of new operating locations and the supply chain are completed.
● Environmentally related emissions are controlled in existing plant sites without the occurrence of major environmental incidents.</td></tr>
<tr><td>The targets and goals used to manage nature-related dependencies, impacts, risks, and opportunities, and their performance.</td><td>● Risk and opportunity goals are set after the analysis and evaluation of new operating locations and the supply chain is completed.
● Environmentally related emissions are controlled in existing plant sites without the occurrence of major environmental incidents.</td></tr>
<tr><td>The targets and goals used to manage nature-related dependencies, impacts, risks, and opportunities, and their performance.</td><td>● Risk and opportunity metrics are set after the analysis and evaluation of new operating locations and the supply chain is completed.
● Environmentally related emissions are controlled in existing plant sites without the occurrence of major environmental incidents.</td></tr>
</table>

4 Co-Creating a Sustainable Value Chain

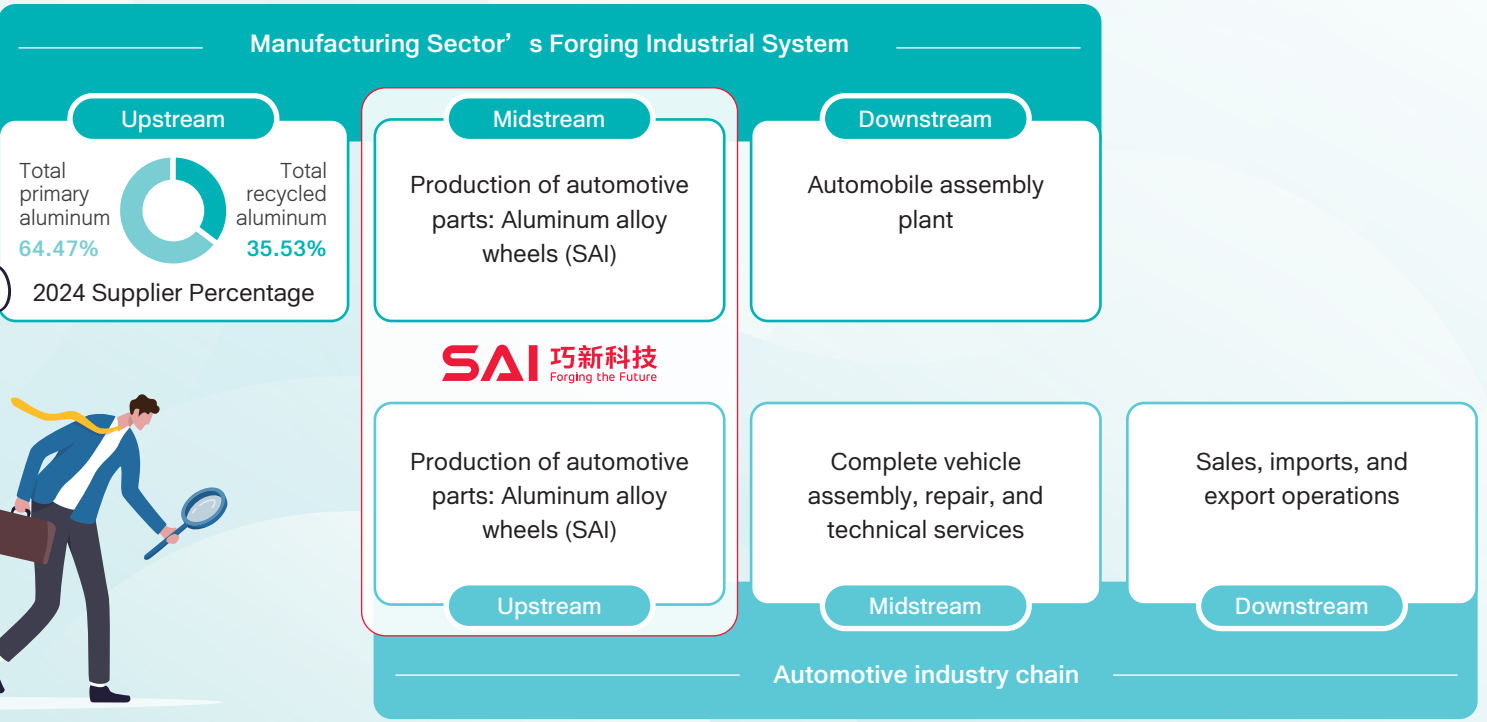
4.1 Innovation and R&D

Technical Research and Development (R&D)

SAI Value Chain

SAI specializes in providing aluminum alloy forging solutions, encompassing the development, production, and sales of automotive wheels and suspension system parts. We continuously develop innovative forging technologies, conduct R&D regarding new material applications, enhance design and engineering capabilities, and invest in lightweight benefits for forged products. The Company actively engages in discussions regarding other industrial parts suitable for forging services to expand our service offerings. Addressing the complexity and diversity of surface treatment processes, SAI offers optimization suggestions during the customer design phase, meeting the personalized, unique requirements of customer products.

Forging is positioned within the middle-tier metal processing industry of the manufacturing sector. Forging involves altering the metal structure to refine, homogenize, and fibrate material, thereby enhancing its mechanical properties suitable for manufacturing high-strength, lightweight products and components. SAI' s primary products include automotive wheels and various forged items, contributing to the upstream sector of the automotive industry. The interrelationship among the Company' s upstream, midstream, and downstream sectors is as follows:



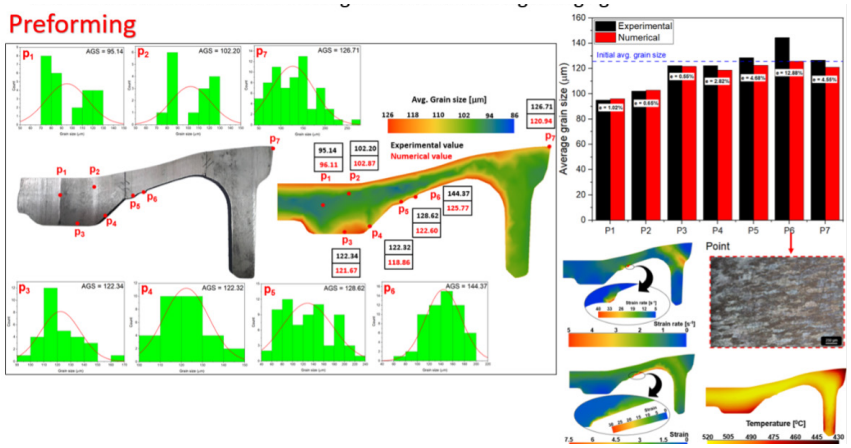
Research and Development (R&D)

The Company has a long-standing commitment to R&D, attracting domestic and international Ph.D. and Master's level talent. We have strong expertise in developing new materials, forging technologies, heat treatment processes, precision machining, surface treatments, and composite materials. We possess qualified aerospace-grade mechanical performance laboratories, corrosion laboratories, and fatigue performance laboratories to support R&D testing and verification. Additionally, we maintain close collaborations with industrial technology research institutes and academic research units such as the Industrial Technology Research Institute, National Chung Hsing University, and National Central University to continually upgrade our technical capacity. In 2024, SAI invested NTD 151,096 thousand in R&D expenses.

Item/Year	2022	2023	2024
Technical Research and Development (NTD Thousand)	142,203	153,056	151,096
Proportion of Revenue	2%	2%	2%

2024 Industry – University Cooperation Cases

Cooperation Partners	National Chung Hsing University	National Central University
Plan Content	• Sharing the cooperation results of the Light Metals Alliance. • Sharing principles and examples of damage analysis. • Greenhouse gas inventory skills and ESG sustainability report planning. • Sharing of aluminum alloy welding knowledge and progress. • Introduction to Nadcap aerospace certification and sharing of audit experience.	• A grain size evolution model simulation of AL6082 wheel near-net-shape forging was successfully established in Qform. Given that microstructure analysis and prediction technology remain in their infancy, early mastery and mature application could establish technological leadership in lightweight design and strength control. The collaborative study between SAI and National Central University predicted the microstructure error of less than 6%, confirming that the model is highly accurate and practical. In the actual manufacturing process, net shape forging technology refines the grain size by 61.66%, effectively improving the structural strength of the material, significantly benefiting the development of high-performance wheel products.



To encourage employees to engage in the Company' s innovative R&D efforts, SAI has established an Employee Innovation Incentive Management Policy. This policy includes bonuses and rewards for employees who propose innovations. It aims to enhance service and product quality and functionality, explore future development opportunities, and strengthen the Company' s competitiveness. With nearly three decades of experience and stable partnerships with international automotive manufacturers, SAI continues to accumulate a wealth of expertise in producing high-quality forged aluminum wheels.

Wheel and Suspension System Product Design

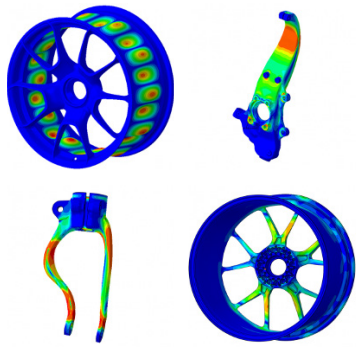
Establishing design parameters such as styling design, structural design, and analysis, aerodynamics, dynamic motion interference space utilization, dynamic and static strength, and fatigue strength. Providing lightweight product solutions and design rationale for automotive manufacturers, comprehensively meeting customer demands, and securing a leading position in the high-end product market.

Development of Lightweight Materials and Database Establishment

Developing materials such as aluminum alloys, titanium alloys, magnesium alloys, carbon fiber composites, and others, focusing on enhancing material properties through material design. Optimizing processes, fatigue properties, corrosion resistance properties, heat processing, and constructing databases to establish material usage specifications, maximizing material capabilities to enhance global competitiveness.

Recycled Aluminum Materials

The proprietary smelting recycled aluminum material, RESAICAL—utilized in forging production—has received customer certifications for mass production integration. We will continue promoting its application in lightweight solutions for vehicle suspension systems, investing in R&D with personnel and equipment to carry out in-depth research and to expand the technical field.



Technical Capabilities

SAI possesses design, engineering analysis, and manufacturing capabilities, utilizing Computer-Aided Design (CAD), Computer-Aided Engineering Analysis (CAE), and Computer-Aided Manufacturing (CAM) to produce high-quality forged products.

The technical prowess of SAI includes mold design and production, forging mold design development and mold flow analysis, precision machining of high-accuracy products, surface polishing optimization, and painting. During the design and development phases, Finite Element Analysis (FEA) is applied to compute optimized structures, thereby shortening design cycles, reducing costs, and delivering optimal lightweight designs.

Forging Techniques

SAI' s flagship products are forged aluminum alloy wheels that are produced using two main techniques to meet diverse customer needs. Full-machine forging enables high customization in design freedom. Net-shape forging reduces complex CNC machining time for large-scale production, ideal for bulk orders from luxury car brands.

SAI actively enhances brand penetration through full-machine and net-shape forging methods to expand potential markets. In the future, SAI will continue developing net-shape forging projects to improve operational efficiency, utilizing precision forging to streamline post-forging processes, simplify production flows, reduce production time and costs, and increase capacity utilization and asset turnover. Currently, 37 models of net-shape forged wheels are in mass production, with 60 models under development.

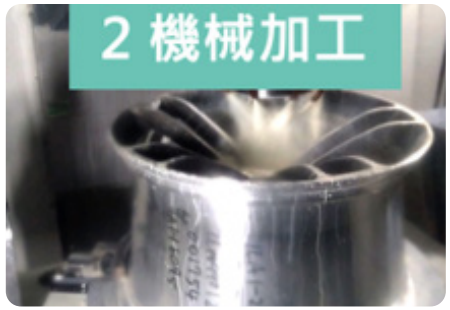
	Full-machine Forging	Net-shape and Near-net-shape Forging
Suitable Categories	Super luxury vehicles (e.g., Ferrari, McLaren, Rolls-Royce, Bentley)	Luxury vehicles (e.g., BMW, Mercedes-Benz, Porsche, Lexus)
Forging Process	• Moderate mold precision • Short production time • Cost-efficient	• High mold precision • Three forging stages • Higher cost
CNC Machining Duration	• Longer duration: requires a larger CNC machine factory area	• Reduces mechanical machining demand
Design Process	• High processing complexity • Long tool path design time	• Three forging stages, lengthy mold flow analysis
Material Costs	High	Low
Advantages	Diverse design capability: exquisite, intricately designed appearances suitable for small batch orders.	High automation level: reduces production costs, ensures stable quality, and is suitable for large batch orders.

Manufacturing Process

STEP 01

Forging

We cross reference simulation results through the simulation and analysis of multiple forging die flows using various forging simulation software. Final decisions and corrections are made based on SAI' s accumulated forging techniques, spanning many years, to mitigate potential process defects and optimize process conditions and designs.



STEP 02

Machining

Machining is tailored to meet the diverse, low-volume, and complex high-precision demands of customer products. Advanced computer-aided manufacturing is utilized to generate machining programs, ensuring high precision and quality surfaces in 3D complex curvature. This approach enables production with optimal surface finishes and high assembly precision.

STEP 03

Polishing

Polishing involves using specialized techniques and equipment to finely optimize product surfaces. Techniques include mechanical polishing, vibratory polishing, and wet high brightness polishing, tailored to showcase the inherent luster and natural color of forged aluminum materials based on customer requirements for appearance.

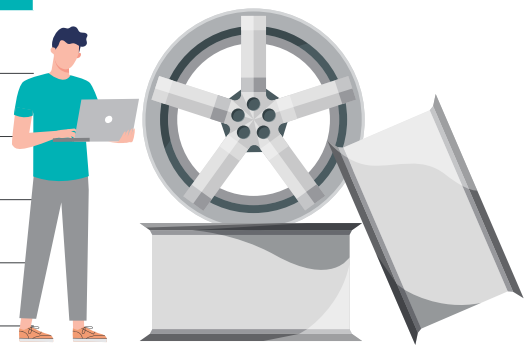
STEP 04

Coating

The coating process features fully automated robotic spray technology across the entire production line, offering a variety of coatings and colors to meet diverse requirements. Its automated capabilities ensure precise control over the visual quality. With today' s increasingly complex product landscape, SAI utilizes multiple techniques such as masking fixtures, machining, laser engraving, pad printing, and High-Resolution Non-Contact Transfer (HRNT) to fulfill the diverse needs of customers.

SAI continues to develop new technologies, improve design and processes, reduce consumables, and improve product quality. The R&D projects and benefits in 2024 are as follows:

Item	Attribute	Benefit
Developed new molds for horizontal continuous casting to increase mold production life while using them in mass production.	Smelting process	Reduces mold and consumables costs while improving production efficiency.
Established operating standards for wheel dynamic rotation, CFD flow field analysis (aerodynamics).	Wheel design	Provides customer services while significantly improving vehicle range.
Introduced AI models into corporate operations and product development.	All	Reduces implementation costs while improving development efficiency.
Developed the use of a robotic spraying method for release agent spraying operations in mass production.	Forging process	Reduces consumable costs while improving manufacturing quality.
Used net shape forging process to develop AMG wheel products.	Forging process	Reduces manufacturing costs while improving production efficiency.



Green Products

In the automotive industry, under the trend toward achieving net-zero emissions, reducing energy consumption is regarded as a crucial objective. Since vehicle lightweighting can reduce energy consumption, a 10% reduction in a vehicle's weight can generally lead to a 6% to 8% decrease in fuel consumption and improve fuel efficiency by 5.5%. Therefore, automobile manufacturers place significant emphasis on lightweighting. SAI's forged aluminum wheels simultaneously meet the high torque acceleration, lightweighting, handling, and safety requirements of electric vehicles. To date, we have delivered 39 models of electric vehicle wheels. Another 50 models are under development. In addition to lightweight product design, SAI is actively taking actions to minimize the environmental impact of production and product usage. The related performance is as follows:

Lightweight product design
Product structural lightweighting
4.1%

Improvement in forging material yield
Total thermal energy savings
13,033,186 kcal

Optimization during machining
Total electricity savings
9,194,044 KW

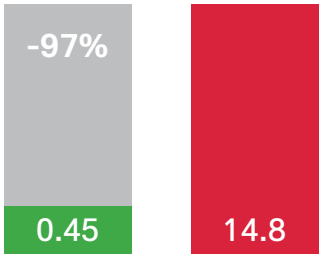
Recycling and reuse of scrap molds
Total cost savings
16,527,277 TWD

SAI RESAICAL® 100% Recycled Aluminum

Under the global ESG wave and the trend toward green supply chains, automobile manufacturers are highly concerned with reducing carbon emissions from raw materials and manufacturing processes to meet their carbon neutrality commitments. As a Tier 1 supplier to internationally renowned supercar and luxury car brands, SAI actively supports the green manufacturing processes that these brands promote. Our core business initiative, RESAICAL®, a recycled aluminum product, has become the optimal ESG carbon reduction partner for our clients. The recycled aluminum provided by SAI has over 97% lower carbon emissions compared to primary aluminum. It has been certified and officially adopted by seven luxury car brands: Porsche, JLR, BMW, Toyota, Lexus, Stellantis, and Rolls-Royce. These brands use SAI's recycled aluminum for the design, development, and mass production of all future luxury sports car wheel products. With continued validation and adoption of RESAICAL® by new certified customers, we foresee robust, sustained growth in its future usage. This will help accelerate the Company's progress toward using 40% recycled aluminum by 2025, leading the entire industry chain toward green transformation. The materials, processes, and high-quality products provided by SAI are ideal low-carbon and lightweight solutions for our customers during their transition to net-zero emissions. In 2024, SAI achieved revenue of NTD 3.631 billion from 100% recycled aluminum products, accounting for 48.61% of our total revenue.

The energy used for recycling and remelting aluminum is only 3% of that required for smelting aluminum from bauxite. By prioritizing the recycling and remelting of scrap, machining chips, and offcuts generated during the manufacturing process, SAI recycles approximately 40,000 metric tons of aluminum annually. Each metric ton of recycled aluminum can reduce the environmental impact of bauxite mining by six metric tons and decrease carbon dioxide emissions by nine metric tons. SAI uses highly automated HERTWICH melting equipment to produce high-quality aluminum that meets international standards through low-energy production processes.

Based on 2023's data



Unit: CO_2e / kg

(0.45-14.8)/14.8 x 100% = -97%

SAI recycled aluminum	Dubai primary aluminum
0.45(kg CO_2e / kg of Al)	11.624(kg CO_2e / kg of Al)

RESAICAL® 100% Recycled Aluminum SAI

EGA الإمارات العالمية للألمنيوم EMIRATES GLOBAL ALUMINIUM

Compared to primary aluminum, the production of recycled aluminum can reduce carbon emissions by at least 97%.

SAI recycled aluminum has significantly lower carbon emissions than Dubai primary aluminum.

Intellectual Property Management (IP)

SAI emphasizes managing intellectual capital. Through strategic intellectual property management, we strengthen our R&D capabilities, promoting the development of innovative, high-value-added products and technical services while enhancing manufacturing process efficiency and product quality. The Company is dedicated to constructing, accumulating, and maintaining a comprehensive and forward-looking IP portfolio. Through risk management, we ensure that the Company can continuously strengthen its core competitiveness and increase profitability in a highly competitive market. Intellectual property rights are an indispensable cornerstone for SAI's continued innovation and market leadership. As of 2024, SAI has two new patents with a total of 24 patents remaining valid.

New Patent Technologies in 2024

Name of Patent Technology	
Molten forging device with ultrasonic piston device	**Laser processing method applied to wheel surface coloring and wheel**
Description of Technical Benefits	
Optimizing the mechanical properties and refined organization of traditional molten liquid forging and providing customers with multiple process options.	Providing customers with customized processing that breaks the frame with unlimited design choices.

Acquisition, Maintenance, and Utilization of Intellectual Property Rights

1. Conduct a patent information search and technical analysis before project implementation to avoid infringement.
2. Record and audit research logs, rigorously execute R&D plans, and review outcomes.
3. Obtain and maintain patents through application, examination, and publication procedures in accordance with the law.
4. Include provisions in employee employment contracts regarding the ownership of intellectual property rights, non-compete clauses, confidentiality, and non-infringement commitments.

Intellectual Property Layout

SAI leverages lightweight technology as its core competitive advantage, innovating and optimizing in areas such as material selection, design, structure, manufacturing processes, styles, surface treatment processes, and automation. The Company focuses on generating new knowledge, advancing technology, and establishing a comprehensive intellectual property layout. This includes managing patents generated during the R&D and production processes, strategically selecting and protecting key patents.

Intellectual Property Protection

The Company mitigates challenges from competitors and gathers sufficient evidence to protect patents by analyzing the technical features and targeted technological content of claims. For designs and devices that are easily analyzed by others, we adopt patent protection; for process parameters and methods that are difficult to analyze directly, we utilize trade secret laws to ensure the security of core technologies and maintain SAI's competitive advantage.

Intellectual Property Maintenance Procedures

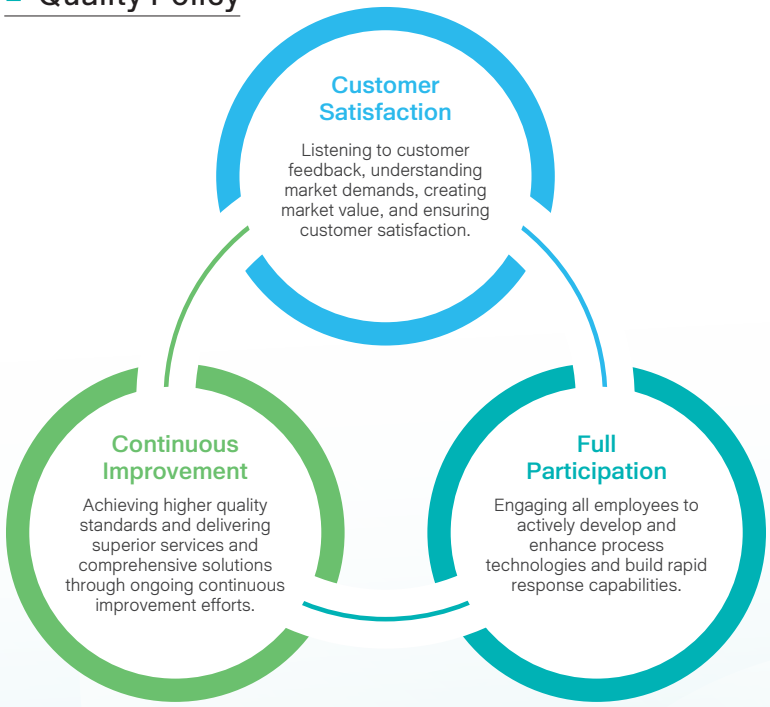
The Company has established an R&D cycle procedure for patent protection within internal control regulations, encompassing planning, product design, mass production and testing, as well as the recording and preservation of R&D documents. This clearly defines the acquisition, protection, and utilization of intellectual property rights. When SAI performs well in overseas markets, we actively apply for patents to further consolidate the Company's rights. In cases of infringement, we issue legal warnings to suspected infringers, apply for injunctions in advance from the courts, and may even take legal action to cease the infringement.

4.2 Quality Management

Quality Management

SAI is committed to providing products of superior quality at fair prices, along with competitive creativity and responsiveness. We have established a quality policy of "customer satisfaction, full participation, continuous improvement," integrating a culture of high quality into our corporate core. This approach not only meets regulatory requirements but also fulfills customer expectations.

Quality Policy



Quality Improvement Proposal

Aligned with the pursuit of excellence and continuous quality improvement, SAI incentivizes all employees with a Continuous Improvement Bonus to encourage proposal submissions. In 2024, we received a total of 36 quality improvement proposals with a 100% implementation rate, resulting in significant cost savings of NTD 48.2899 million. The improvements achieved are as follows:

Reduced forging scrap rate and reduced manufacturing costs

- Improvement with HT products in the plant: By adding new escape holes and modifying the contour design of the forging blank, the shortage of material in the J part is effectively addressed, the scrapping rate is reduced, and manufacturing costs are reduced, saving a total of NTD 188,955.

Forging process, yield rate enhancement

- Improved yield rate for a single item by approximately 11%.
- Cumulatively saved approximately 108.6 metric tons of aluminum amounting to NTD 9,674,088 in cost savings from improved production outputs in 2024.

Machining process, optimized working hours improvement

- Based on the proposal, the status compared to improved total machine hours shows a reduction of approximately 10%.
- The actual cumulative improvement in 2024 amounted to 5,901,430 minutes, resulting in total savings of NTD 29,507,150.

Polishing process, cost improvement in grinding

- In 2024, polishing improvement measures reduced accumulated hours by 1,310,308 minutes, resulting in total savings of NTD 8,517,002 post-improvement.
- In May 2024, the Sheng Chang Yuan Far Back Rib Chamfering Machine project was introduced to improve the instability of manual chamfering and reduce grinding person-hours. It is expected that the test items will be completed and introduced from March to April 2025.
- Looking for a second supplier of polishing shafts to improve the shaft quality and reduce unit cost. The total benefit for the entire year of 2024 was NTD 402,720.

Quality Management Training

To implement effective quality management, SAI places significant emphasis on training relevant personnel to ensure they can proficiently execute management systems, enhancing the delivery of products and services of optimal quality. In 2024, the Company conducted a total of 10,793 hours of quality education training, comprising 8,645 hours internally and 2,148 hours externally.

Unit: Number of people passing

Name of Quality Training	2024
Primary non-destructive testing (PT liquid permeability testing)	1
APQP Version 3	39
AIAG & VDA FMEA Version 1	100
AIAG CP1 Version 1	9

International Quality System Verification

SAI adheres to rigorous production standards and operational processes, establishing a comprehensive quality management system. The Company has implemented the ISO 9001 Quality Management System, IATF 16949 Automotive Quality Management System, and ISO/IEC 17025 Laboratory Quality Management System. SAI actively pursues multiple certifications from accredited bodies, including:

GM Test Improvement Certification AN-0480

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 – Taiwan and Germany (four facilities in total)

ISO 9001 Quality Management System

SAI conducts assessments to mitigate health and safety impacts from products and services. The Company holds the following safety regulation certifications:

Safety Standards Certification	Number of Certifications	Details on the Offerings of Products/ Services to Customers	Percentage of Products Evaluated by Customers
INMETRO	74	414	17.87%
SNI	63	414	15.22%
VR	11	414	2.65%
BIS	11	414	2.65%
KC	164	414	39.61%
JWL	76	414	18.35%
TAC	2	414	0.48%

Note1. Percentage = (Number of products certified under the safety standards/Total offerings of products or services to customers)*100.
Note2. As clients do not require full certification of our products, evaluations are conducted selectively in specific styles, resulting in a non-100% aggregate.
Note3. Some products have obtained certifications from more than two countries.

Comprehensive Product Testing

All products offered by the Company are registered in the IMDS (International Material Data System) and undergo a series of tests and inspections, including visual, dimensional, functional, mechanical performance, and environmental assessments, before shipment. This rigorous process ensures product quality, providing customers with safe and reliable products, thereby safeguarding customer interests. In 2024, SAI delivered products to customers without incidents of non-submission due to prohibited substances, defects, or safety concerns that required product recall.

SAI Laboratory

Physical property testing

- Tensile testing
- Macroscopic metallographic examination
- Microscopic metallographic examination
- Brinell hardness testing
- Rockwell hardness testing
- Geometric dimension measurement

Chemical property testing

- Metal composition analysisv

Painting coating test

- Adhesion test
- CASS test
- Filiform corrosion test
- Stone impact test
- Salt spray test

Wheel functional testing

- Wheel impact test
- Radial load fatigue test
- Bending momen fatigue test
- Biaxial test

Note：Refer to the Company’ s website for details of the test items and specifications.

Highlighted Equipment

Makra Bi-Axial Drum Test Rig

The Only Bi-Axial Testing Equipment Currently available in Taiwan. It simulates driving on the world’ s most challenging racetracks, exposing the wheels to the harshest road surfaces and force conditions.

Product Traceability Marking

All products sold by SAI comply with the relevant product safety and labeling specifications required by each customer and importing country. Each product is marked with complete engraving for traceability of production information and material sources. The shipping packaging displays product numbers, quantities, supplier names/addresses, etc., enabling customers to trace and inquire about products. However, a recall occurred because some products were not engraved with vehicle codes, involving one vehicle model, with a total of 665 units recalled. In the future, SAI will continue to adhere to the highest standard of management principles to achieve stable production of high-quality products, reaching its quality commitment to customers.

4.3 Customer Service

Customer Service

SAI ensures dedicated sales channels and services for each customer, leveraging overseas offices and strategically positioned warehouses in Europe, the UK, North America, and Asia. This approach facilitates comprehensive management of distribution channels and customer relationships. Through localization strategies, including hiring personnel familiar with OEM practices, cultural differences, and international management challenges, can be effectively addressed, advancing toward global market penetration goals.

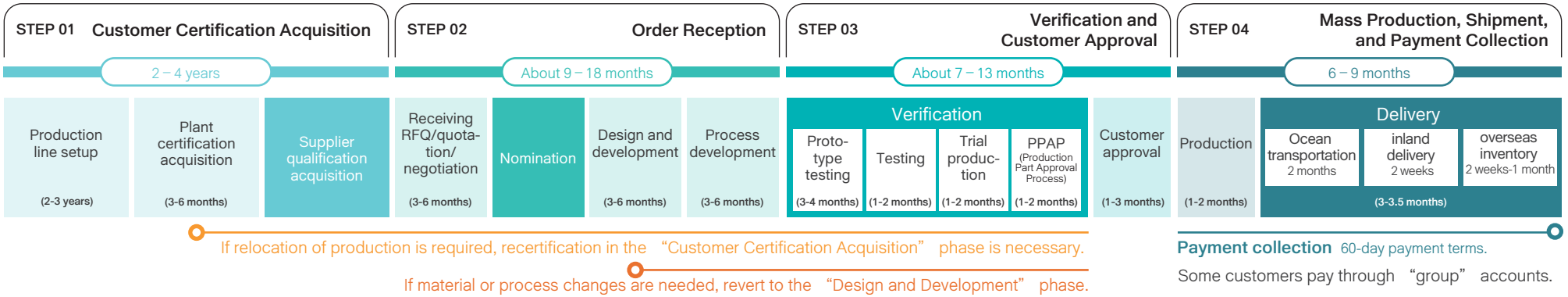
In response to the growing automotive industry and consumer focus on energy efficiency and carbon reduction, coupled with challenges from global energy crises and rising material costs, automotive components are increasingly engineered for lightweight and material efficiency. SAI excels in the forged aluminum alloy wheel sector, employing unique spinning forging techniques that balance strength and safety while meeting rigorous demands in the Americas and Europe. Future endeavors include expanding into promising Asian markets such as Japan and China. As an expert in forged aluminum alloy wheels, SAI actively pursues technological innovation in forging processes to develop competitive products that meet the requirements of industries such as vehicle transportation and aerospace, emphasizing lightweight, strength, environmental friendliness, quality, and safety.

Rather than competing on price, SAI builds trust with customers through reasonable pricing and a commitment to creativity, agility, and quality, earning customer preference. To date, the Company has served 43 branded customers and remains committed to sustainable development goals.

Responding to rising global environmental awareness, increasingly stringent carbon emission requirements along the supply chain, as well as the expansion of the electric vehicle market, and lightweight/low-carbon product trends, SAI has actively introduced recycled aluminum materials. Thus, it has achieved a circular economy and expanded its market layout in the mobility industry. Looking to the future, facing policies such as the European Union' s CBAM, the United States' CCA, and Taiwan' s carbon fee, the industry' s demand for recycling raw materials is increasing. SAI plans to invest in the construction of a recycled aluminum smelting plant with an annual output of 60,000 tons. In the future, it will focus on forged aluminum and recycled aluminum and expand to cooperation in semiconductors, other mobility equipment, heavy electrical equipment, aerospace, and other industries, creating long-term value for customers and all stakeholders while jointly building a low-carbon future.

Solid Partnership Relations

SAI has actively maintained close collaboration with international clients over the years. By leveraging its R&D technological advantages, it continuously advances forging and molding techniques, explores new materials, enhances design and engineering capabilities, and optimizes the lightweight benefits of forged products. At the same time, SAI provides optimization recommendations during the design phase to meet the personalized and unique product requirements of customers. SAI has established indispensable partnerships with several international supercar and luxury car manufacturers. These collaborations bolster the Company' s long-term stable operational momentum.



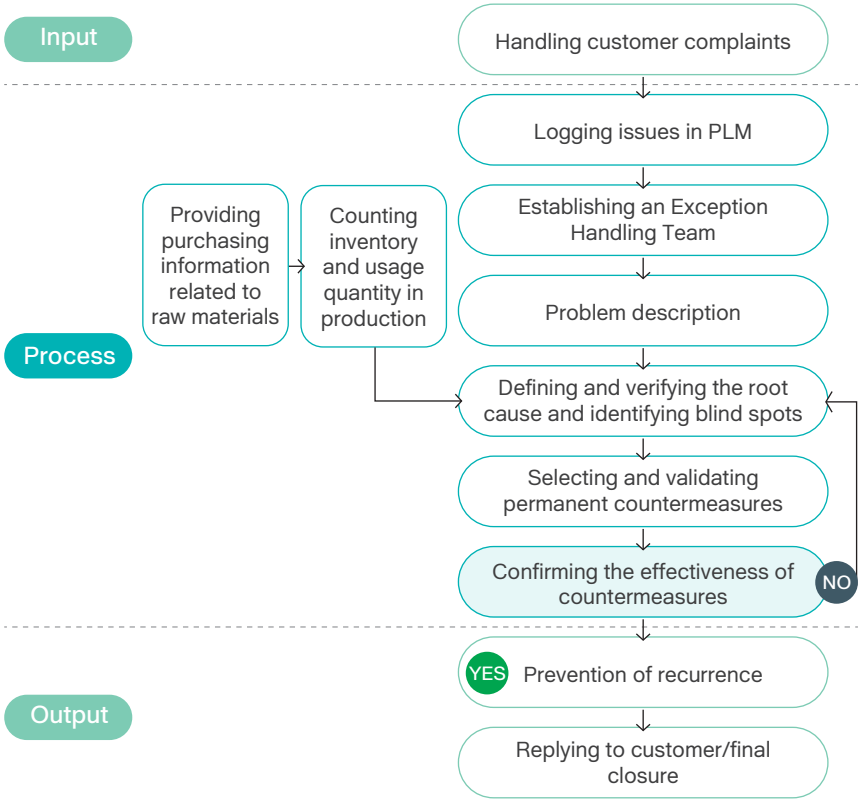
Customer Satisfaction Management

Achieving customer satisfaction is a key focus of SAI's management strategy. The Company is dedicated to providing products and services that meet customer expectations, optimizing the existing product portfolio while surpassing customer expectations to strengthen customer relationships and grow alongside customers toward sustainable development.

SAI has established a "Customer Satisfaction Survey Procedure," where the Customer Service Department regularly compiles scorecard results from the customer system. The Department collects feedback monthly from key customers on various aspects of SAI, such as quality, cost, delivery time, and service. For any areas with abnormal customer satisfaction scores, the "Customer Complaint Handling Process" is activated. A cross-functional team is organized to conduct root cause analysis and propose suitable improvement plans.

In 2024, 58% of customers achieved a scorecard result of 80% or higher. Although there is still room for improvement in overall satisfaction, most feedback indicates that current challenges are primarily due to rapid changes in international market dynamics and the increasing difficulty of supply chain integration. Due to increased order demand and geographical factors, some overseas customers have expressed higher expectations for localized supply and real-time delivery; the failure of third-party service units that customers cooperated with to update relevant information in real time also had an impact. There were also a few cases due to delayed logistics scheduling, resulting in short-term supply pressure. The Company has actively optimized global warehousing and packaging processes and strengthened cross-department collaboration and early warning management mechanisms. It is expected to effectively improve supply flexibility and overall service quality, maintaining customer satisfaction.

In 2024, there were five quality complaints, all of which have been resolved. SAI provides higher customer satisfaction through superior service and quality. The Company continually conducts customer satisfaction surveys, values feedback from all aspects, and proactively responds to customer needs, aiming to provide more benefits to customers to establish long-term, trustworthy relationships.



Customer Privacy Management

The Company rigorously ensures the protection of customer-related information. All business information, including documents and data exchanged with customers, is strictly controlled through SAI' s internal system. Approval and granting of operational permissions to relevant internal personnel are conducted in accordance with relevant operational standards and procedures. In addition to integrating various software and hardware containing technical data and any data that may involve customer intellectual property rights into our control measures, we sign confidentiality agreements with customers and suppliers to safeguard the security of customer confidential information. Moreover, "Customer Privacy Protection" is included in the training curriculum for new employees and annual training programs to ensure each employee performs confidentiality duties when interacting with customers.

To enhance product competitiveness and meet global customer needs, we operate a headquarters in Taiwan, a subsidiary in Germany, and business offices in the United States and Europe. We actively establish distribution channels and promote customer service across various countries. SAI proactively encourages integrating the Electronic Data Interchange (EDI) platform with customers and subcontractors, providing multiple operations such as order processing, shipment information, and invoice information transmission to accelerate order processing and improve data quality between customers. In handling shipments with freight forwarders, we offer a collaboration platform, enabling subcontractors and customers to independently inquire about pickup and shipment statuses, enhancing overall operational efficiency.

SAI is currently one of the major suppliers to 43 high-end brand car manufacturers worldwide. As the automobile industry undergoes rapid digital transformation, the risks of information security are increasing daily. In recent years, the Company has continued to invest significant resources to strengthen information security. In addition to obtaining ISO 27001 Information Security Management System verification in 2023, it has continued to promote the TISAX Vehicle Safety Assessment Information Exchange Platform Verification to align with international vehicle network security standards. In February 2024, it officially obtained the TISAX®(AL3) Information Security and Prototype Protection label issued by Germany, indicating that the Company makes every effort to protect confidential information related to customer products.

SAI' s Commitment to Customer Privacy

" Customer-oriented, strictly safeguarding custome" confidentiality, upholding the principles of integrity.

4.4 Supplier Management

Supplier Management

Supplier Overview

SAI' s suppliers can be categorized as raw materials, machinery and equipment, and engineering subcontractors. In 2024, there were a total of 916 domestic and international suppliers, with 865 based in Taiwan, accounting for 94.43%.

Adhering to sustainable corporate management principles, SAI' s procurement strategy prioritizes local suppliers for non-raw material purchases, except for bulk raw materials like aluminum ingots that must be sourced internationally. This approach shortens the acquisition time for materials and enhances production efficiency; it reduces the carbon footprint, supports local economic stability, and increases employment opportunities.

Proportion of Local Procurement

Local Procurement	2022	2023	2024
Proportion of Local Procurement Amount (note 2)	39.56%	48.33%	43.65%
Total Number of Suppliers	914	906	916
Number of Local Suppliers	865	859	865
Proportion of Local Suppliers	94.64%	94.81%	94.43%

Note1. Definition of local: location of the trading partner.
Note2. Since Taiwan does not produce aluminum, SAI primarily sources raw materials from the EGA Group, purchasing aluminum from Dubai Aluminum. Excluding the procurement amount of aluminum supplied by EGA, the proportion of local procurement amount in Taiwan for SAI in 2024 is 88.59%

Risk Management of Key Raw Materials

The Company signed annual procurement agreements with key raw material suppliers to ensure supply continuity and closely monitors customer demand fluctuations to make necessary adjustments. We have also conducted material testing with other international aluminum suppliers and have qualified alternative suppliers to ensure smooth transitions if supplier changes are required. SAI also produces recycled aluminum with superior material quality and a stable supply.

Supplier Standards

To implement supply chain management responsibilities, SAI has formulated several specific management requirements and cooperation guidelines for suppliers, encompassing diverse issues such as environmental sustainability, information security, and human rights. We are building a responsible and resilient supply chain system through the joint efforts of supply chain partners. The relevant standards are as follows:

Conflict Minerals Declaration Requirements

The Company requires raw material suppliers to provide a declaration stating they do not use conflict minerals. To enhance supply chain management, we effectively screen and trace the origins of materials, ensuring the exclusion of conflict minerals. Any raw materials with conflict concerns are not considered for evaluation.

Environmental, Health, and Safety Management Requirements

The Company established an Environmental, Health, and Safety (EHS) organization to promote related initiatives, along with procedures for the occupational safety and health management of suppliers and contractors. These procedures are part of supplier audit activities aimed at increasing the attention and actions of supply chain vendors on EHS issues. In practice, suppliers must comply with government EHS regulations and cooperate with the Company's EHS audits. For on-site construction, suppliers must sign a "Contractor EHS Management Acknowledgment" and complete pre-entry EHS training.

Information Security and Prototype Protection Management Requirements

To strengthen information security management and ensure the confidentiality, integrity, and availability of our information assets, the Company has 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. They are required to adhere to our related terms and audit activities.

Supplier Code of Conduct Requirements

The Company is committed to ensuring that supplier selection and evaluation exceed economic standards. Emphasizing human rights, labor standards, business ethics, environmental protection, and safety, we require suppliers to comply with sustainability standards. We expect suppliers to adopt the same standards and have their business activities meet these standards as well as the legal requirements of their operating countries. The Company expects suppliers to ensure that this Code of Conduct is communicated to their employees, subsidiaries, affiliates, and contractors. The Company reserves the right to verify compliance throughout its supply chain.

Greenhouse Gas Inventory Requirements

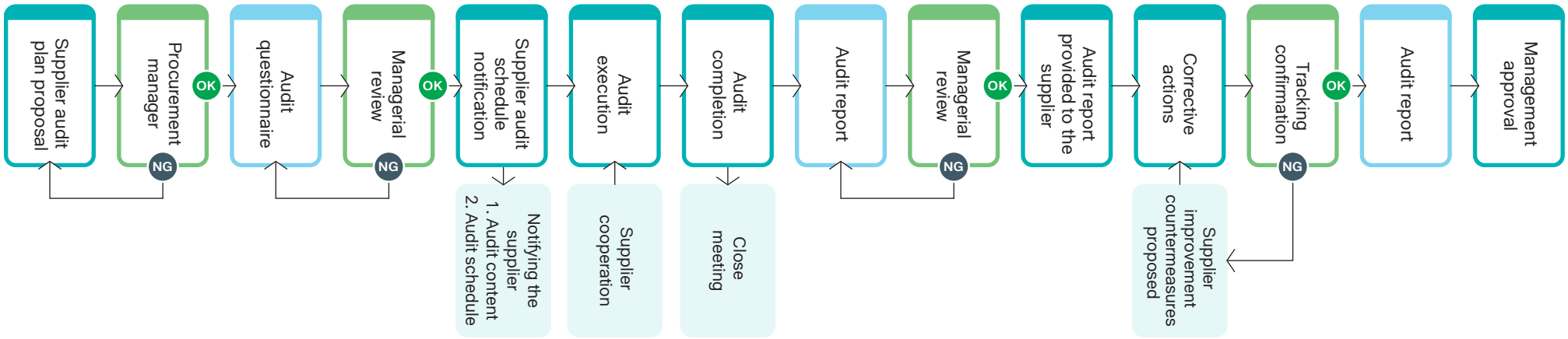
To implement sustainable risk management of the supply chain and drive the entire supply chain toward a low-carbon future, the Company has included carbon inventory operations in the supplier evaluation bonus points and encouraged suppliers to implement the greenhouse gas inventory. To understand the implementation status of suppliers' carbon inventory and use it as the basis for the Company's calculation of reducing Scope 3 emissions, a carbon inventory implementation status survey is conducted on prominent suppliers, jointly creating a sustainable supply chain.

Supplier Audits

To enhance stakeholder recognition of our Code of Conduct, the Procurement Section signs an "SAI Supplier Code of Conduct" when commercial contracts are established with business partners, service providers, and suppliers. Signing the Code of Conduct is a prerequisite for becoming a qualified supplier of SAI. As of 2024, suppliers who have signed the Code of Conduct covered over 90% of the procurement amount in 2024. Among the top 200 suppliers to SAI, 163 have completed the signing process. Among the top 100 suppliers to SAI, 97 have completed the signing process.

Implementing the principle of responsible procurement, SAI has established a "Supplier Audit Control Procedure" as the basis for conducting audits of supplier compliance with the Code of Conduct. This procedure stipulates that thorough due diligence is performed on major suppliers, with regular monitoring to ensure responsible procurement policies are implemented. It serves to verify whether suppliers adhere to the Code of Conduct and maintain high standards of business ethics, social responsibility, and environmental stewardship, supporting SAI's commitment to corporate social responsibility. Our audit personnel perform supplier audits according to the procedure and document audit findings in the "Supplier Code of Conduct Audit Report." In 2024, SAI conducted Code of Conduct audits on six major suppliers in accordance with this procedure; results indicate no significant breaches.

Supplier Audit Process



Supplier Carbon Inventory Status

SAI began inventorying and assessing its suppliers to reduce Scope 3 and overall supply chain carbon emissions in 2023. It monitors whether suppliers have obtained or complied with ISO 14064-1 and GHG Protocol standards and is assisting suppliers in 2024 and 2025 in establishing smart energy management platforms. This initiative aligns with the Ministry of Economic Affairs' "Large Enterprise Assists Small Enterprises" program, targeting four leading suppliers. IoT-enabled smart meters will be installed to monitor energy and water resource usage, allowing suppliers to track consumption in real-time via an app. These efforts help SAI monitor supplier environmental performance and establish management goals for supplier governance. At this stage, gateways, software, and IoT-enabled smart meters have been installed at the facilities of four suppliers; the public cloud greenhouse gas management platform has been launched, completing 80% of the overall plan. In 2024, among the top 20 surveyed suppliers, two have obtained greenhouse gas inventory certification, with four more expected to apply for ISO 14064-1 certification by 2025.

2024 Assessment of New Suppliers

SAI's 2024 new suppliers enter the procurement process only after a 100% pass rate on their evaluation (including social and environmental standards). The new supplier categories are distributed as follows:

Supplier Categories	Number of New Suppliers in 2024
Category A Suppliers (for products and components)	3
Category B Suppliers (for production-related needs)	3
Category C Suppliers (suppliers not belonging to the above categories)	52
Outsourced Suppliers (outsourced for production or processing with raw materials or semi-finished products provided internally)	1
Contractors (factory construction, repair, utilities, equipment maintenance, etc.)	24

2024 Supplier Evaluation Results

Supplier Categories	Evaluation Items and Weighting	Number of Suppliers/ Proportion	Grade A	Grade B	Grade C	Grade D	Grade E	Total
Category A suppliers	Quality 30% Delivery date 25% Service 20% Price 15% International certification/ other 10% (including international carbon inventory requirements)	Number	2	19	1	0	0	22
		Proportion	9.09%	86.36%	4.55%	0%	0%	100%
Category B suppliers		Number	32	81	0	0	0	113
		Proportion	28.32%	71.68%	0%	0%	0%	100%
Outsourced suppliers		Number	11	9	0	0	0	20
		Proportion	55%	45%	0%	0%	0%	100%

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

4.5 Industry Associations and Advocacy Organizations

Participation of Industry Associations

SAI thoroughly evaluates and actively participates in industry associations, willingly sharing knowledge, information, experience, and best practices to leverage industry influence and lead continuous growth. Key associations and organizations SAI participates in are as follows:

Association Name	Membership Status
Yi Yun CEO Club	Member
Alliance for Stress Optimization and Measurement of Metal Machined Parts at Chung Hsing University	Ordinary member
Taiwan Transportation Vehicle Manufacturers Association	Class A member
Taiwan Aerospace Industry Association (TAIA)	First-tier member
Taiwan Light Metals Association	Member
Yunlin County Labor Relations Association	Member
Pingtung County Industrial Association	Member
Yunlin Hsien Industrial Association	Member
Yunlin Technology Industrial Park Association	Vice Chair(taking over as Chair from February 2025)

Advocacy Organizations

ASI (Aluminum Stewardship Initiative)

In July 2023, the Aluminum Stewardship Initiative (ASI) officially announced SAI's achievement of the ASI Performance Standard V3 (2022) certification. "Sustainability" is a crucial component of SAI's corporate strategy; we are honored to be a member of ASI. Aligning with automotive electrification trends, SAI continues to explore and develop the potential applications of forged aluminum. We are committed to a responsible aluminum value chain, striving to maximize the contribution of aluminum's value.

5 Building a Happy Enterprise

5.1 Happy Workplace

Human Resources Structure

SAI upholds a partnership with employees based on mutual prosperity and symbiosis, aiming to foster a diverse and inclusive workplace environment and grow together. The Company values each employee' s professional skills and opinions, while attracting talent through diverse recruitment channels and a comprehensive benefits system. We implement a human resources management system that motivates employee growth, striving to establish a more creative, efficient, and sustainable work environment.

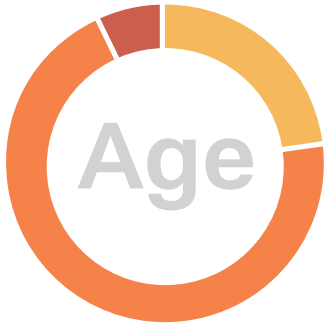
As of the end of 2024, SAI employs a total of 1,465 staff members, comprising 1,249 males and 216 females.

Plants	Type of contract	Item/ Gender	Below 30 years old	30-50 years old	Above 50 years old
Taiwan	Full-time	Female	30	159	27
		Male	304	869	76
		Total		1,465	

Note1. The Company does not employ any temporary employees, part-time employees, or non-guaranteed hours employees.
Note2. The employee count in this table is based on data as of December 31, 2024.

Age Structure of full-time employees in 2024

Below 30 years old	23%
30-50 years old	70%
Above 50 years old	7%



Non-employee workers accounted for approximately 1.84% of the workforce. There have been no significant changes compared to the previous year.

Type of Worker	Contractual Relationship with the Company	Total Number of Workers in 2023	Total Number of Workers in 2024
Cleaners/guards	Contracted	27	27

Talent Recruitment

SAI is committed to creating an equal employment opportunity environment that is free from discrimination and harassment, where individuals are treated equally regardless of race, nationality, age, gender, marital status, political position, or religious beliefs. We adhere to labor laws and do not employ child labor. Candidate selection is based on professional qualifications, and systems for promotion, assessment, training, and disciplinary actions are clearly defined. Male and female employees in the same positions receive equal pay for equal work.

We believe that diverse and skilled talents form the foundation for our Company' s growth. Therefore, our talent recruitment strategy follows principles of fairness, impartiality, and transparency, aiming to attract outstanding individuals to unleash their potential and achieve their aspirations at SAI.

Recruitment Strategy

1. Building an attractive employer brand:
Emphasize company culture, values, and achievements during the recruitment process to create an attractive employer brand image.

2. Utilizing diverse recruitment channels:
Utilize various recruitment channels, including company websites, recruitment platforms, and campus recruitment, to expand recruitment coverage.

3. Internal employee referral program:
Encourage current employees to recommend suitable candidates, and offer a reward mechanism.

4. Participation in recruitment events and job fairs:
Participate in relevant recruitment events and job fairs to directly engage with potential candidates.

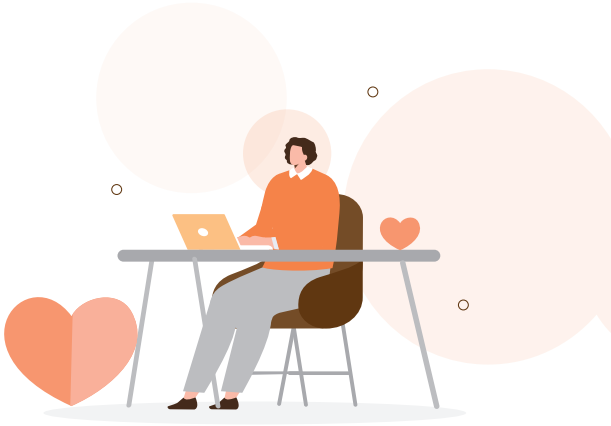
5. Transparent communication:
Maintain transparent communication with candidates throughout the recruitment process, providing timely feedback and building strong relationships

Recruitment Channels

Online Channels	Job bank, college/university websites
Physical Channels	Campus recruitment, job fairs, recruitment advertisements, print media
Employee Referrals	SAI has an Employee Referral Bonus Scheme

SAI hired 299 new employees in 2024, constituting 20.41% of its total workforce. This includes 44 female and 255 male employees. SAI' s new hire rate over the past three years (2022, 2023, and 2024) was 26.70%, 25.98%, and 20.41%, respectively.

Year	2022				2023				2024			
Gender	Male		Female		Male		Female		Male		Female	
Age/Item	Number of People	New Hire Rate (%)	Number of People	New Hire Rate (%)	Number of People	New Hire Rate (%)	Number of People	New Hire Rate (%)	Number of People	New Hire Rate (%)	Number of People	New Hire Rate (%)
Below 30 years old	176	11.49	12	0.78	153	10.04	18	1.18	113	7.71	11	0.75
30 – 50 years old	182	11.88	29	1.89	187	12.27	35	2.30	142	9.69	33	2.25
Above 51 years old	7	0.46	3	0.20	2	0.13	1	0.07	0	0	0	0
Total New Hires	409				396				299			
Total Number of Employees	1,532				1,524				1465			
Overall New Hire Rate (%)	26.70				25.98				20.41			

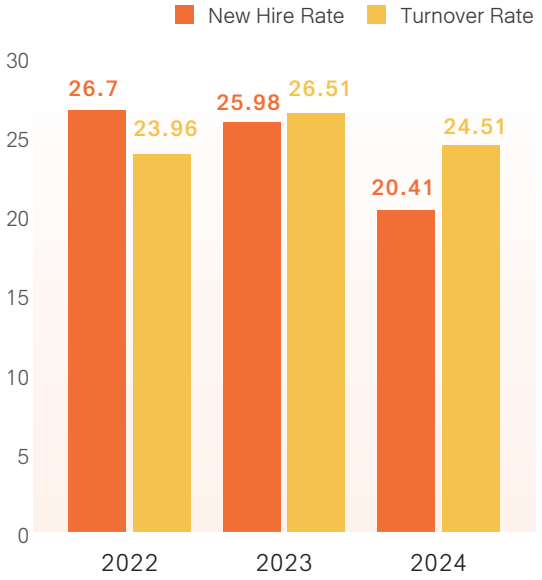


Talent Retention

Regarding employee departures, there were a total of 359 departures in 2024, accounting for 24.51% of the total workforce. This includes 38 females, 321 males, and 15 employees aged 51 or older. SAI' s turnover rates over the past three years were 23.96%, 26.51% and 24.51%, respectively.

Year	2022				2023				2024			
Gender	Male		Female		Male		Female		Male		Female	
Age/Item	Number of People	Turnover Rate (%)	Number of People	Turnover Rate (%)	Number of People	Turnover Rate (%)	Number of People	Turnover Rate (%)	Number of People	Turnover Rate (%)	Number of People	Turnover Rate (%)
Below 30 years old	145	9.46	21	1.37	124	8.14	22	1.44	104	7.10	8	0.55
30 – 50 years old	153	9.99	37	2.42	201	13.19	41	2.69	202	13.79	30	2.05
Above 51 years old	9	0.59	2	0.13	13	0.85	3	0.20	15	1.02	0	0
Total New Hires	367				404				359			
Total Number of Employees	1,532				1,524				1465			
Overall New Hire Rate (%)	23.96				26.51				24.51			

Changes in New Hire Rate and Turnover Rate in the past three years



To continue improving our human resources management system, SAI conducts resignation surveys to gain deeper insights into the reasons behind employee departures and to propose further improvement measures:

Resignation Survey Results for 2024

Total Number of Resignations	Number of Exit Interviews
359	302

Top Two Reasons for Departure	Changes in Migrant Workers' Contracts	Personal Career Planning
Analysis and Improvement	● Strengthening talent selection: Confirm migrant workers' adaptability and willingness to work before hiring to reduce early contract termination due to personal factors. ● Exit interviews: Conduct exit interviews to understand reasons for departure and promptly adjust and improve relevant areas within the Company to lower turnover rates. ● Migrant workers meetings: Hold meetings every three months to offer the Company's concern for migrant workers' needs and opinions ● On-site translation: On-site translation managers provide irregular care and assist migrant workers in integrating into local life and company culture.	● Exit interviews: Conduct exit interviews to immediately adjust and improve relevant areas within the company to reduce turnover rates. ● Turnover analysis: Analyze exit interviews to identify areas needing improvement internally ● Employee feedback mechanism: Establish suggestion boxes for employees to provide timely feedback and suggestions to further improve working conditions. ● Competitive salary and benefits: Regularly review salary structures to keep pace with market conditions and provide attractive bonuses, allowances, and benefits systems.

Note：Interviews primarily involve voluntarily departing employees.

Employee Engagement Survey

Number of Survey Participants	Actual Number of Respondents	Response Rate
980	641	65%

Survey Findings	A 6-point Likert scale was used to evaluate the scale. The median dimension was three dimensions: value recognition, commitment to hard work, and willingness to retain. The average score was 3.96.
Improvement Matters	● Increase participation rates: Provide incentives to increase response rates. ● Continuous follow-up: Regularly track the progress of improvement measures to show employees see substantial changes. ● Build trust mechanisms: Leadership must openly support and demonstrate an attitude that values the survey findings.
Measures Implemented	● After surveys are complete, they are provided to the supervisor and relevant business management units for improvement measures. ● Regular surveys are incorporated into the annual plan to form an institutionalized process.

Diversity and Inclusion

SAI does not discriminate based on race, nationality, age, gender, marital status, political position, or religious beliefs. We adhere to labor laws, employing candidates based on their professional qualifications. Systems for promotion, assessment, training, and disciplinary actions are clearly defined, ensuring fairness, impartiality, and transparency. Male and female employees in the same roles receive equal pay.

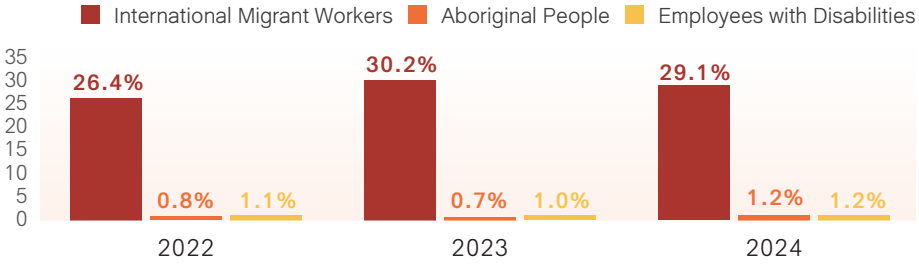
Inclusivity and Diversity

Aligned with our core value of "taking from society, using for society," SAI actively supports government initiatives to hire individuals with disabilities, providing equal recruitment opportunities and suitable job placements for diverse groups. In 2024, the employment rate of individuals with disabilities at SAI exceeded the legal requirement of a 1% employment standard. In the future, SAI will continue its commitment to creating a diverse and inclusive workplace environment, striving to foster an environment that is free from discrimination and harassment.

Number of Diverse Group Employees for the Past Three Years

Year			2022	2023	2024
Item	Gender	Age	Number of People	Number of People	Number of People
International Migrant Workers	Male	Below 30 years old	106	124	121
		30-50 years old	290	326	293
		Above 51 years old	8	11	12
Aboriginal People	Male	Below 30 years old	1	1	2
		30-50 years old	7	7	8
		Above 51 years old	0	0	0
	Female	Below 30 years old	1	0	2
		30-50 years old	3	2	5
		Above 51 years old	0	0	0
Employees with Disabilities	Male	Below 30 years old	3	2	3
		30-50 years old	10	11	11
		Above 51 years old	0	0	0
	Female	Below 30 years old	1	0	0
		30-50 years old	3	3	3
		Above 51 years old	0	0	0

Proportion of Diverse Labor Force for the Past Three Years



Local Talent Recruitment and Workplace Equality

To strengthen relations with the local community and enhance stability in employee roles, SAI prioritizes hiring local residents when expanding its staff. Managerial positions and above within the Taiwan region are filled by 100% Taiwanese. To ensure that diverse talents can fully utilize their strengths in their positions, we emphasize ensuring "equality." Female colleagues at SAI have equal opportunities and rights in all aspects as their male counterparts; employees from minority or disadvantaged groups also hold the same rights. In 2024, the proportion of employees from minority groups or disadvantaged groups (including people with disabilities, Indigenous people) at the management level was 1.35%.

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

Item	Gender	Age	2022	2023	2024
Managerial Staff	Male	Below 30 years old	1	3	1
		30-50 years old	53	51	47
		Above 51 years old	10	9	10
	Female	Below 30 years old	0	1	0
		30-50 years old	11	13	12
		Above 51 years old	2	2	4
Total of managerial staff			77	79	74
Non-managerial Staff	Male	Below 30 years old	328	328	303
		30-50 years old	865	861	822
		Above 51 years old	53	62	66
	Female	Below 30 years old	45	33	30
		30-50 years old	151	144	147
		Above 51 years old	13	17	23
Total Non-managerial Staff			1455	1445	1391
Total Full-time Employees			1532	1524	1465

Note : Managerial staff are defined as Section Managers and above.

A Culture of Friendly Cooperation and Mutual Assistance

The Company cultivates a distinct environment of respect and acceptance with its employees, shaping a positive culture of mutual support and expression of opinions. The Company attaches great importance to employee communication and actively listens to employees' perspectives. By establishing multiple communication channels, we provide employees with complaint hotlines, labor-management meetings, supervisor meetings, employee engagement surveys, and other channels. This allows individuals to select appropriate channels according to differing situations to express ideas and suggestions, thereby achieving the joint improvement in work efficiency and a healthy workplace environment. Additionally, the Company helps employees eliminate prejudice and embrace diversity through policy advocacy and regular training.

SAI respects multiculturalism outside of work, strives to create an inclusive and friendly workplace environment, and continues to promote cross-cultural exchanges and team cohesion. To promote friendship among colleagues, we hold several leisure and cultural activities, including migrant workers' rattan ball friendly competitions, barbecues, etc. These initiatives encourage employees to interact and communicate beyond their professional duties, enhancing mutual understanding, building trust, fostering a sense of belonging, and jointly creating a work environment where respect coexists with harmony.

Employee Benefits

Welfare Measures

SAI prioritizes employee welfare by providing a variety of welfare measures and Company activities. These measures and activities encompass health care, annual bonuses, childcare subsidies, travel discounts, and corporate events. They include regular health check-ups for employees and dependents, annual bonuses, and year-end banquets, ensuring protection of employees' rights during specific life stages such as marriage, childbirth, or retirement. Planning these welfare measures aims to comprehensively address employees' personal life needs outside of work, enabling them to achieve a work – life balance, thereby acknowledging their hard work and dedication.

Employee Welfare provided by SAI:

- Statutory Leave | Family Care Leave, Menstrual Leave, Prenatal Check-up Leave, Maternity Leave, Paternity Leave, Special Leave
- Leave Exceeding Legal Requirements: Effective April 2, 2024, all employees, regardless of seniority, are granted three days of paid volunteer leave per year.
- Health Care | Annual free health check-ups for employees and their dependents, regular on-site physician services, hospitalization 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
- Travel Discounts | Travel activity subsidies, discounts at partner stores
- Learning Resources | Comprehensive employee training programs (free external training), book borrowing services
- Company Facilities | Employee dormitories, dedicated employee parking (Douliu Plant), dedicated nursing rooms for mothers, social lounges, and common areas
- Employee Stock Ownership Trust Description: Provided by Yuanta Commercial Bank from July 1, 2024.

2024 Welfare Committee Activities and Participation

Activity	Person-hour Participation
Spring Party	Employees: 1,451 person-hours; guests: 63 person-hours
E-Da Family Day	Employees: 649 person-hours; dependents: 407 person-hours
Christmas Event: Purchasing Christmas cookies from the Beigang Association for the Welfare of People with Disabilities to celebrate with colleagues	1500 pcs

The Family Day event was held on November 23, 2024, at the E-DA Theme Park. Each colleague was provided with three free tickets and meals so that they could invite relatives and friends to enjoy themselves.

Parental Leave Policy

To promote the concept of a "happy workplace," SAI is committed to creating an equitable and humane work environment. In addition to providing nursing rooms, we implement a Parental Leave without Pay Program in accordance with the law, allowing eligible employees to apply as needed.

2024 Statistics on Parental Leave

Parental Leave in 2024	Male	Female	Total
Total number of employees entitled to parental leave (A)	66	19	85
Total number of employees actually taking parental leave (B)	7	11	18
Application rate for parental leave (B/Ax100%)	10.61%	57.89%	21.18%
Total number of employees expected to return from parental leave (C)	6	7	13
Total number of employees who actually returned from parental leave (D)	4	7	11
Return-to-work rate after parental leave (D/Cx100%)	66.67%	100.00%	84.62%
Total number of employees who returned to work after parental leave expired in 2023 during the reporting period (E)	5	2	7
Total number of employees who returned to work after parental leave expired in 2023 and are still in employment 12 months later (F)	3	2	5
Proportion of employees who returned to work after parental leave expired in 2023 and are in employment one year later (retention rate) (F/E*100%)	60.00%	100.00%	71.43%

Retirement System

The Company allocates funds to a retirement reserve in accordance with the Labor Standards Act. Following the provisions of the Act, the Company calculates retirement benefits based on the employee's years of service and the average salary of the six months prior to retirement. SAI allocates 2% of the total monthly salary of employees to the employee retirement fund, which is managed by the Labor Retirement Reserve Supervisory Committee and deposited into a special account at the Bank of Taiwan under the committee's name. SAI has established an employee retirement plan in compliance with the Labor Pension Act, contributing 6% of each employee's monthly salary to their individual accounts at the Bureau of Labor Insurance.

Employee Remuneration

SAI ensures that the ratio of salaries of its grassroots employees to the local minimum wage exhibits no gender disparity. The Company strives to implement pay equity to prevent gender discrimination in the workplace while maintaining internal salary fairness.

Gender Pay Ratio in 2024

Item	Base Salary		Base Salary Plus Bonuses	
	Male	Female	Male	Female
Managerial Staff	1	0.98	1	0.91
Non-managerial Staff	1	1.10	1	1.12
Total	1	1.11	1	1.13

Note：Managerial staff are defined as Section Managers and above (including Line Managers and Special Assistants).

Ratio of Standard Salary of Grassroots Employees to Local Minimum Wage for the Past Two Years

		Local Minimum Wage (notes 1 and 2)			
Year		2023		2024	
Operating Locations		Female	Male	Female	Male
Taiwan Operations Headquarters	Grassroots Employee Ratio(note 3)	1.11	1.15	1.13	1.15

Note1. Minimum wage rates by region in 2024: NTD 27,470 (Taiwan).
Note2. The ratio is calculated by gender: Local minimum wage ratio = Full salary provided to minimum wage level employees/local minimum wage.

2024 Total Remuneration Ratio

Country/ Region	Ratio of annual total remuneration of the highest-paid individual in the Company to the median annual total remuneration of employees (excluding the highest-paid individual)
Taiwan	15.38

Note1. The Chair is not considered the highest-paid individual unless also serving as President/Managing Director.
Note2. The formula for annual median remuneration ratio: Annual salary of the highest-paid individual/Annual salary of the individual at the median salary level for the year.
Note3. Since the annual total remuneration of the highest-paid individual in the Company did not increase in 2024, the total remuneration change ratio cannot be calculated.

Salary for Full-Time Employees in Non-Managerial Positions

Unit: NTD Thousand

	2023	2024
Average Salary	615	604
Median Salary	570	568

Note1. Non-managerial positions are defined as excluding managers (General Manager, Deputy General Manager, Associate Manager, Accounting Manager).
Note2. Compared to 2023, the average and median salaries of full-time non-managerial employees dropped slightly in 2024. This is the result of the Company's continued improvement of manufacturing process efficiency, optimization of working hours, and reduction of excessive overtime, thereby fulfilling its commitment to employees' physical and mental health and work – life balance.

5.2 Human Rights Management

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. The Company complies with local laws and regulations and has formulated a human rights policy based on the "United Nations Guiding Principles on Business and Human Rights (UNGPs)." 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 cover critical human rights issues such as the prohibition of forced labor, the prohibition of discrimination, the prohibition of inhuman treatment, health and safety, non-discrimination, access to assistance, and working hours and vacations. SAI uses professional management practices to ensure operational safety and the personal safety of employees and event participants. We actively improve existing structures and integrate the spirit of respecting human rights into daily operations. In 2024, SAI had no significant instances of human rights violations.

Human Rights Commitment

- We firmly believe that respecting and safeguarding human rights is a core value for sustainable business development.
- We integrate human rights considerations into every aspect of our operations.
- We provide open communication channels for stakeholders.

Management Principles

- 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.

Human Rights Related Courses in 2024

- SAI implements human rights-related courses during new employee training, including gender mainstreaming and prevention of sexual harassment:
- Total number of participants: 1,465.
- Total training hours: 8,766.

Human Rights Evaluation

Human Rights Impact Assessment

To implement our human rights commitments and corporate social responsibilities, SAI conducts regular internal Human Rights Impact Assessments (HRIA) to assess employee risk exposure and develop risk management measures. This ensures that operating activities do not pose risks of human rights violations to our employees or stakeholders. We have also established corresponding prevention and improvement mechanisms.

Leveraging human resources data, the Company identifies impact values associated with various issues, establishing mitigation measures and management objectives based on the findings. This approach aims to minimize harm and the impacts on employees resulting from human rights issues, fostering an inclusive and diversity-friendly workplace. The HIRA covers all employees, candidates, and other relevant subjects. The assessment identifies a total of 11 human rights risk issues, with a coverage rate of 100%. Each indicator is evaluated based on actual management, internal notification records, and compliance with laws and regulations of the competent authorities. The results show that the risk level of all topics is "low," and no major hazardous incidents have occurred in 2024. In the future, we will regularly review the effectiveness of the management mechanism, continue to optimize the human rights governance process, and ensure that all employees work and develop in a respectful, fair, and safe environment.

Identified Human Rights Risk Issues	Investigation Results and Improvement Coverage	Investigation Results and Improvement Implementation
11	100%	100%

Human Rights Due Diligence

To responsibly understand and manage human rights issues, SAI has established a due diligence investigation process, which is conducted at least once every five years. SAI's most recent human rights due diligence investigation was conducted in December 2022. SAI tracks risks and reviews the implementation results of management measures each year. The following table presents the implementation results of risk tracking and management measures in 2024.

To mitigate human rights risks, SAI has developed comprehensive policies and procedures for handling human rights incidents, covering the entire SAI value chain and all operational locations.

Human Rights Due Diligence Process

Risk Identification
- Review of international norms and local laws to identify a list of human rights risk issues.
- Identification of significant human rights issues related to the organization's operational activities and affected parties.

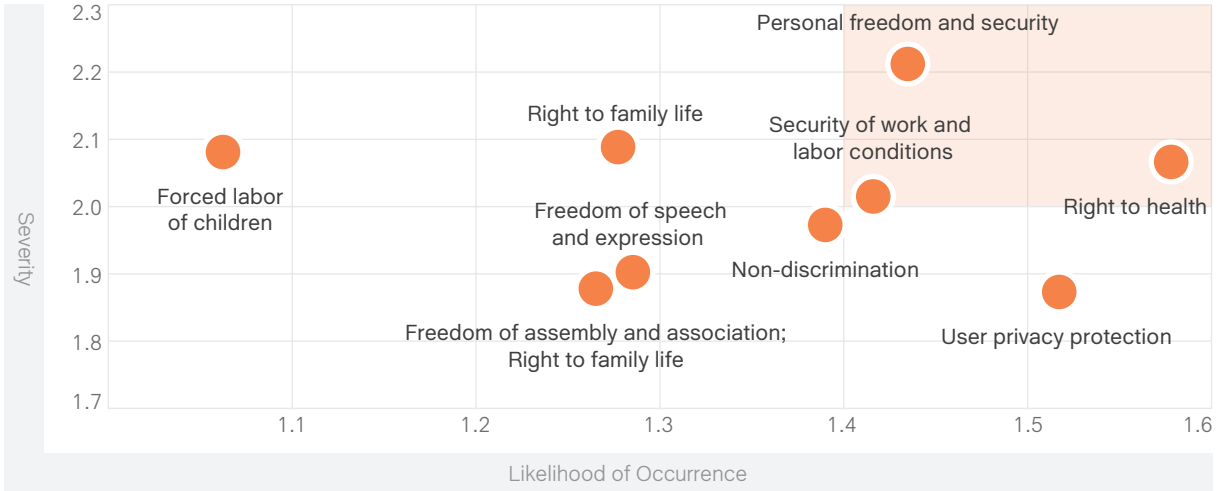
Risk Assessment
- Assessment of human rights risk probabilities and severity for employees, suppliers, customers, and service processes.

Mitigation Policies
- Development of action plans, mitigation measures, risk prevention, and control based on assessed human rights risk severity.

Improvement Tracking
- Incorporating investigation findings into relevant functions and processes, implementing appropriate improvement actions, and conducting subsequent monitoring.

Periodic Reviews
- Regularly review tools for investigating and assessing human rights issues.
- Continuous optimization of human rights risk management.
- Regularly conducting human rights due diligence to assess human rights impacts.

Investigation Results



Note · The levels of likelihood of occurrence are categorized as follows: (1=Unlikely to occur, 2=Low probability, 3=Moderate probability, 4=High probability). Severity levels are classified as follows: (1=No impact, 2=Low severity, 3=Severe, 4=Very severe). SAI continually conducts human rights risk assessments and identifies high-risk human rights issues.

Note · SAI selects the top three high risks for further evaluation and tracking from the identified risks.

Risk Mitigation Measures

Target	Risk Category	Human Rights Risk Assessment	Mitigation and Preventive Measures Management	Improvement Status	Implementation Results of Risk Tracking and Management Measures in 2024
All Employees	Right to health; providing occupational health education and training	Failure to provide workers with adequate operational training and safety knowledge leads to industrial safety incidents.	• SAI establishes a management organization, formulates management methods and procedures, and establishes regular audit procedures to effectively prevent various accidents in accordance with the ISO 45001 Occupational Health and Safety Management System. • During new employee education and training, in addition to advocating employees' obligations in safety and health, the importance of self-protection for employees is prioritized. • 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 personnel conduct irregular inspections of fire prevention measures to strengthen 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, all plants complied with relevant regulations. There was only one case involving regulations. Some equipment was not adequately equipped with safety devices. The necessary devices were subsequently installed, and advocacy, safety education, and training have been strengthened. • We implemented occupational safety and health training for in-service employees; a total of 1,463 person-hours were completed. • Fire drills are held every six months; a total of 1,463 person-hours of training have been completed.
	Personal freedom and safety	Employees are subjected to threats, physical assaults, and harassment (e.g., sexual harassment), causing negative impacts on their physical and mental well-being.	• Establishing a secure and confidential complaint channel. The Company has established channels for employee communication and complaints. • Establishing professional complaint handling processes. • Victim protection mechanism/employee safety protection mechanism. • Increasing employee welfare measures. • Promoting education/training of gender equality and workplace safety policies.		• There were no relevant complaints in 2024. • A total of 1,463 person-hours completed the gender equality and workplace safety policy advocacy/education annual training.
	Security of work and labor conditions	Failure of the working environment or labor conditions to meet legal requirements, resulting in employees' basic work rights (working hours, salary, health and safety, equal treatment, etc.) not being protected.	• To protect employee health and safety and prevent the occurrence of occupational disasters, regularly monitor the workplace environment (such as implementing working environment monitoring and certification) to ensure workplace safety and reduce the risk of occupational accidents. • When an occupational accident occurs, workers receive appropriate compensation and medical protection to ensure that their lives remain unaffected. • Reasonably clarifying labor contracts and conditions and proactively collecting information on labor laws and regulations and revising relevant management systems promptly. • Providing necessary social insurance. • Establishing smooth channels for complaints. • Strengthening labor-management communication and ensuring information transparency. • Changing working hours and scheduling, and respecting workers' right to work offline. • Gender equality in the workplace and the prohibition of sexual harassment.		• There were two work environment fines in 2024: the motor shaft of the preheating furnace at the Yunlin Plant and the motor of the annealing furnace at the Pingtung Plant were not equipped with the proper safety measures. The occupational safety unit listed the entangling hazard as an item for monthly review. It conducted a parallel confirmation of safety equipment and measures across each section. For the Pingtung Plant, the fixtures contacted during the maintenance process were fixed to prevent the equipment from being driven; senior employees guided the techniques before construction. • There was no fine for working conditions being below the standards in 2024. • There were no complaints in 2024.

Anti-Slavery and Anti-Human Trafficking

SAI is committed to not using or supporting the use of any form of slavery, forced, bonded, indentured, trafficked, or involuntary labor in reference to the requirements of RBA (Responsible Business Alliance), BSCI (Business Social Compliance Initiative), SA 8000 (Social Accountability 8000), and other standards.
We rigorously enforce policies on the "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 Company officers.

Gender Equality, Diversity, and Inclusion

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

Labor Relations

Minimum Notice Period of Operational Changes

SAI values employee feedback. It actively convenes labor-management meetings and Employee Welfare Committee meetings to facilitate dialogue and exchange of opinions among employees. Various departments hold regular communication meetings to reach consensus through negotiation, fostering harmonious labor relations. The Company also has an established employee complaint mailbox as a communication channel. When employees raise complaints, the Company follows relevant procedures to safeguard individual rights. The Company continues to promote relevant policies and procedures so that employees understand their rights and the Company's handling principles. We utilize supervisor meetings, corporate events, and internal social networks to disseminate information and reminders effectively.

SAI complies with the provisions of Article 11 and Article 13, Subparagraph, of the Labor Standards Act regarding termination of labor contracts, observing the following notice periods:

- Employees who have worked continuously for more than 3 months but less than 1 year shall be notified at least 10 days in advance.
- Employees who have worked continuously for 1 year or more, but less than 3 years, shall be notified at least 20 days in advance.
- Employees who have worked continuously for 3 years or more shall be notified at least 30 days in advance.

Upon receiving such notice, employees may request leave during work hours to seek alternate employment. Wages during the leave period shall be provided according to the contract, with the leave not exceeding 2 days of work hours per week. If the employer fails to provide the required notice period, as stipulated in the first paragraph, they shall compensate the employee with wages equivalent to the notice period.

Labor-Management Communication

SAI safeguards freedom of association for its employees, with unit representatives assisting colleagues in voicing opinions during communication meetings to ensure that all employees' voices are heard and responded to by the Company. SAI currently does not have an established union. In 2024, SAI conducted a total of four labor – management meetings, comprising 100% of the employee population.

SAI convenes regular meetings of the Welfare Committee to jointly plan employee welfare-related activities (such as year-end banquets at various plants and SAI Family Day) and seasonal activities (such as Christmas cookie making), fostering team spirit among employees. In 2024, a total of eight meetings were held, along with four events, including the year-end banquets for the Pingtung and Yunlin Plants, SAI Family Day, and a Christmas party, to achieve our goal of a happy workplace.

Employee Communication Mechanisms and Achievements in 2024

Labor-Management Meetings

Communication frequency: At least once per quarter
Communication achievements: Four meetings

Coverage of employees:100%

Welfare Committee

Communication frequency: At least once per quarter
Communication achievements: Eight meetings, four activities

Family Day:1,056 participants

Monthly Mobilization Meetings

Communication frequency: First Tuesday of every month
Communication achievements: 12 meetings

Total annual attendance:2,600 person-hours

5.3 Talent Development

Talent Cultivation

SAI firmly believes that outstanding human resources are the cornerstone of sustainable business operations. As such, the Company places great emphasis on talent development and professional advancement for its employees. To enhance employee capacity and maintain long-term competitive advantages, SAI provides comprehensive training programs tailored to professional technical skills and career development needs. The Company encourages employees to participate in external training and pursue professional certifications. Each unit handles diversified training programs, such as training and employee reading activities, tailored to meet the needs of training professional talents for the Company's operations. In 2024, SAI's accumulated training hours were 45,540, with an average of 31.09 training hours per person.

Training Statistics Classified as Management and Non-Management Positions in 2024

Item/Category		Management Position		Non-Management Position	
Unit/Gender		Male	Female	Male	Female
Total Number of People	Person	58	16	1,191	200
Total Training Hours	Hour	2,575	595	36,200	6,171
Average Training Hours	Hour/ Person	44	37	30	31
Training Expenses	NTD	39,250	10,400	240,100	20,800

Training Statistics Classified as "Direct and Indirect Personnel" in 2024

Item/Category		Direct Personnel		Indirect Personnel	
Unit/Gender		Male	Female	Male	Female
Total Number of People	Person	1,060	83	189	133
Total Training Hours	Hour	32,343	3,383	6,431	3,383
Average Training Hours	Hour/ Person	31	41	34	25
Training Expenses	NTD	179,750	0	99,600	31,200

Performance Evaluation

SAI integrates the overall operational profitability with individual employee performance through quantitative work objectives and qualitative competency behaviors. In 2024, the rate of performance evaluation for management and non-management positions was 100%. The Company conducts performance evaluations four times a year—assessing senior executives, mid-level managers, frontline supervisors, general employees, and foreign migrant workers—based on "Individual Performance Ratings" and "Individual Efficiency Alignment."

Proportion of Employees Receiving Regular Performance and Career Development Reviews (by gender and job type)

Evaluation Indicators
● Individual Performance Ratings: Set departmental and personal goals from top to bottom based on the Company's strategic goals and achieve performance results by focusing on consensus with supervisors. ● Individual Efficiency Alignment: Supervisors review work goals and implementation progress through daily management and provide timely guidance and feedback to facilitate the timely completion of goals.

	By Gender		By Job Type		
	Male	Female	Technicians	Operators	Administrators
Number of People	1249	216	181	1010	274
Proportion of Total Employees	85.26%	14.74%	12.35%	68.94%	18.70%

5.4 Occupational Safety

SAI understands the critical impact of a safe and healthy workplace on employee and organizational stability. It incorporates occupational health and safety management into the core of its operational strategy. Through institutionalized management, education and training, and risk assessment mechanisms, the Company comprehensively builds a culture of safety that focuses on prevention, striving to cultivate a zero-accident, low-risk work environment.

Occupational Safety Policy


TÜV NORD
CERTIFICATE
Management system as per ISO 45001: 2018
SAI

A safe and healthy work environment can strengthen the quality of products and services, employee retention rates, and overall operating morale. Based on ensuring employee health and safety at work, the Company pledges to comply with all applicable occupational health and safety regulations and other requirements. In addition to implementing the ISO 45001 Occupational Health and Safety Management System, SAI has developed an Environment, Health, and Safety (EHS) manual and various procedural standards as the basis for institutionalized management.

The Company continues to enhance employee awareness of occupational health and safety through policy dissemination to effectively manage and mitigate hazards, enhancing corporate competitiveness. The Company is dedicated to identifying occupational health and safety risks and progressively improving processes to minimize work-related impacts on its employees and contracted and outsourced workers, reducing incidents, and enhancing safety performance.

At the same time, SAI continues to enhance all employees' awareness and participation in occupational health and safety through policy advocacy and internal promotion mechanisms. This serves to effectively control and reduce potential risks systematically, thereby enhancing the competitiveness of the Company. The Company actively identifies and mitigates potential occupational health and safety risks in operations, covering employees, contractors, and outsourcing personnel. These are aimed at reducing the probability of work hazard shocks and accidents while comprehensively improving workplace safety and health outcomes.

In accordance with ISO 45001 standards, the Company has established occupational health and safety management procedures for suppliers and contractors. The Occupational Health and Safety Management System applies to all 1,465 employees within the Company's premises and 680 contractor employees, achieving a coverage rate of 100%.

Workplace Hazard Identification and Risk Assessment

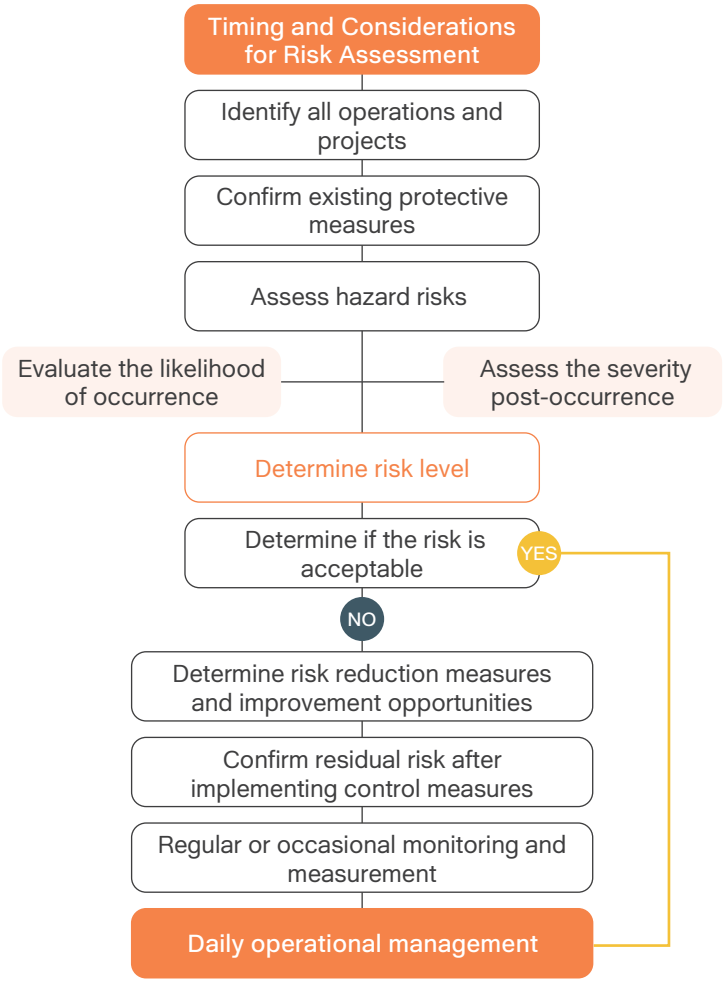
To continuously prevent potential occupational workplace hazards, SAI assigns qualified personnel to conduct hazard identification. Hazard factors are quantified to serve as the basis for risk assessments, which are reviewed by the Safety and Health Management Unit to determine risk levels. Control measures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

In 2024, leveraging the hazard identification and risk assessment of ISO 45001 Occupational Health and Safety Management System, a total of 2,099 hazard factors were identified at the Yunlin and Pingtung plants, an increase of 841 compared to 2023. No significant risks were identified, while 33 high-risk items were identified. High-risk items were identified as the risk of falling when erecting scaffolding without protective measures, accumulation of graphite or welding in dust collecting pipes, causing fires to spread, and the risk of electric shock caused by operating electrical equipment. All risk factors were mitigated to acceptable levels through risk reduction measures or improvement opportunities. The Company employs proactive (weekly safety and health information advocacy, news cases, etc.) and reactive (post-incident) hazard identification approaches. Hazard identification items are disseminated through departmental education and training programs to ensure compliance and enhance operational safety to achieve prevention effects.

The top five high risks and improvements in 2024 are as follows:

Risk Type	Risk Description	Improvements
Traffic accidents	Commuting to and from work.	Education, training, and promotion at meetings have been carried out.
Fall/slip risk	Slip due to slippery ground/ladder surface in factory inspections and project inspections.	The planning and improvement of three environmental safety and health management plans have been completed, and hazard warning signs are posted in the plant.
Electric shock hazards	Electric shock caused by the crusher, high-voltage substation maintenance, and electronic control measurement without insulating equipment.	Panning and improvement of environmental safety and health management plans have been completed to prevent electric shock.
Falling hazards	Falling due to stepping on or through mechanical equipment, maintenance, and roof operations (cleaning, replacement of corrugated sheets, etc.).	Contractor: Contractor education and training, and on-site audit have been carried out. Inside the Company: Supervisors have been assigned to supervise construction operations on site.
Caught-in/ crushed hazards	No protective measures are taken at the transmission parts of heat treatment furnaces, crushers, and other mechanical equipment.	Planning and improvement of three environmental safety and health management plans have been completed.

Hazard Identification and Risk Assessment Process

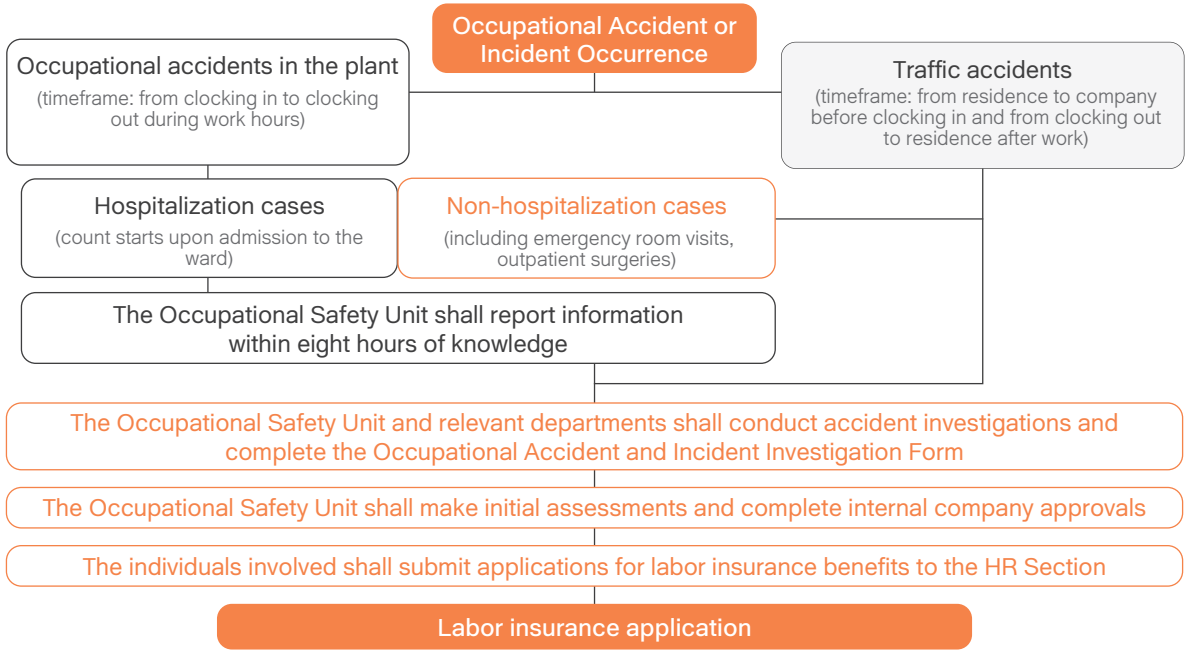


During the execution of any operation, in the event of an immediate hazardous emergency, employees are empowered to assess the onsite danger level and determine whether to halt operations or implement necessary protective measures. Subsequently, they evacuate their workstations for safety without facing any negative consequences.

Occupational Health Protection

Occupational accidents are categorized into two main types: on-site accidents (work-related incidents) and off-site accidents (traffic accidents). In accordance with occupational health and safety regulations and labor protection laws, employees collaborate with supervisors to apply for compensation for occupational accidents and injuries. Employees are required to promptly inform their supervisors in case of accidents. The Company assists in filing occupational accident claims. For legally significant occupational accidents, immediate notification is required within eight hours, followed by HR's coordination for labor insurance injury compensation applications, ensuring comprehensive care for employees' post-injury or illness.

Occupational Accident Process



Due to the manufacturing process and industry characteristics, Company employees often work in noisy environments. To prevent exposure to hazardous working conditions that may impact their health, SAI actively plans numerous responsive measures. These include employee health promotion activities (promoting adequate health knowledge), providing health checks for employees, and coordinating with the Ministry of Labor for qualified workplace environment monitoring, including noise monitoring. These initiatives address the health and safety needs of employees, allowing them to work with peace of mind while prioritizing their physical well-being.

Worksite Real-Time Monitoring

SAI conducts regular semi-annual operational environment monitoring for employees' primary workplaces. Some monitoring items are performed quarterly or annually (such as comprehensive temperature-humidity index and wind speed monitoring) to understand actual employee exposure conditions. This approach effectively controls and prevents hazards, as detailed below:

Plant		Monitoring Items	2024 Monitoring Results
Yunlin Plant	Plant H	Physical monitoring (comprehensive temperature-humidity index), chemical monitoring (carbon dioxide)	Compliance with Regulations
	Plant 1	Physical monitoring (comprehensive temperature-humidity index, noise), chemical monitoring (dust)	Compliance with Regulations
	Plant 2	Physical monitoring (comprehensive temperature-humidity index, noise, wind speed), chemical monitoring (carbon dioxide, organic solvent, specific chemical substances)	*Note
	Zhuwei Plant	Physical monitoring (noise)	Compliance with Regulations
Pingtung Plant		Physical monitoring (comprehensive temperature-humidity index, noise), chemical monitoring (carbon dioxide, organic solvent, specific chemical substances)	*Note

Note：Some noise in Plant 2 and the Pingtung Plant exists due to their business models. SAI continues to conduct follow-up management in accordance with the "Hearing Protection Plan," with the joint evaluation and continuous tracking and care provided by occupational nurses and physicians.

To effectively prevent occupational diseases and accidents, SAI not only complies with the Occupational Health and Safety Act regulations by implementing operational environment monitoring to reduce exposure risks but also conducts safety and health education training, provides regular health examinations for employees, and engages in job matching and proactive tracking as part of its employee health promotion initiatives.

Health Examinations

Company employees undergo annual general health examinations and special health examinations each year. Those employed for more than six months are entitled to health examination benefits. The Company has extended this program to include employees' dependents in health check activities. All employees' personal health service records and information are securely managed by the Health Management Unit to ensure confidentiality. Patient records are used solely to assess whether employees are in a safe workplace environment, for no other purpose.

In terms of the on-the-job employee health examinations, in 2024, SAI completed health examinations for 1,256 people, including 974 local employees, 251 foreign employees, and 31 others (including dependents' health checks, contractors, and subcontractors). The employee health examination rate was 100%, excluding those not legally required or who were confirmed unwilling to undergo supplementary examinations. After the health examinations, employees were classified for health risks with follow-up care and tracking by occupational physicians and nurses according to internal management procedures. No abnormalities that required further treatment were detected in the assessment results.

Regarding special employee health examinations, 1,200 person-hours of specialized health examinations were conducted in 2024. Physicians from visiting hospitals conducted preliminary classifications. Employees belonging to Level 3 health management were re-examined by occupational physicians, and the correlation was assessed based on their health status and the nature of their work; suitable job matching suggestions and health management measures were provided. Follow-up management was carried out in accordance with the "Hearing Protection Plan" for employees belonging to Level 4 health management, with occupational nurses and occupational physicians jointly evaluating and continuously monitoring updates. No occupational disease cases determined by occupational physicians were reported in 2024.

Number of People Undergoing Health Examinations in 2024

Unit:persons

Item/Category	General Health Examinations	Specialized Health Examinations	Dependents' Health Examinations
Total Number of People Undergoing Examinations	1,256	700	26

General Employee Health Examination Classification Management Indicators

Unit:persons

Item/Category	Yunlin Plant	Pingtung Plant
Level 1	338	108
Level 2	343	46
Level 3	26	26
Level 4	71	16
Foreign Employees	189	62
Total	967	258

Note1. Excluding people of dependent health checks, leaves of absence, and resignations, the total is 68 people.
Note2. The number of people due for examination is compiled up to October 31, 2024.

Specialized Employee Health Examination Classification Management Indicators

Unit:person-hours

Item/ Category	n-Hexane	Formaldehyde	High Temperature	Dust	Noise	Manganese
Level 1	11	3	21	338	262	0
Level 2	0	0	31	135	356	0
Level 3	0	0	0	0	0	0
Level 4	0	0	0	0	27	0
Total	11	3	52	473	645	0

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

Health Promotion

SAI aims for each employee to prioritize their health while at work. To support this goal, the Company has tailored a series of health promotion activities designed specifically for employees, providing them with accurate knowledge on physical health care and maintenance.

Person-hours of Participation in Health Promotion Activities in 2024

Unit:person-hours

Activity Theme	Activity Content	Person Participation
AI stroke detection	Identifying stroke factors early and implementing the FAST steps to identify stroke	123
Vaccine administration on the left (COVID-19) and right (influenza) hands	Providing new vaccines for easy two-way protection	75
Technological physical fitness	Improving employee fitness and encouraging employees to strengthen their physical fitness	67
Intensive protection to prevent falls and protect health	Preventing employees from falling in the workplace and sharing cases	1225
Adult health screening and health education	Professional health education after a health examination by a professional medical team	20
Exercise, health, and manual strength experience	Professional teachers lead employees to exercise bare-handed postures to reduce exercise resistance	26
Winning a “complete” victory with a “grain” diet	Improving lifestyle through a grain diet	30
Primary rescue and cardiopulmonary resuscitation teaching	Improving employees’ rescue response capabilities with the professional nurses’ rescue skills	34
Holiday vitality basketball game	Vigorous basketball games to strengthen physical health	20

A total of 1,620 person-hours of participation

Executing Five Major Protection Plans

To prevent workplace misconduct (violence, intimidation, threats, etc.), hazards from repetitive operations, and enhance health protection for maternal employees, the Company has formulated and implemented five major protection plans. These initiatives aim to promote employees' physical, mental, and emotional well-being during operations. The 2024 survey recorded a participation of 2,262 person-times, with 205 person-times receiving care. The care execution rate was 100%. Following assessment by occupational health professionals, neither significant abnormalities nor immediate requirements for job reassignments were found.

2024 Training statistics by "management and non-management positions"

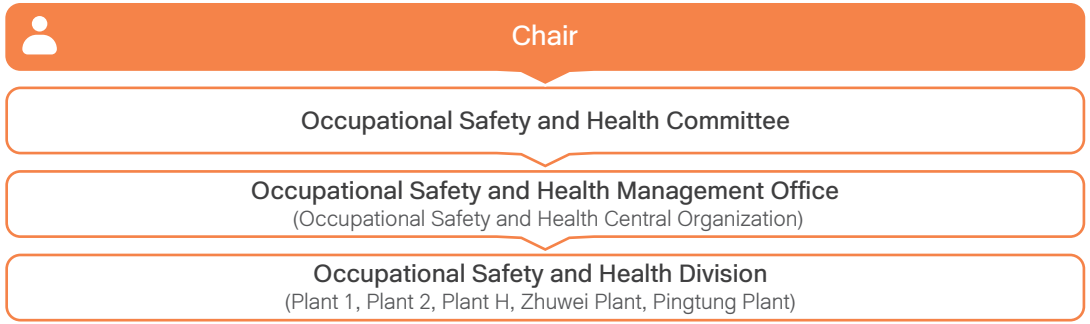
Unit:persons

Item	Yunlin Plant			Pingtung Plant		
	Survey Quantities	Total Number of Concerns	Follow-up Monitoring	Survey Quantities	Total Number of Concerns	Follow-up Monitoring
Human Factor Hazard Prevention Plan (Targeting High-Risk Groups Identified by NMQ Survey)	823	23	0	156	44	0
Workplace Maternity Protection Plan (Implementation for Pregnant/Childbearing Groups)	4	4	1	0	0	0
Prevention Plan for Job-Related Violations (Supervisor Self-Assessment)	18	18	0	8	8	0
Prevention Plan for Disease Triggered by Abnormal Workloads (Implementation for Risk Level Three)	823	16	0	156	5	0
Respiratory Protection Plan	194	42	0	80	45	0

Occupational Health and Safety Committee

SAI has established an Occupational Health and Safety Committee, comprising occupational health and safety management personnel, labor health service nursing staff, and members from various professional fields across facilities (including occupational safety and health-related engineering and technical personnel, departmental heads, supervisors, and command personnel). The committee has a total of 21 members, including seven members elected as representatives from the labor-management meeting, comprising one-third of the committee. The committee primarily coordinates and plans occupational safety and health-related matters while promoting the development of the Occupational Health and Safety Management System.

The Occupational Safety and Health Committee is chaired by senior executives who act as ex-officio members, providing rulings and directives on workplace safety and health issues at SAI. The committee convenes quarterly to coordinate and recommend policies of employee environmental, health, and safety, and key items of occupational safety and health management plans, review work progress, report quarterly achievements in environmental, health, and safety work, and address improvements to current conditions, equipment, and operational practices in response to external environmental changes.



Bridging communication and coordination between various Company departments, labor representatives, and external professionals (e.g., occupational physicians), the Occupational Health and Safety Committee specifically formulates promotions and plans for workplace safety and health, environmental protection, and employee health promotion advocacy. Regular meetings are held to decide on initiatives that serve as the basis and guidelines for the Company's promotion of occupational health and safety efforts. Employees engaged in safety and health-related work at SAI hold relevant certifications, as required by law, and periodically participate in seminars or briefings organized by government agencies and academic institutions to ensure the safety and health of company employees.

Occupational Safety and Health Education and Training

To prevent occupational accidents and strengthen employees' understanding of occupational safety regulations, as well as to equip them with the necessary knowledge to respond effectively to hazards, SAI conducts annual occupational health and safety education and training. All Company personnel are required to undergo various occupational health and safety education and training sessions. The education and training for new and in-service employees is provided internally by the Company, including courses such as education and training for new employees, monthly on-the-job safety and health training, and training provided by each unit based on the characteristics of each process. To train special operators, the Company regularly dispatches them to training units or government units to participate in safety and health courses. The Company absorbs the training costs for employee training. The courses cover stacker operators, harmful substance operation supervisors, dust operation supervisors, fixed crane operator training, etc. To improve fire safety management, employees are also trained as fire prevention managers to assist in the fire safety business. SAI also conducts education and training for contractors to enhance the safety awareness of non-employee workers working at SAI.

Occupational Safety and Health Training Program Statistics

Name of Training Program	Number of Participants in 2024	Training Expenses in 2024 (NTD)
General Education Training (conducted by the Company)	19,670	-
On-the-Job Employee Education Training (conducted by the government)	35	-
On-the-Job Employee Education Training (occupational health and safety skills training)	141	270,420
Contractor Education Training	190	-

Occupational Health and Safety Management Performance

To provide employees with a safe and healthy working environment, SAI implements the "Environmental, Safety, and Health Supervision and Measurement Management Procedures." This involves evaluating occupational health and safety performance using standardized metrics, optimizing practices toward best practices, and aiming for a zero-accident workplace environment. The Company oversees the effectiveness of occupational safety management among suppliers and contractors, ensuring that relevant procedures meet regulatory standards and norms. In 2023, in collaboration with Yunlin County Government, SAI established the "EHS Family" initiative. This initiative was extended in 2024 to organize Class C occupational safety and health business supervisor courses with industry associations, improving the compliance of occupational safety organization settings for small- and medium-sized enterprises. This also served to jointly assist and guide local contractors and suppliers in strengthening occupational safety practices.

2024 Statistics of Occupational Accidents

According to the Ministry of Labor's Occupational Safety and Health Administration statistics, the average disability injury frequency in the automotive parts manufacturing industry from 2022 to 2024 was 1.83, with an average severity rate of 153. SAI has significantly lowered disability injury frequency and severity rates compared to the industry average over the past three years.

Recordable occupational accidents for the year 2024 totaled one case, primarily involving incidents such as entanglement injuries. There were 13 commuting-related traffic accidents involving employees, mainly categorized as collisions and falls. The counseling unit has provided hazard identification to the accident cases, using the cases for education to strengthen employees' operating method correctness to prevent the recurrence of such incidents. In 2024, there were no recordable occupational accidents involving non-employee workers (e.g., contractors or subcontractors).

Preventing Occupational Accidents

To prevent occupational accidents, ensure the safety of all employees at work, and enhance occupational health and safety awareness, SAI conducts monthly occupational safety and health education training. 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 implemented to reduce risks to employees.

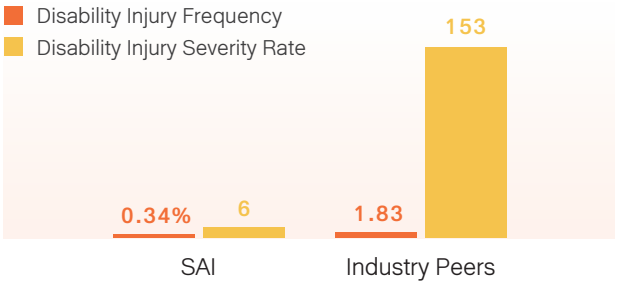
In the event of an occupational accident, SAI collaborates with relevant departments and labor representatives to investigate. This includes assessing and improving work environments, machinery, equipment, tools, signage, and protective measures. They review and update operational standards, safety and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

Occupational Accident Statistics over the Past Three Years

Category	Item	2022	2023	2024
Total Work Hours	Total experienced work hours for females	470,624	433,064	434,448
	Total experienced work hours for males	2,529,120	2,585,696	2,524,216
	Total experienced work hours	2,999,744	3,018,760	2,958,664
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 Severe Occupational Injuries (excluding fatalities)	Total number of severe occupational injuries for females	0	0	0
	Total number of severe occupational injuries for males	0	0	0
	Total number of severe occupational injuries	0	0	0
Number of Disability Injuries (including the number of fatalities and number of severe occupational injuries)	Total number of occupational injuries for females	0	0	0
	Total number of occupational injuries for males	1	2	1
	Total number of occupational injuries	1	2	1
Recordable Occupational Injuries	Total number of occupational injuries for females	1	1	1
	Total number of occupational injuries for males	25	17	7
	Total number of occupational injuries	26	18	8
Fatality Rate from Occupational Injuries		0	0	0
Severe Occupational Injury Rate		0	0	0
Disability Injury Frequency		0.33	0.66	0.34
Disability Injury Severity Rate		9	52	6
Recordable Occupational Injury Rate		8.67	5.96	2.70
Absenteeism Rate (Total hours of work-related injury leave, sick leave, and physiological leave/total experienced work hours)		1.82%	2.31%	1.39%

Note 1. Fatality rate from occupational injuries = Number of fatalities due to occupational injuries*1,000,000/total work hours.
Note 2. The number of severe occupational injuries refers to the number of people hospitalized for occupational accidents (with more than one person and requiring hospitalization or with three or more injured persons in an accident).
Note 3. Severe occupational injury rate = Number of severe occupational injuries*1,000,000/total work hours.
Note 4. Disability injury frequency = Number of disability injuries/total work hours × 1,000,000.
Note 5. Disability injury severity rate = Total lost work hours due to disability injuries/total work hours x 1,000,000.
Note 6. The recordable occupational injury count includes all incidents with fatalities or injuries.
Note 7. Recordable occupational injury rate = Number of recordable occupational injuries/total work hours x 1,000,000.

2024 Occupational Safety Performance



Security Training

SAI employs 19 security personnel, who serve as the first line of defense in protecting company assets and employee safety, and are essential partners in serving our employees. Security personnel are provided by a legally certified professional security company and have undergone relevant training approved by the local government. In accordance with Article 10-2 of the Security Services Act, the Company provides relevant training for outsourced security personnel. Training content includes guidelines for preventing unlawful harm while performing duties, a written statement prohibiting sexual harassment in the workplace, and a written statement prohibiting workplace violence. Practical scenarios and case studies are used to ensure that security personnel can respond quickly to similar situations. In 2024, the total training hours per month reached 76 hours, with all 19 security personnel participating, achieving a 100% training rate.

Pre-employment Education and Training

Training Hours	Course Title
2 hr	Introduction to Company Policies and Management Regulations
2 hr	Overview and Brief Introduction of the Site
1 hr	Principles and Considerations in Security Operations
1 hr	Security Services Act and Its Implementing Regulations
1 hr	Personnel Duty Guidelines
1 hr	Practical Theft and Robbery Prevention
2 hr	Security Industry Theories
1 hr	Disaster Relief and Protection Training
1 hr	Crisis Management
1 hr	Human Rights Education
1 hr	Traffic Control Command and Assistance in Handling Traffic Accidents
1 hr	Hand-to-Hand Combat, Comprehensive Application of Boxing Techniques, and Self-Defense Techniques
1 hr	Occupational Health and Safety
12 hr	Security Operations Practical Training at Duty Locations
12 hr	Security Operations Practical Training at Duty Locations

Targeting new employees, conducted over two days at the Company premises for eight hours each day; two days at the duty location for 12 hours each day.

Total training hours before official duty amounted to 40 hrs.

On-the-Job Education and Training

Training Hours	Course Title	
2 hr	Security Industry Operations, Management, and Future Prospects	Chinese New Year Duty and Epidemic Prevention Service Regulations
2 hr	Principles and Considerations in Security Operations	Use of Surveillance Video and Emergency Broadcasting Systems
2 hr	Security Services Act and Its Implementing Regulations	Duty Handover and Work Log Records
2 hr	Security Industry Theories	Customer Service and Theory of Handling Customer Complaints
2 hr	Overview of Criminal Law	Use of Security Surveillance Systems and a Brief Troubleshooting Guide
2 hr	Crime Prevention and Community Engagement	Typhoon Prevention Measures and Earthquake Operations Procedures
2 hr	Criminal Investigation	Visitor Registration and Guidelines for Mail Handling
2 hr	Practical Theft and Robbery Prevention	Security Guard Duty Regulations and Appearance Standards
2 hr	Service Etiquette	Abnormal Handling Procedures and Reporting System, including Emergency Incident
2 hr	Disaster Relief and Protection Training	Management Roles and Responsibilities of Each Checkpoint and Patrol Duties
2 hr	Crisis Management	Fire Safety Concepts, Equipment Operation, and Practical Implementation
2 hr	Hand-to-Hand Combat, Comprehensive Application of Boxing Techniques, and Self-Defense Techniques	Occupational Health and Safety

Targeted at current employees, consisting of two hours per month on Company premises and two hours per month at the duty location.

A total of 4 hours per month during employment.

In 2024, the total monthly training hours reached 76 hours, achieving a 100% training rate.

6 Promoting Shared Prosperity and Well-Being

6.1 Social Influences

Social Influences

SAI embraces the philosophy of "Creating Infinity, Dreaming Endlessly," guided by its mission of "sustainable operations and social responsibility." Long-term commitments include initiatives through the "Yunlin SAI Fu-De Social Welfare and Charity Foundation," focusing on three main areas: humanitarian care, arts and cultural enrichment, and education rootedness. These efforts align with United Nations Sustainable Development Goals (SDGs), including SDG 1 (No Poverty), SDG 2 (Zero Hunger), SDG 4 (Quality Education), and SDG 10 (Reduced Inequalities). The Company implements various social welfare projects while encouraging employees to participate as volunteers. In 2024, SAI introduced a new policy of "Three-Day Paid Volunteer Leave," allowing employees to engage in government-sanctioned community service and charitable activities. This initiative supports local initiatives in Yunlin, fostering a spirit of philanthropy and warmth across Taiwan's local communities.

Upholding Dreams, Infinite Possibilities

Mission	Sustainable Management for Social Care
ESG goals	1 NO POVERTY, 2 ZERO HUNGER, 4 QUALITY EDUCATION, 10 REDUCED INEQUALITIES
Scope	Community Care / Rooting Education / Arts and Humanities
Volunteer policy	Three-day paid volunteer leave starting in 2024
Execution unit	Yunlin SAI Fu-De Social Welfare and Charity Foundation

Yunlin SAI Fu-De Social Welfare and Charity Foundation

Founded in 2013, this organization aligns with government social welfare policies, integrating societal resources for optimal distribution, and regularly sponsors various charitable activities. It contributes to society by enhancing resident welfare through promoting philanthropic initiatives. The mission is rooted in promoting charity initiatives, aiming to preserve specialized skills and advance charitable causes. They fulfill corporate social responsibility by contributing meaningfully to society. Their guiding principle is to provide sustainable assistance, empowering beneficiaries to achieve self-reliance and revitalizing specialized skills, fostering perpetual impacts.

Long-Term Partner of SAI Fu-De

家扶基金會 雲林家扶中心 | World Vision 台灣世界展望會 | 財團法人台大景福基金會 TAITA JING-FU MEDICAL FOUNDATION | 犯罪被害人保護協會 雲林分會

Community Care

For the festival occasion, SAI teamed up with Huashan Social Welfare Foundation to promote warmth and caring activities in the Mid-Autumn Festival, warming the hearts of older adults in the local areas through practical actions.

During the event, employee volunteers personally made Mid-Autumn Festival decorations symbolizing peace and blessings to share the caring energy of the Company. They also visited vulnerable older adults on site and gave Mid-Autumn Festival gifts to convey warmth and companionship.

Education Rooted Initiatives

Adhering to the initial intention of "caring for local communities, sustainability, and shared well-being," SAI has long invested in educational assistance and caring for the disadvantaged. We continually support the Yunlin Student Education Program, which is now in its fourth year. Beginning in 2023, we extended our caring initiative to the Alishan area. Through on-site visits and corporate volunteer participation, we gain an in-depth understanding of regional education challenges. We interact with children and support them in continuing the ethnic spirit with singing.

This year, SAI colleagues volunteered at Dabang Elementary School in Alishan Township, Chiayi County. They joined the "Zou Angel Cultural Team," organized by World Vision Taiwan and the school, to witness the children's confidence in sharing their culture through song.

In the future, SAI will continue to integrate corporate resources and the power of foundation, expanding caring actions while working with all sectors of society to cultivate a learning environment with more hope and opportunities to ensure every child can grow up freely and shine with confidence.

SAI has long supported the development of education and sports in local schools by actively sponsoring various campus activities. The Company leverages resources to help students cultivate diverse interests and a spirit of teamwork.

Environmental Sustainability

Adhering to its commitment to environmental sustainability, SAI's Volunteer Team ventured into natural, ecologically sensitive areas. The Company launched a mountain forest beach cleanup operation in the Ginkgo Forest in Lugu Township, Nantou County. On event day, a volunteer team of eight colleagues went deep into the forest trails to clean up abandoned garbage and unnatural waste along the route, taking practical actions to protect the forest ecology.

Ginkgo Forest is a prominent tourist attraction and natural resource in the Lugu area. This beach clearing operation not only demonstrates the Company's responsibility for environmental protection but also enhances colleagues' attention to the issues of mountain ecology and human impact. We will continue mountain clearing operations to drive positive change and keep the natural environment sustainable and thriving.

Appendix

Appendix

SDGs

Item	Sustainable Development Goals (SDGs)	Corresponding sections	Page Numbers
	Ensure inclusive and equitable quality education while promoting lifelong learning.	5.3 Talents development	P. 89 Talents development
	Ensure access to water and sanitation for all and their sustainable management.	3.6 Water resources management	P. 58 Water resources management
	Ensure universal access to affordable, reliable, sustainable, and modern energy for all.	3.2 Energy management	P. 48 Energy management
	Promote inclusive and sustainable economic growth, achieve full and productive employment, and ensure decent work for all.	5.1 Happy workplace	P. 79 Happy workplace
	Construct affordable, safe, environmentally friendly, resilient, and sustainable public transportation infrastructure.	3.5 Air pollution control	P. 57 Air pollution control

Item	Sustainable Development Goals (SDGs)	Corresponding sections	Page Numbers
	Reduce domestic and international inequality.	5.1 Happy workplace	P. 79 Happy workplace
	Ensure sustainable consumption and production patterns.	3.4 Waste management	P. 53 Waste management
	Enhance mitigation and adaptation actions to address climate change and its impacts.	3.3 Greenhouse gas emission	P. 50 Greenhouse gas emission
	Partnerships aim to collaborate on promoting a sustainable vision.	4.4 Supplier management 6.1 Social influences	P. 74 Supplier management P. 99 Social influences

GRI Context Index

Universal Standards

Category	Topic	Indicator code	Indicator Name	Corresponding sections	Page Numbers
GRI 2 General Disclosure (2021)	Organization and Reporting Practices	2-1	Organizational details	About This Report 2.1 SuperAlloy Industrial (SAI)	P. 1 About SAI Sustainability Report P. 24 About SuperAlloy Industrial (SAI)
		2-2	Entities included in the organization' s sustainability reporting	About This Report	P. 1 Scope of This Report
		2-3	Reporting period, frequency, and contact point	About This Report	P. 1 About SAI Sustainability Report
		2-4	Restated information	About This Report	P. 1 Restated Information
		2-5	External assurance	About This Report	P. 1 Assurance Statement
	Activities and Workers	2-6	Activities, value chain, and other business relationships	2.2 Economic performance 4.1 Innovation and R&D	P. 26 Economic Performance P. 63 SAI Value Chain
		2-7	Employees	5.1 Happy workplace	P. 79 Human Resources Structure
		2-8	Workers who are not employees	5.1 Happy workplace	P. 79 Human Resources Structure
	Governance	2-9	Governance structure and composition	2.3 Corporate Governance	P. 29 Corporate Governance
		2-10	Nomination and selection of the highest governance body	2.3 Corporate Governance	P. 30 Director Nomination and Selection
		2-11	Chair of the highest governing body	2.3 Corporate Governance	P. 29 Corporate Governance
		2-12	Role of the highest governance body in overseeing the management of impacts	1.2 Sustainable Governance 2.4 Risk management	P. 12 Sustainable Development Governance Structure P. 33 Risk Management P. 38 Climate Change Management
		2-13	Delegation of responsibility for managing impacts	1.2 Sustainable Governance 2.4 Risk management	P. 12 Sustainable Development Governance Structure P. 33 Risk Management P. 38 Climate Change Management
		2-14	Role of the highest governance body in sustainability reporting	About This Report 1.2 Sustainable Governance 1.3 Materiality and stakeholders	P. 1 Management Process P. 12 Sustainable Development Governance Structure P. 13 Process to identify materiality topics
		2-15	Conflict of interest	2.3 Corporate Governance	P. 32 Conflict of Interest
		2-16	Communication of critical concerns	2.3 Corporate Governance	P. 32 Communication of Materiality Issues
		2-17	Collective knowledge of the highest governance body	1.2 Sustainable Governance 2.3 Corporate Governance	P. 12 Sustainable Development Governance Structure P. 31 Director ESG Training
		2-18	Evaluation of the performance of the highest governance body	2.3 Corporate Governance	P. 30 Board Performance Evaluation
		2-19	Remuneration policies	2.3 Corporate Governance	P. 31 Director Executive Remuneration
		2-20	Process to determine remuneration	2.3 Corporate Governance	P. 31 Director Executive Remuneration P. 32 Functional Committees
		2-21	Annual total compensation ratio	5.1 Happy workplace	P. 82 2024 年度總薪酬比率

Category	Topic	Indicator code	Indicator Name	Corresponding sections	Page Numbers
GRI 2 General Disclosure (2021)	Strategies, Policies, and Practices	2-22	Statement on Sustainable Development Strategy: Message from Management	A Message from the Management 1.1 Blueprint of Sustainable Development	P. 2 A Message from the Management P. 9 Blueprint of Sustainable Development Strategies
		2-23	Policy commitments	2.5 Ethical management 5.2 Human Rights Management	P. 41 Transparency and Integrity Policy Implementation
GRI 2 General Disclosure (2021)	Strategies, Policies, and Practices	2-24	Embedding policy commitments	2.5 Ethical management 5.2 Human Rights Management	P. 41 Ethical Management P. 85 Human Rights Policy P. 86 Human Rights Due Diligence
		2-25	Processes to remediate negative impacts	2.5 Ethical management	P. 42 Complaint/Whistleblowing Mechanisms
		2-26	Mechanisms for seeking advice and raising concerns	2.3 Corporate Governance 2.5 Ethical management	P. 32 Channels of Stakeholders' Communication P. 42 Complaint/Whistleblowing Mechanisms
		2-27	Regulatory compliance	2.5 Ethical management	P. 44 Regulatory Compliance
		2-28	Membership associations	4.5 Industry Associations and Advocacy Organizations	P. 77 Industry Associations and Advocacy Organizations
	Stakeholder Engagement	2-29	Approach to stakeholder engagement	1.3 Materiality and stakeholders	P. 13 Process to identify materiality topics P. 21Stakeholder Communication
		2-30	Collective bargaining agreements	5.2 Human Rights Management	P. 88 Labor Relations、Labor-Management Communication
GRI 3 Material Topics (2021)	Disclosure of materiality topics	3-1	Process to determine materiality topics	1.3 Materiality and stakeholders	P. 13 Process to identify materiality topics
		3-2	List of materiality topics	1.3 Materiality and stakeholders	P. 15 Materiality Topics
		3-3	Materiality issues management	1.3 Materiality and stakeholders	P. 18 Materiality Issues Management Guidelines

Criteria of Materiality Topics

Material Topics	Category	Indicator Code	Indicator Name	Corresponding Sections	Page Numbers
Green and Innovative products	GRI 301: Materials 2016	301-2	Recycled input materials used	3.4 Waste management	P. 53 Waste Management P. 56 Aluminum Waste Recycling
		301-3	Reclaimed products and their packaging materials	3.4 Waste management	P. 53 Waste Management
Waste management	GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	3.4 Waste management	P. 53 Waste Management
		306-2	Management of significant waste-related impacts	3.4 Waste management	P. 53 Waste Management P. 55 Waste disposal Management
		306-3	Waste generated	3.4 Waste management	P. 53 Waste Management
		306-4	Waste diverted from disposal	3.4 Waste management	P. 53 Waste Management P. 55 Waste disposal Management
		306-5	Waste directed to disposal	3.4 Waste management	P. 53 Waste Management P. 55 Waste disposal Management

Material Topics	Category	Indicator Code	Indicator Name	Corresponding Sections	Page Numbers
Greenhouse gas emission	GRI 305: Emissions 2016	305-1	Direct (Scope 1) greenhouse gas emissions	3.3 Greenhouse gas emission	P. 50 Greenhouse Gas Emissions Statistics for the Past Three Years
		305-2	Energy indirect (Scope 2) greenhouse gas emissions	3.3 Greenhouse gas emission	P. 50 Greenhouse Gas Emissions Statistics for the Past Three Years
		305-3	Other indirect (Scope 3) greenhouse gas emissions	3.3 Greenhouse gas emission	P. 50 Scope 3 Greenhouse Gas Emissions Statistics P. 51 Scope 3 Indirect Emissions Management
		305-4	Greenhouse gas emission intensity	3.3 Greenhouse gas emission	P. 50 Greenhouse Gas Emissions Statistics for the Past Three Years
		305-5	Reduction of greenhouse gas emissions	3.3 Greenhouse gas emission	P. 52 Energy Conservation and Carbon Reduction Policy
		305-6	Emissions of ozone-depleting substances (ODS)	3.5 Air pollution control	No emissions of ozone-depleting substances (ODS)
		305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	3.5 Air pollution control	P. 57 Air Pollution Control
Energy management	GRI 302: Energy 2016	302-1	Energy consumption within the organization	3.2 Energy management	P. 49 Energy Consumption
		302-3	Energy intensity	3.2 Energy management	P. 49 Energy Consumption
		302-4	Reduction of energy consumption	3.3 Greenhouse gas emission	P. 52 Energy Conservation and Carbon Reduction Policy
		302-5	Reductions in the energy requirements of products and services	4.1 Innovation and R&D	P. 67 Green Products
Product quality and safety	GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	4.2 Quality management	P. 69 Quality Management
		416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	2.5 Ethical management	P. 44 Regulatory Compliance
Occupational Safety and Health	GRI 403: Occupational Safety and Health 2018	403-1	Occupational Health and Safety Management System	5.4 Occupational Safety	P. 90 Occupational Safety Policy
		403-2	Hazard identification, risk assessment, and incident investigation	5.4 Occupational Safety	P. 90 Workplace Hazard Identification and Risk Assessment
		403-3	Occupational health services	5.4 Occupational Safety	P. 91 Occupational Health Protection
		403-4	Worker participation, consultation, and communication on occupational health and safety	5.4 Occupational Safety	P. 91 Occupational Health Protection P. 94 Occupational Health and Safety Committee
		403-5	Worker training on occupational health and safety	5.4 Occupational Safety	P. 95 Occupational Safety and Health Education and Training
		403-6	Promoting worker health	5.4 Occupational Safety	P. 93 Health Promotion
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	5.4 Occupational Safety	P. 91 Occupational Health Protection P. 95 Preventing Occupational Accidents
		403-8	Workers covered by an occupational health and safety management system	5.4 Occupational Safety	P. 90 Occupational Safety Policy
		403-9	Work-related injuries	5.4 Occupational Safety	P. 95 Occupational Health and Safety Management Performance
		403-10	Work-related ill health	5.4 Occupational Safety	P. 91 Occupational Health Protection

Material Topics	Category	Indicator Code	Indicator Name	Corresponding Sections	Page Numbers
Talent attraction and retention	GRI 401: Employment 2016	401-1	New employee hires and employee turnover	5.1 Happy workplace	P. 79 Talent Recruitment P. 80 Talent Retention
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.1 Happy workplace	P. 83 Employee Benefits
		401-3	Parental leave	5.1 Happy workplace	P. 84 Parental Leave Policy
	GRI 202: Market Presence 2016	202-1	Ratios of standard entry-level wages by gender compared to the local minimum wage	5.1 Happy workplace	P. 84 Ratio of Standard Salary of Grassroots Employees to Local Minimum Wage for the Past Two Years
		202-2	Proportion of senior management hired from the local community	5.1 Happy workplace	P. 82 Local Talent Recruitment and Workplace Equality
Customer relations management	GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	4.2 Quality management	P. 72 Product Traceability Marking
		417-2	Incidents of non-compliance concerning product and service information and labeling	2.5 Ethical management	P. 44 Regulatory Compliance
		417-3	Incidents of non-compliance concerning marketing communications	2.5 Ethical management	P. 44 Regulatory Compliance
	GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.5 Ethical management 4.3 Customer service	P. 44 Regulatory Compliance P. 74 Customer Privacy Management
Innovative products and technologies	Custom Topic	3-3	Materiality issues management	1.3 Materiality and stakeholders	P. 20 Materiality Issues Management Guidelines
Information security	Custom Topic	3-3	Materiality issues management	1.3 Materiality and stakeholders	P. 20 Materiality Issues Management Guidelines
Intellectual property management	Custom Topic	3-3	Materiality issues management	1.3 Materiality and stakeholders	P. 20 Materiality Issues Management Guidelines
Economic performance	GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	2.2 Economic performance	P. 28 Financial Performance
		201-2	Financial implications and other risks and opportunities due to climate change	2.4 Risk management	P. 38 Climate Change Management
		201-3	Defined benefit plans and other retirement plans	5.1 Happy workplace	P. 84 Retirement System
		201-4	Financial assistance received from the government	2.2 Economic performance	P. 28 Government Subsidy Program Applications
Ethical management	GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to anti-corruption	2.5 Ethical management	P. 41 Ethical Management
		205-2	Communication and training about anti-corruption policies and procedures	2.5 Ethical management	P. 41 Ethical Management
		205-3	Confirmed incidents of anti-corruption and actions taken	2.5 Ethical management	P. 44 Regulatory Compliance

TCFD and Climate-Related Information Index for Listed Companies

TCFD Recommended Disclosure Items			Climate-related Information for Listed and OTC (Over-the-Counter) Companies	Corresponding sections	Page Numbers
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.	2.4 Risk management	P. 38 Climate Change Management
	TCFD 1(b)	Describe the role of senior management in assessing and managing climate-related risks and opportunities.		2.4 Risk management	P. 38 Climate Change Management
Strategy	TCFD 2(a)	Describe the short, medium, and long-term climate-related risks and opportunities identified by the Company.	2. Explain how the identified climate risks and opportunities impact the business, strategy, and finances of the enterprise in the short, medium, and long term.	2.4 Risk management	P. 38 Climate Change Management
	TCFD 2(b)	Describe the impact of climate-related risks and opportunities on the Company' s businesses, strategy, and financial planning.	3. Explain the impact of extreme weather events and transition actions on finances.	2.4 Risk management	P. 38 Climate Change Management
	TCFD 2(c)	Describe the Company' s strategic resilience, considering different climate-related scenarios (including scenarios of 2° C or more stringent).	5. Explain the scenarios, parameters, assumptions, and analytical factors used, and key financial impacts when scenario analysis is used to assess the resilience to climate change risks.	2.4 Risk management	P. 38 Climate Change Management
Risk Management	TCFD 3(a)	Describe the Company' 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.	2.4 Risk management	P. 38 Climate Change Management
	TCFD 3(b)	Describe the Company' s management process for climate-related risks.			
	TCFD 3(c)	Describe how the identification, assessment, and management processes for climate-related risks are integrated into the organization' s overall risk management system.			
Indicators and Goals	TCFD 4(a)	Disclose the indicators used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management processes.	4. 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.	2.4 Risk management	P. 38 Climate Change Management
	TCFD 4(b)	Disclose Scope 1, Scope 2, and Scope 3 (if applicable) greenhouse gas emissions and related risks.	9. Provide greenhouse gas inventory, assurance levels, reduction targets, strategies, and specific action plans.	3.3 Greenhouse gas emission	P. 105 The Company' s Greenhouse Gas Inventory and Assurance over the Past Two Years
	TCFD 4(c)	Describe the Company' 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.	1.1 Blueprint of Sustainable Development 2.4 Risk management	P. 10 Short, Medium, and Long-Term Sustainability Goals across the Four Major Sustainability Pillars P. 38 Climate Change Management
			7. If using internal carbon pricing as a planning tool, describe the basis for price determination.	Data collection is ongoing, with future assessments planned for establishing related mechanisms.	

The Company' s Greenhouse Gas Inventory and Assurance over the Past Two Years

		Scope 1	Scope 2	Scope 3
2023	Inclusion of the individual	SuperAlloy Industrial Co., Ltd.		
	Total emissions (metric tons CO_2e)	22597.55	60647.90	275247.96
	Greenhouse gas emission intensity (tCO_2e / NTD Thousand)	0.0029	0.0078	0.0354
	Assurance institution	TÜV NORD Taiwan		
	Assurance statement	Third-party verification has been completed.		
2024	Inclusion of the individual	SuperAlloy Industrial Co., Ltd..		
	Total emissions (metric tons CO_2e)	21,299.92	53,781.57	295,424.49
	Greenhouse gas emission intensity (tCO_2e / NTD Thousand)	0.0029	0.0072	0.0395
	Assurance institution	TÜV NORD Taiwan		
	Assurance statement	Third-party verification has been completed.		

Note : Direct emissions (Scope 1, originating from sources owned or controlled by the Company), energy indirect emissions (Scope 2, greenhouse gas emissions resulting from purchased electricity, heat, or steam consumed by the Company), and other indirect emissions (Scope 3, arising from activities not classified within Scope 2, but which occur from sources owned or controlled by other companies). The disclosure of Scope 3 data commenced in 2023.

Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Reduction Targets

- Short-term: Energy consumption reduction of 4% from the baseline year of 2022.
- Medium to long-term: Energy consumption reduction of 7% from the baseline year of 2022.

Strategies

- Plan assessments of supplier carbon inventory execution status and evaluate initiatives to promote significant suppliers' implementation of carbon inventory assessments.
- Assess the establishment of greenhouse gas inventory and carbon footprint platforms to enhance plant decarbonization and smart transformation.
- Phase out high-carbon-emitting equipment to reduce process carbon emissions.

Specific Action Plans

- Conduct annual ISO 14064-1 greenhouse gas inventory verification.
- Manufacture Div regularly monitors carbon emissions and plans carbon reduction initiatives.
- Submit the independent greenhouse gas reduction plan of the Ministry of Environment.

Reference Guidelines for the Recognition of Sustainable Economic Activities

(1) The proportion of primary economic activities identified by the Company of the total revenue over the past year.	Recycled Aluminum	Other Economic Activities
	48.61%	51.39%
(2) Whether the main economic activities identified by the Company apply to the "general economic activities" and "supporting economic activities" in the Guidelines.	Supporting economic activities	Not applicable
(3) Determine whether activities are sustainable economic activities based on the following three conditions.		
Condition 1: Do they meet the technical screening criteria of [substantial contribution to any environmental purpose]?		
Condition 2: Do they comply with [causing no significant harm to 6 environmental purposes]?	Complied	
Condition 3: Do they comply with [no significant harm to social protection]?	Complied	
(4) Is there a transformation plan?		
Measurement results: Individual economic activities comply with the Guidelines and sustainability	Complied	Not applicable

SASB--Auto Parts Indicator Comparison Table

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) 787,483.90 GJ (2) 51.88% (3) 0.86%	P. 49 Energy Consumption
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 the total waste amount	(1) 6,986.930 metric tons (2) 1.81 % (3) 4.49%	P. 53 Waste Management
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	(1) 1 (2) 665 (3) 100% (4) 0%	P. 71 Comprehensive Product Testing、Product Traceability Marking
Fuel Efficiency Design	TR-AP-410a.1	Quantitative	Total revenue from products that enhance fuel efficiency and reduce emissions.	Information difficult to obtain; disclosure deferred	-
Procurement of Raw Materials	TR-AP-440a.1	Qualitative explanation	Explanation of risk management related to the use of key materials	4.4 Supplier management: Risk management of key raw materials	P. 74 Risk Management of Key Raw Materials
Consumption Efficiency of Raw Materials	TR-AP-440b.1	Quantitative	Percentage of recyclable products sold	SAI products are aluminum-based, 100% recyclable	P. 67 Green Products
	TR-AP-440b.2	Quantitative	Percentage of materials input sourced from recycling or remanufacturing	35.53%	P. 56 Raw Material Consumption Statistics
Anti-competitive Behavior	TR-AP-520a.1	Quantitative	Total monetary losses due to anticompetitive litigation	No anti-competitive litigation	-
Activity Indicators	TR-AP-000.A	Quantitative	(1) Total production quantity (Unit: pieces, metric tons)	Wheels: 629,000 pieces Aluminum material: 21,968 metric tons Other: 134,000 pieces	
	TR-AP-000.B	Quantitative	(2) Total manufacturing weight (Unit: metric tons)	Wheels: 9,406 metric tons Aluminum material: 21,968 metric tons Other: 154 metric tons	
	TR-AP-000.C	Quantitative	(3) Manufacturing factory area (Unit: square meters)	167,917.50 square meters	-

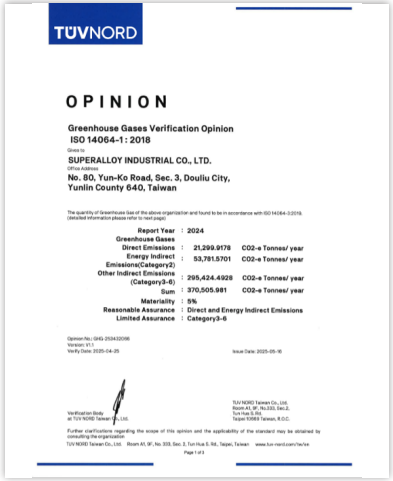
IFRS Sustainability Disclosure Standards

In response to relevant regulations from competent authorities, SAI has formulated an implementation plan for the IFRS Perpetual Disclosure Standards. The plan has been submitted to the Board of Directors and is subject to quarterly progress tracking and monitoring to ensure timely completion of disclosure preparations. The specific implementation timeline is as follows:

Work Items		Plan Completion Time
Phase 1	1-1. Establishment of a cross-department project team to adopt IFRS sustainable disclosure standards	Completed in 2024
	1-2. Preliminary identification of significant differences and impacts between current sustainability information and IFRS sustainability disclosure standards	Completed in December 2024
	1-3. Preliminary identification of reporting individuals	Update is expected to be complete in 2026 Q3
	1-4. Development of an implementation plan	Update is expected to be complete in 2026 Q3
Phase 2	2-1. Identification of sustainability-related risks and opportunities, financial impacts, and evaluation of material sustainability-related financial information	Update is expected to be complete in 2026 Q4
	2-2. Identification and collection of required information	Update is expected to be complete in 2027 Q1
	2-3. Revision and adjustment of company processes, financial and non-financial reporting processes, information systems, supply chain management processes, internal controls, daily operation of various departments, and other operations	Update is expected to be complete in 2028 Q3
Phase 3	3-1. Trial preparation of a specialized chapter for sustainable information in annual reports	Update is expected to be complete in 2028 Q3
	3-2. Continuous updating of the internal control operation manual related to IFRS sustainability information and arrangement of education and training	Update is expected to be complete in 2028 Q4
Phase 4	4-1. Announcement for the submission of the special chapter on sustainable information in annual reports	Update is expected to be complete in 2029 Q1

Certifications

IATF16949:2016
Valid until 2026/01/09



ISO 14064-1:2018 2024 Valid

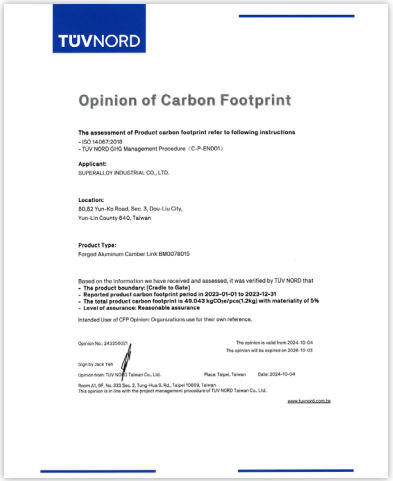
ISO 27001:2022
Valid until 2026/05/22

ISO 50001:2018
Valid until 2027/02/07

ISO 9001:2015
Valid until 2026/01/09

ISO 45001:2018
Valid until 2027/01/16

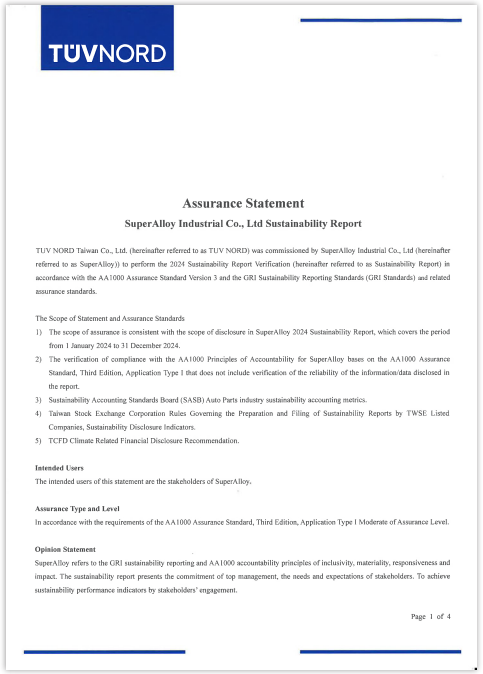
ISO 14001:2015
Valid until 2027/02/15



ISO14067
Valid until 2026/10/03

ASI
Valid until 2026/06/15

Assurance Statement



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 2024 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 2024 Sustainability Report, which covers the period from 1 January 2024 to 31 December 2024.
2) The verification of compliance with the AA1000 Principles of Accountability for SuperAlloy bases on the AA1000 Assurance Standard, Third Edition, Application Type 1 that does not include 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.

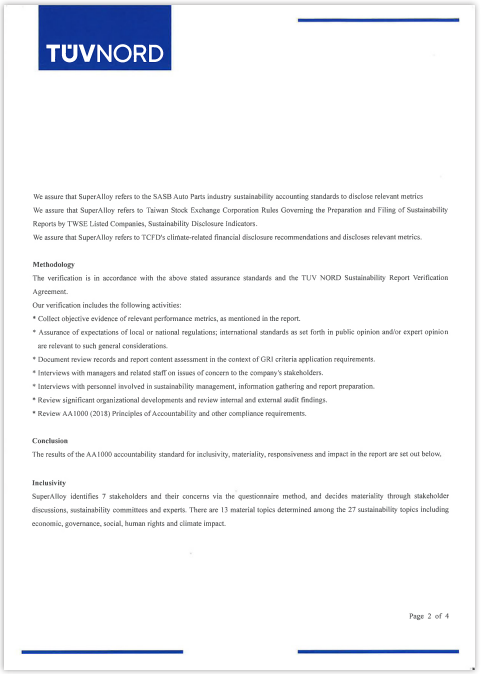
Assurance Type and Level

In accordance with the requirements of the AA1000 Assurance Standard, Third Edition, Application Type 1 Moderate of Assurance Level.

Opinion Statement

SuperAlloy refers to the GRI sustainability reporting 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.

Page 1 of 4



We assure that SuperAlloy refers to the SASB Auto Parts industry sustainability accounting standards to disclose relevant metrics
We assure that SuperAlloy refers to Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Sustainability Disclosure Indicators.
We assure that SuperAlloy refers to TCFD's climate-related financial disclosure recommendations and discloses relevant metrics.

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.

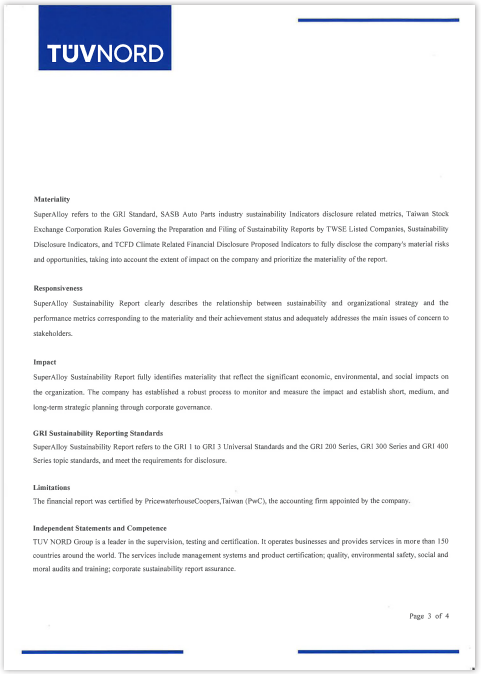
Conclusion

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 method, and decides materiality through stakeholder discussions, sustainability committees and experts. There are 13 material topics determined among the 27 sustainability topics including economic, governance, social, human rights and climate impact.

Page 2 of 4



Materiality

SuperAlloy refers to 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.

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.

GRI Sustainability Reporting Standards

SuperAlloy Sustainability Report refers to 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.

Page 3 of 4

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 bases 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 bases on extensive knowledge and experience in the industry to provide professional advice in this assignment.

Jack Yeh
General Manager
Date of Issuance: 2025.07.11
TUV NORD Taiwan Co., Ltd.
Room A1, 9F, No. 333, Sec. 2, Tun Hua S. Rd., Taipei 10669 Taiwan, R.O.C.

AA1000 Licensed Assurance Provider 000-75

Page 4 of 4

SAI

巧新科技

Forging the Future

2024