2025 SUSTAINABILITY REPORT

Turvo International Co., Ltd.

TECHNOLOGY FOR A BETTER TOMORROW

Contents

Management Statement

In 2025, the global economy continued to face multiple challenges, including geopolitical tensions, evolving tariff policies, and supply chain restructuring, making heightened market uncertainty the new normal. Amid this rapidly changing industry landscape, TURVO has remained committed to a prudent and pragmatic management philosophy, continuously strengthening its core capabilities in precision manufacturing while enhancing corporate resilience and long-term competitiveness.

At the same time, we are actively seizing strategic opportunities arising from the intelligent transformation of industries, expanding into high-value-added applications, deepening our technological capabilities, and strengthening our global market presence. Through these efforts, we aim to build sustained momentum for the Company's long-term and sustainable growth.

Deepening ESG Commitment, Building Momentum for Sustainable Growth

TURVO integrates ESG principles into its corporate governance and operational management practices. In alignment with internationally recognized frameworks, including the GRI Standards, TCFD, SASB, and the United Nations Sustainable Development Goals (SDGs), we continue to strengthen our sustainability management framework, with the Sustainability Development Committee overseeing and coordinating the Company's sustainability initiatives.

In 2025, TURVO's greenhouse gas (GHG) emissions reduction targets were officially validated by the Science Based Targets initiative (SBTi), marking an important milestone in the Company's alignment with the global transition toward net zero. Through enhanced energy management, process optimization, and improvements in equipment efficiency, we continue to reduce energy consumption and carbon emissions. In parallel, we are expanding solar power generation and the self-consumption of renewable electricity, progressively building a low-carbon operational framework.

Furthermore, TURVO's new facility was awarded LEED Silver certification by the U.S. Green Building Council (USGBC), demonstrating the Company's tangible achievements in green manufacturing, energy-efficient design, and environmental sustainability.

Governance and Talent

TURVO continues to strengthen sustainable supply chain management, information security, and internal control mechanisms. The Company has also obtained ISO 27001 Information Security Management System certification, further enhancing operational resilience and reinforcing customer trust.

We firmly believe that our people are the foundation of sustainable corporate development. TURVO continues to invest in talent development and employee well-being through training and development programs, health promotion initiatives, and diverse employee engagement activities. Through these efforts, we strive to foster a safe, healthy, and cohesive workplace while embedding our people-centered philosophy into the Company's corporate culture.

Partnering Together to Create Long-Term Value

Looking ahead, smart manufacturing, digital transformation, and the global transition toward net-zero emissions will continue to drive profound changes across industries worldwide. Building on its core strengths in precision manufacturing, TURVO will continue to reinforce its competitive advantages in the automotive components market, deepen its presence in industrial applications and precision transmission products, and actively seize opportunities arising from the growth of artificial intelligence and smart automation. We will also expand the application of our precision transmission products across these emerging industries.

At the same time, TURVO will work closely with its supply chain partners to drive continuous improvement in quality, delivery performance, technological innovation, and sustainability management, jointly strengthening the resilience and competitiveness of the overall industry value chain.

Sustainability is a long-term journey that requires enduring commitment and continuous improvement. Guided by our core values of integrity, innovation, responsibility, and shared prosperity, TURVO will continue to move forward together with our customers, suppliers, business partners, and the broader community, working collectively toward a future that is more resilient, lower-carbon, and sustainable for all.

Sincerely,

Management Team

Turvo International Co., Ltd.

August 1st , 2026

About this report

Turvo International Co., Ltd. (hereinafter referred to as Turvo International, TURVO, the Company, or we/our) has been publishing its Sustainability Report since 2024. This report serves as an active response to our stakeholders regarding the significant economic, environmental, and human rights impacts of our operations, as well as our corresponding management strategies. We are committed to open, honest, and objective communication, and we will continue to release this report annually. You are welcome to download and view the reports on our official website: **http://www.turvo.com.tw/**.

Data period

The reporting period covers January 1, 2025, to December 31, 2025. This report discloses the ESG sustainability performance of Turvo International Co., Ltd. Some performance data will be retrospective to information prior to 2025 or extended to the most recent annual information in 2025.

Range Boundary

The scope of this report is defined by the organizational boundaries established by Turvo International Co., Ltd. These boundaries include:
Taiwan Headquarters: No. 27, Jinger Road, Taichung Port Science and Technology Industrial Park, Wuqi District, Taichung City.

The information disclosed in this report is based on data provided by Turvo International Co., Ltd Corporation in Taiwan, primarily covering corporate governance, operational performance, and supply chain management. Chapters addressing environmental sustainability, a friendly workplace, and social prosperity are included. The financial statements are presented on a consolidated basis and do not reflect the performance of other subsidiaries.

Additionally, relevant material topics related to customers, suppliers, and investors outside of the Turvo organization are disclosed where applicable. Supporting information includes commonly used texts, numerical data, photographs, certifications, and the financial figures are presented in thousands of New Taiwan dollars.

Principles and Guidelines

To continuously enhance the comparability of performance and the substantive nature of reporting, all information disclosed in this report is presented in accordance with internationally recognized standards such as GRI, TCFD , SASB, SDGs, and the Taiwan OTC Markets Corporate Sustainability Practice Guidelines. The standards are as follows:

- Global Reporting Initiative Sustainability Reporting Guidelines (Refer to GRI Standards: 2021).
- TCFD: Risks, opportunities and financial impacts of climate change.
- SASB: Releases industry sustainability accounting standards for resource transition: Transportation-Auto Parts Industry: Sustainability Themes and Accounting Indicators.
- SDGs: United Nations Sustainable Development Goals .
- Code of Practice for Sustainable Development of Listed and OTC Companies (revised version in December 2021).

Procedures for the Preparation and Submission of Corporate Social Responsibility Reports by Listed Companies (revised version in September 2022).

Ensure the accuracy of public information

Disclosing ESG information significantly impacts our stakeholders. Therefore, we must make every effort to attend to every detail and ensure that all published information is reasonable, accurate, complete, and compliant with relevant principles and guidelines.

Internal confirmation

- Unless otherwise specified, all currency units in this report are expressed in New Taiwan Dollars , and all figures are rounded to two decimal place.
- Some indicators are designed to highlight medium- to long-term trends, presenting data over two consecutive years for non-financial indicators and three consecutive years for financial indicators (2023–2025).
- All information, data, reviews, and verifications disclosed in this report have been documented, approved by relevant departments, confirmed by supervisors, and reviewed by senior management.

External confirmation

Financial assurance data: Ernst & Young Visa 114 (2025) annual financial report.

ESG Sustainability Report: Not verified yet.

Issuance frequency

- Issue Frequency: Once a year.
- The current version of the 2025 ESG Sustainability Report will be published in August 2026.
- The subsequent report, the 2026 ESG Sustainability Report, is scheduled for publication in August 2027.

Contact Window

Contact: General Manager's Office of Turvo International Co., Ltd.
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Implement the United Nations Sustainable Development Goals (SDGs)

To advance the **UN Sustainable Development Goals (SDGs)**, **Turvo International** continues to focus on six key targets: **SDG 3** (Good Health and Well-being), **SDG 4** (Quality Education), **SDG 5** (Gender Equality), **SDG 6** (Clean Water and Sanitation), **SDG 12** (Responsible Consumption and Production), and **SDG 13** (Climate Action). By establishing 2025 goals and management measures across economic, environmental, and social dimensions, we take concrete actions to drive sustainable impact.

Implement the United Nations Sustainable Development Goals (SDGs)

Economic aspects

SDGs target: 12 Responsible consumption and production
13 Climate Action

Company Goals	Management measures	Corresponding to SDGs goals	Corresponding chapter
Disclose relevant information to assist the government in promoting corporate governance blueprint	Disclose the company's non-financial information with reference to internationally accepted reporting standards.	12.b	Report Overview and Scope
Responding to climate change and energy supply risks, actively identify the risks brought by climate change and continuously control the impact and damage of extreme climate on operations	Develop adaptation policies and solutions for real risks such as floods, typhoons, power outages, and rising temperatures, and actively implement relevant response measures to ensure rapid resumption of operations after disasters.	13.3	6.8 Climate Change Strategy and Management

Environmental aspects

SDGs Target: 06 Clean Water and Sanitation
13 Climate Action

Company Goals	Management measures	Corresponding to SDGs goals	Corresponding chapter
Promote water and energy conservation	Rainwater collection tanks and solar panels	06.3, 06.4	6.3 Energy Management 6.4 Water Resources Management
Scope 1 and 2 introduce greenhouse gas Scope 3 inventory and verification work	Commission a consulting company to provide guidance and introduce a carbon steward system to assist in collecting carbon emission data and issue a carbon inventory report	13.3	6.2 Greenhouse Gas Inventory

Social aspects

SDGs Target: 03 Health and Safety
04Quality Education
05 Gender Equality

Company Goals	Management measures	Corresponding to SDGs goals	Corresponding chapter
Improve employees' knowledge and skills	Each unit can organize its own education and training or participate in external training courses, and make flexible adjustments based on individual needs. We provide effective career training plans and occasionally hire professional lecturers to teach professional and technical courses.	04.4	5.3 Training and Development
Promoting independent inspection and management measures for occupational safety and health, prevent disasters in the factory and reduce risks	1. In accordance with relevant occupational safety laws and regulations, "ISO 45001 Occupational Safety and Health Management System" and relevant occupational safety laws and regulations, formulate occupational safety and health work codes, identify hazardous operations, establish independent inspection and safe operation standards, and prevent various potential hazards and accidents. 2. Provide free health checkups to employees on a regular basis every year, collect statistics and analyze possible pathogenic factors based on the health checkup results, implement grading according to health risk management, track high-risk health groups, promote workplace health promotion and occupational disease prevention, and provide employees with comprehensive medical care services.	03.4 03.8	5.7 Occupational Safety and Health 5.8 Health Promotion Activities
Prohibit gender discrimination in recruitment, appointment, salary, promotion, training, etc.	The company has established "Work Rules" and submitted them to the relevant government agencies for review and filing, clearly stipulating policies and systems that prohibit gender discrimination.	05.1,05a, 05b	5.1 Talent Policy and Commitment

01 Business Performance

1.1 Company Profile

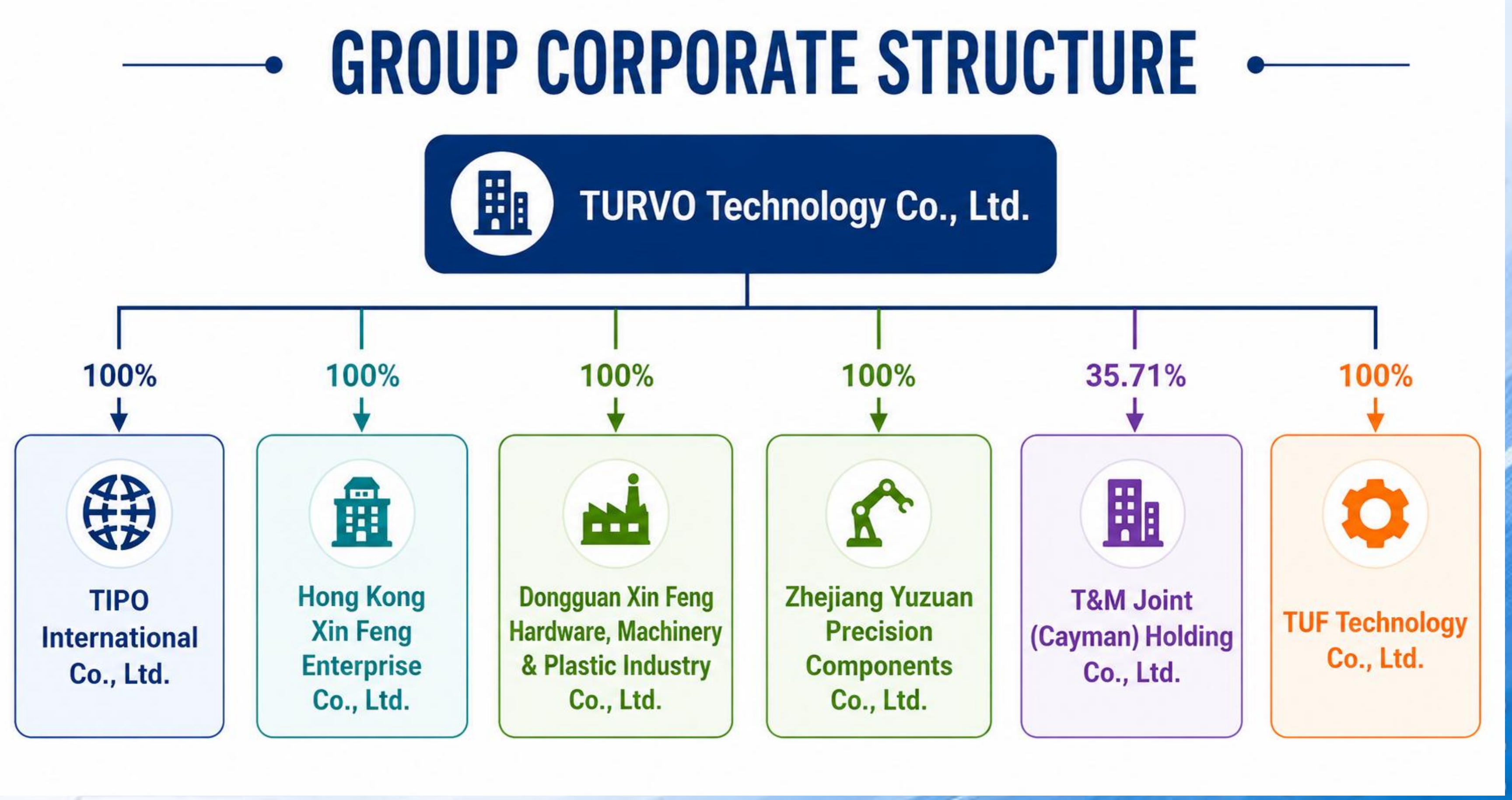
Founded in 1987, Turvo International Co., Ltd. specializes in the research, development, and manufacturing of high-precision metal components. Our products are widely applied across the automotive, bicycle, industrial application, and automation control sectors. TURVO is committed to providing customers worldwide with high-quality, high-precision, and highly reliable products and services.

Leveraging decades of expertise in precision machining, quality management, and mass production, TURVO has established comprehensive R&D, manufacturing, and quality management systems. Through smart manufacturing, automated production, and digitalized management, we continue to enhance product competitiveness and strengthen our ability to serve customers.

In response to global industrial transformation and technological advancement, TURVO continues to reinforce the competitiveness of its core precision components business while actively expanding into emerging high-value-added markets. Key areas include smart manufacturing, reducers for humanoid robots, and UQD products for liquid cooling systems used in AI data centers, creating new growth drivers for the Company. TURVO currently operates manufacturing bases in Taiwan and China and is actively planning further overseas expansion to strengthen its global supply chain capabilities and enhance localized customer support.

Looking ahead, TURVO will continue to deepen its core expertise in precision manufacturing while leveraging the profitability of its established businesses to support investments in transformation and growth. The Company will actively develop new businesses, including reducers for humanoid robots and key components for AI liquid cooling applications, as it advances toward becoming a key global supplier of precision components and a leading provider of precision manufacturing solutions worldwide.

Company Name	Turvo International Co., Ltd.
Headquarters Location	No. 27, Jing 2nd Road, Taichung Port Science and Technology Industrial Park, Wuqi District, Taichung City
Founding date	December 1987
Stock Listing	September 2019, stock code: 2233
Chairman	Liu, Chunchang
General Manager	Tsai, Mingtung
Capital	602,881,000 yuan (January 3, 2025)
Number of Employees	431employees (Taiwan plant as of December 31, 2025)



Company History

Company Establishment and Major Events in the Past Decade

1987 - 2010

Establishment and Foundation Building

Turvo International was established with a focus on precision metal components. The Company subsequently implemented an ERP system, obtained ISO certifications, and completed its public offering, laying the foundation for comprehensive R&D and mass production capabilities.

2011 - 2022

Technology Advancement and Strategic Expansion

Completed the expansion and commenced operations of the Taichung Plant, marking a transition from contract manufacturing to proprietary brand development.

2023 - 2025

Innovation and Sustainable Transformation

TURVO commenced operations at its second plant in the Taichung Technology Industrial Park, obtained LEED green building certification, received validation of its science-based emissions reduction targets from the Science Based Targets initiative (SBTi), and officially launched TUF ONE. ◦

Development History

Milestones 1987 - 2025

- **1987** Company Established
- **2008** Robert Bosch Outstanding Supplier
- **2019** Approved for Listing on the Taiwan Stock Exchange (TWSE)
- **2021** Groundbreaking for the New Wuqi Plant in the Taichung Export Processing Zone
- **2024** Second Plant in Taichung Technology Industrial Park Commenced Operations
- **2025** Official Launch of the TUF ONE Reducer

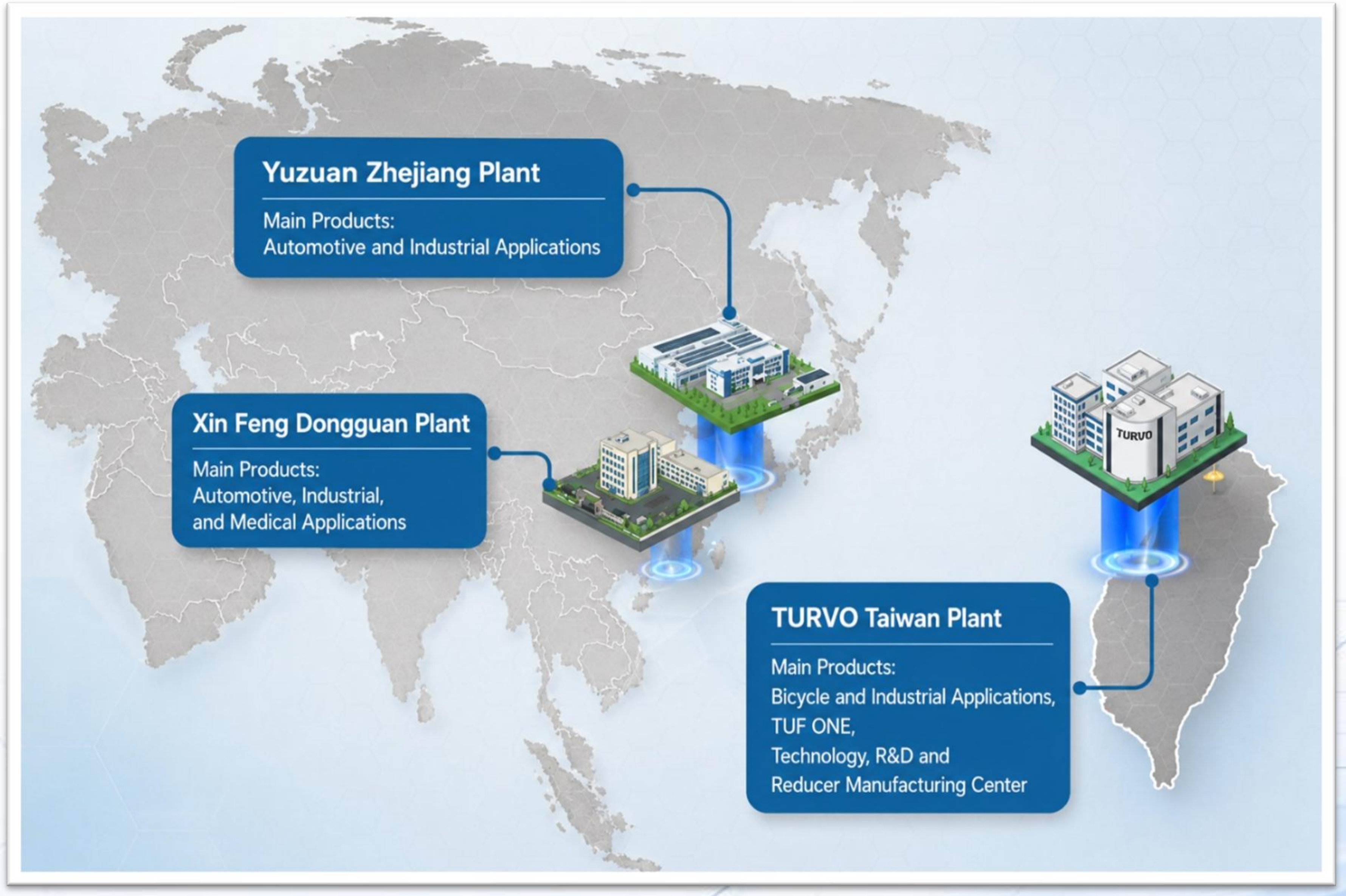
year	Company Establishment and Major Milestones in the Past Decade
1987	Turvo International Co., Ltd. was established with a capital of NT$2,000,000. ◦
1998	Passed IBM certification. Passed ISO 9002 certification.
2005	Expanded the scale and moved the factory to the China-Hong Kong Export Processing Zone. The company name was changed to Turvo International Co., Ltd.
2008	Became the preferred supplier of Robert Bosch.
2009	Approved by the Investment Review Commission for indirect investment in Dongguan Xin Feng Hardware Machinery and Plastic Industry Co., Ltd. in mainland China through a third party.
2010	Approved by the Investment Commission for indirect investment in Zhejiang Yuzuan Precision Components Co., Ltd. in mainland China through a third party. Approved by the Financial Supervisory Commission, Executive Yuan, for the public offering of shares. Approved by the Taiwan Stock Exchange for trading on the Emerging Stock Exchange .
2011	Approved by the GreTai Securities Trading Center of the Republic of China for listing of its shares. Officially listed on the Taiwan Stock Exchange.
2019	Approved by the Taiwan Stock Exchange for stock listing.
2021	Groundbreaking ceremony for the new Wuqi factory in the China-Hong Kong Export Processing Zone. In line with the Export Processing Zone Administration, Ministry of Economic Affairs' renaming of the Central Taiwan Science Park Export Processing Zone as the Taichung Port Technology Industrial Park, the Company updated the relevant location information for its current address accordingly.
2022	Launched the company's first own-brand product, "TUF ONE Planetary Reducer,“ marking a milestone in its transition from OEM to own-brand.
2024	The second plant in Taichung Port Technology Industrial Park was completed and commenced operations.
2025年	TURVO Taiwan facility received LEED Silver Certification. SBTi science-based targets officially validated. Received Taiwan MOEA Intelligent Automation & Robotics Excellence Award. Achieved ISO 27001 certification. Hosted first Family Day at TURVO Headquarters. Launched TUF-X and Harmonic Reducer series at Nuremberg Exhibition.

Manufacturing Locations

TURVO operates manufacturing sites in Taiwan and China, with specialized divisions of responsibilities based on product characteristics and technical requirements. The Taiwan plant serves as the Group's technology and R&D center, responsible for the production of bicycle and industrial application products, as well as the development and manufacturing of TUF ONE reducers.

The Zhejiang plant primarily manufactures automotive and industrial application products and is equipped with large-scale mass production capabilities.

The Dongguan plant focuses on precision machining and manufacturing for automotive, medical, and industrial applications. Through resource integration and close collaboration among its manufacturing sites, TURVO has established a competitive global supply chain network, continuously enhancing customer service efficiency and strengthening its competitive position in the market.



1.2 Business Activities

Turvo International primarily engages in the manufacturing of high-precision metal components, providing manufacturing services based on customers' product design requirements. Its products are widely used in the automotive, bicycle, medical, and industrial sectors. Leveraging years of accumulated expertise in precision machining, process integration, and mass production, the Company continues to deliver products and services that meet customers' requirements for quality, precision, and delivery, while maintaining long-term and stable partnerships with customers worldwide.

In response to evolving market demands and industry trends, the Company continues to invest in the research and development of new technologies and emerging applications to strengthen its long-term competitiveness. The following section provides an overview of the Company's principal business activities and application areas, together with the sales mix and applications of its major products:

Main Products	Revenue share	Main Applications
Automotive metal parts	79.64%	Products include components for gasoline and diesel direct injection systems, high-pressure fuel pump components, transmission control units, valve timing control units, fuel cell-related components, and ADAS-related products.
bicycle parts	11.77%	Products include front and rear suspension components, front forks, hubs, seat post components, and other related parts.
Medical metal parts	1.18%	Products include insulin delivery system products and core components for insulin injectors.
Industrial application parts	7.41%	Products are used in industrial automation, aerospace sensors, and other applications.

˙Market Distribution

TURVO major sales regions include Taiwan, Asia, the Americas, and Europe, with its products sold across markets in Asia, Europe, and the Americas. Asia remains the Company's largest sales region. In 2025, Asia accounted for 47.47% of total revenue, followed by Europe at 32.02%, Taiwan at 11.70%, and the United States at 8.81%.Over the past three years, the Company has continued to expand its global market presence, with the revenue contributions from Europe and the United States gradually increasing, resulting in a more diversified market structure.

TURVO will continue to strengthen its presence in existing markets and deepen customer relationships, while enhancing its global supply chain network and customer service capabilities to further reinforce its overall competitive advantage in the global market.

Unit: NT$1,000

year / area	2023		2024		2025	
	Amount	Proportion%	Amount	Proportion%	Amount	Proportion%
Taiwan	321,604	9.64%	425,040	11.62%	383,230	11.70
Asia	1,924,628	57.67%	2,053,257	56.12%	1,554,621	47.47
USA	164,285	4.92%	215,823	5.9%	288,587	8.81
Europe	926,968	27.77%	964,585	26.36%	1,048,501	32.02
other	0	0%	0	0%	-	-
total	3,337,485	100%	3,658,705	100%	3,274,939	100%

As automotive electronics continue to advance and the trend toward vehicle electrification becomes increasingly evident, TURVO has continued to invest in R&D and the development of related technologies and products. As of the end of 2025, the Company had obtained a total of seven patents worldwide and continues to pursue additional patent applications. In alignment with its market development and business operations, TURVO is actively expanding its global patent portfolio to strengthen technological competitiveness and support sustained business growth.

1.3 Business Overview and Financial Information

TURVO's Taiwan operational headquarters is located in the Taichung Port Technology Industrial Park. The Company specializes in the development and manufacturing of high-precision metal components. Since its establishment, TURVO has upheld its core values of "Integrity, Quality Orientation, Youthful Vitality, and Teamwork." Guided by a technology-driven approach to market development, the Company strives to enhance profitability through technological and product innovation, stay ahead of the competition, and develop next-generation products in response to evolving industry trends.

TURVO's Vision

To be your most trusted cross-industry partner.

TURVO's Business Strategy

1. **Production Strategy**
   Specializing in the machining, manufacturing, and sales of precision metal components, TURVO is committed to its business objectives of providing a safe working environment, effectively preventing occupational accidents, fulfilling its environmental protection responsibilities, and promoting green operations.

2. **Sales Strategy**
   For existing customers, TURVO provides competitive products and services. For prospective customers, the Company leverages its existing technologies to actively develop potential customer opportunities in liquid cooling system applications.

3. **R&D Strategy**
   Actively expand a diversified product portfolio by integrating technological innovation with evolving market demands.

4. **Business Strategy**
   Promote a flatter organizational structure and strengthen project-based teams, while enhancing on-the-job training and actively recruiting outstanding talent to further strengthen the Company's competitive advantage. 。

5. **Financial Strategy**
   Maintain a sound financial structure to provide strong support for sales, production, R&D, and other business activities. Strategically plan short-, medium-, and long-term capital allocation to maximize returns on capital.

Future Strategy

Develop Proprietary Brands and Diversify the Product Portfolio

Our company has transitioned from OEM manufacturing to branding, launching our own brand TUF ONE planetary gearboxes to the world. In the face of rapid changes and challenges in the future market environment, our company and subsidiaries will adhere to our long-standing commitment to technology development and manufacturing quality. We will continuously strengthen technological innovation and development, improve operational performance, enhance production efficiency and maintain high-quality standards.

With the rapid development and widespread application of artificial intelligence (AI) technology, we will leverage our accumulated knowledge and resources to dedicate ourselves to the development of AI automation technology, actively positioning and creating our own value through differentiation and uniqueness.

We keep focusing on integrated service operations which including automation, forging, heat treatment, and multi-axis machining to expand the applications of core product and diversify our development. We aim to position TURVO and subsidiaries as industry leaders by launching smart manufacturing to the market, thereby generating maximum value and profits for our shareholders.

Economic Benefits

The global economic in 2025 remains influenced by factors of fluctuations in market demand, adjustments to industry inventories, and geopolitical risks that resulting in a challenging overall business for the manufacturing sector. In response to these external changes, TURVO continues strengthen operational efficiency and financial health while steadily expanding and emerging application areas to enhance the operational resilience and capacity for sustainable development.

TURVO’s consolidated operating revenue was NT$3.275 billion in 2025, with net income of NT$400 million after tax and earnings NT$6.70 per share.

Unit: NT$1,000

Year	2023	2024年	2025
Consolidated Revenue	3,337,485	3,658,705	3,274,939
Gross Profit from Operations	1,091,194	1,360,228	1,015,019
Profit Before Tax	571,240	786,742	493,661
Profit After Tax	529,930	657,896	399,942
Net profit attributable to owners of the parent company	533,958	661,028	403,761
Net profit attributable to non-controlling interests	(4,028)	(3,132)	(3,819)
Other comprehensive income	(32,632)	133,134	(67,929)
Total comprehensive benefits	791,030	791,030	332,013
Earnings per share (yuan)	10.96	10.96	6.70
Debt-to-Equity Ratio	33.38%	33.38%	40.15%
Return on Equity	17.23%	17.23%	9.97%
Shareholding ratio of directors and supervisors	25.51%	25.51%	34.27%

Economic Value Creation and Distribution

TURVO is committed to sharing the economic value generated through its business operations with its stakeholders. Through employee salaries and benefits, shareholder dividends, tax payments to governments, and interest payments to financial institutions, the Company distributes the economic value it creates among employees, shareholders, governments, and society. In 2025, employee salaries and benefits amounted to NT$791 million. Although this represented a slight decrease from the previous year due to overall business performance, the Company continued to provide competitive compensation and benefits, while placing strong emphasis on employee well-being and talent development.

TURVO also rewards shareholders through a stable dividend policy, fulfills its tax obligations in accordance with applicable laws and regulations, and maintains sound creditworthiness and financial management practices to foster long-term and stable relationships with financial institutions. Looking ahead, TURVO will continue to balance corporate growth with the interests of its stakeholders and create and share long-term economic value through sound management and sustainable development.

Unit: NT$1,000

Item / year	2023	2024	2025
operating costs	2,246,291	2,298,477	2,259,920
Employee salary and welfare expenses*	747,944	862,817	791,044
Income tax	148,006	119,318	73,279
Dividends	361,729	319,527	422,017
Bank loan interest	2,823	10,121	23,641
*Note: Salaries, labor and health insurance, pensions and other employee benefits.			

1.4 Membership in Associations

List of Associations, Alliances, and Initiatives Participated in during 2025

Taichung Port Technology Industrial Park Association

- A member of the association, participating in the development and exchange activities of the industrial park.

Taichung Industrial Association

- A member of the association, participating in industry seminars held periodically.

Taiwan Association of Machinery Industry (TAMI)

- A member of the association, staying informed of machinery industry trends and promoting technical exchanges.

Taiwan Automation Intelligence and Robotics Association (TAIROA)

- A member of the association, participating in discussions and collaborative initiatives related to smart automation technologies.

Central Taiwan Science Park Industry-Academia-Training Association

- A member of the association, promoting industry-academia collaboration and talent development programs.

Friends of the Police Association of the Industrial Park

- A member of the association, supporting public safety and community service initiatives within the industrial park.

CHAPTER

02

Stakeholder Engagement

ESG Organization and Responsibilities

Based on integrity and mutual prosperity, TURVO transforms sustainability concepts into concrete actions through in-depth dialogue with various stakeholders. The Company has established a comprehensive communication mechanism in accordance with the "Corporate Governance Code" and actively listens and responds to issues of concern raised by stakeholders. Such feedback serves as an important basis for adjusting sustainability strategies. TURVO fully discloses its achievements in corporate governance, economic development, environmental sustainability, and social welfare, demonstrating its commitment to sustainable development and corporate social responsibility through concrete actions, while responding to the expectations and trust of all sectors of society.

The Company has established a Sustainable **Development Committee (hereinafter referred to as the ESG Committee)** as the executive management unit. Heads of relevant departments serve as members of the Corporate Governance Group (including the Economic and Risk Group), the Sustainable Environment Group, and the Social Welfare Group (including the Supply Chain, Employees, and Community Group). The Chairperson is responsible for executive management, and the Chairman oversees and reports to the Board of Directors on a regular annual basis. The Board of Directors reviews the implementation of the sustainable development strategies and action plans proposed by the ESG Committee and urges adjustments when necessary.

ESG organizational structure

Organization and Identification of Stakeholders

The ESG Committee serves as a cross-departmental communication platform, responsible for planning, executing, and managing various action plans. It integrates and oversees the progress and effectiveness of the three major areas of corporate governance, environmental sustainability, and social welfare, ensuring the effectiveness of horizontal and vertical communication within the organization and implementing sustainable development.

The committee is responsible for:

(1) Formulating the strategic direction of the Company's annual sustainable development plan.

(2) Planning and implementing various activities related to corporate sustainable development and risk assessment.

(3) Tracking and reviewing the implementation and effectiveness of corporate sustainability and risk assessment plans.

(4) Other matters related to sustainable development, such as ESG corporate governance, sustainable environment, and social welfare.

(5) Reporting implementation results and future sustainable development plans to the Board of Directors regularly every year.

(6) Holding regular review meetings every year to discuss issues related to corporate sustainability and business promotion effectiveness, perform ESG-related tasks at work, and participate in related activities.

˙The Corporate Governance, Sustainable Environment, and Social Welfare Group is responsible for the following tasks:

Corporate Governance Group

- Strengthen the functions of the Board of Directors.
- Ensure disclosure and transparency of business information.
- Implement the company's internal audit and internal control systems.
- Comply with international laws and government regulations.
- Protect the rights and interests of shareholders and stakeholders.
- Manage investment and operational risks.
- Prevent improper behaviors such as bribery and corruption

Sustainable Environment Group

- Prevention, control, and mitigation of environmental pollution (including air, water, waste, toxic substances, noise, etc.).
- Reduction of greenhouse gas emissions.
- Calculation of product carbon footprints and promotion of carbon labeling.
- Management and regeneration of energy resources (such as water and electricity).
- Green product design, manufacturing, and green supply chain management.
- Climate change adaptation and forest conservation.

Social Welfare Group

- Protection of workers' wages and welfare rights.
- Promotion of community relations and social welfare.
- Maintenance of employee professional ethics and standards.
- Promotion of inclusion and protection of diverse ethnic groups.
- Management of occupational health and safety in the workplace.
- Coordination and communication with stakeholders, including employees, customers, government, suppliers, shareholders, and the general public.

The aforementioned ESG report writing team, led by the Vice Chairperson and operating under the Chairperson of the ESG Committee, is responsible for preparing the ESG report. The report is compiled by the heads of the relevant units within the Governance, Sustainability, Environment, and Social Welfare Groups.

Organization and Identification of Stakeholders

Based on above-mentioned ESG organization structure , the key ESG works in each category and responsible units are listed as follows:

Categories		ESG Key Initiatives	Responsible Unit
Corporate Governance	Corporate Governance	Corporate governance - board operations, financial management system / Integrity management and green operation	Financial Management Department, Corporate Governance Director
		Various management systems: finance/taxation/internal audit	
		Ethical management system: compliance with laws and regulations, professional ethics, anti-corruption and bribery, etc.	Human Resources and Administration Department / Employees at all levels / Labor Representatives
		Information Security	IT
		Risk Management	General Manager's Office / Safety and Health Office
		Customer Privacy	Business Department
		Sustainable development management mechanism and goals	ESG Committee
		Grievance Mechanism – Employees / Customers / Suppliers / Shareholders	HR & Administration Department / Business Division / Taiwan Factory (TURVO) / Spokesperson
	Economy	Business performance	Business Department
Environmental	Environmental Management / Energy conservation and carbon reduction	Energy Management Greenhouse gas management (carbon emissions) Climate Change Strategies and Responses Water Resource Management	Safety and Health Department
		Sewage / waste gas / waste disposal management / equipment improvement in working area	Safety and Health Department Engineering Department
		Public area management	Human Resources and Administration Department

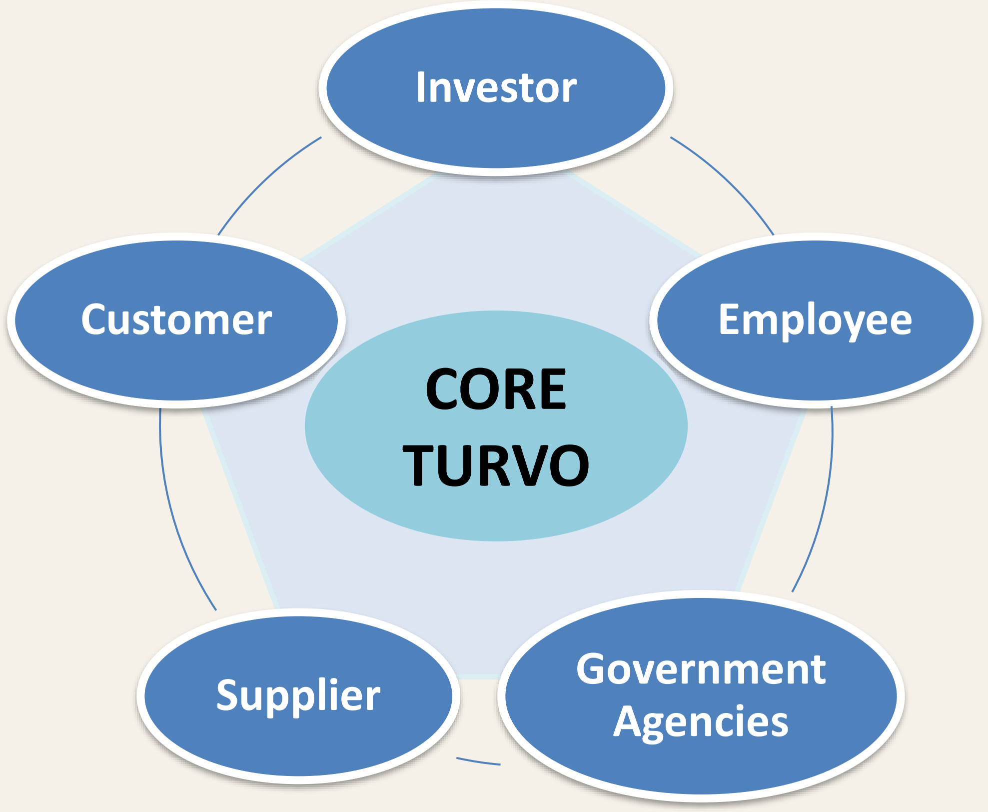
Organization and Identification of Stakeholders

<table>
<tr><th colspan="3">Categories</th><th>ESG Key Initiatives</th><th>Responsible Unit</th></tr>
<tr><td rowspan="6">Society</td><td rowspan="3">Product</td><td>Supplier Management</td><td>Supplier sustainability management (including contractors)</td><td>Asset Management Department</td></tr>
<tr><td>Product Safety / Customer Relationship Management</td><td>Product quality and safety
Customer Service and Satisfaction/Customer Privacy
Green Products
Sustainable product services</td><td>Production Department
Quality Department
Business Department
Research and Development</td></tr>
<tr><td>Product quality Management and delivery</td><td>Product output and quality/ISO quality system
Key processes and control methods of quality management
Product quality yield and delivery time</td><td>Production Department
Quality Department</td></tr>
<tr><td rowspan="2">Employee Management</td><td rowspan="2">Mechanism / Industrial Relations / Health and Safety</td><td>Employee selection, training, employment and retention management/talent attraction and retention
Talent cultivation and development, salary and benefits
Labor relations/labor human rights/workplace diversity and other personnel management</td><td>Human Resources and Administration Department</td></tr>
<tr><td>Occupational Safety and Health</td><td>Safety and Health Department</td></tr>
<tr><td colspan="2">Community and charity activities</td><td>Good neighborliness in the local community</td><td>HR & Administration Department</td></tr>
</table>

2.2 Identification of Material Stakeholders

Turvo International Co., Ltd. identifies five material stakeholders, investors (shareholders), employees, customers, suppliers, and government agencies, based on six key principles, responsibility, influence, closeness, dependence, representativeness, and policy and strategic intent, during ESG Committee meetings.

Through various communication channels, we actively listen to stakeholder voices, gather their concerns and major issues related to the Company, and response to their expectations.



2.3 Material Stakeholder Communication Channels

TURVO has established the following hotlines and e-mail addresses as communication channels for information exchange and stakeholder engagement:

Stakeholder Zone	Contact Window	Telephone	Email
Investor Zone	Spokesperson	+886-4-26575790	IR@turvo.com.tw
Employee Zone	HR and Administration Department	+886-4-26575790 #8005	angel-wang@turvo.com.tw
Corporate Social Responsibility / Integrity Management / Anti-Corruption	General Manager's Office	+886-4-26575790	turvoesg@turvo.com.tw
Supplier Zone	Taiwan Plant (TURVO)	+886-4-26575790	johnnie-chiang@turvo.com.tw
Customer Zone	Business Office	+886-4-26575790 #6001	emily-siao@turvo.com.tw

2.4 Communication analysis and the process of identifying stakeholder concerns

TURVO collects sustainability-related issues based on the Sustainable Development Goals (SDGs), industry regulations and standards, and the organization's annual objectives.

Through various stakeholder communication channels, designated departmental representatives engage with stakeholders on a regular or ad hoc basis. By assessing the impacts generated through business operations—both those affecting stakeholders and those potentially influencing the company's operations—TURVO consolidates and identifies key stakeholder concerns. The details are presented in the following table.

Stakeholders	Key Material Topics	Main Communication Channels	Frequency in 2025
Investors	Operational performance, ethical business practices, risk management, regulatory compliance, innovation and research & development, sustainable products and services, corporate governance, information security, and ethical conduct, as well as greenhouse gas management, climate change strategies, green operations, and social welfare initiatives.	•Board of Directors Audit/Remuneration Committee • Regular shareholders' meeting • Dharma seminar • Public Information Observation Station • Corporate website •ESG sustainability report/annual report	• 4 times (inclusive) or more/year • 2 times (inclusive) or more/year • 1 game/year • 2 times (or more)/year• Monthly/quarterly/annual/irregular • Timely •each year
Employee	Occupational safety and health, energy conservation and carbon reduction Personnel appointment, compensation and benefits, training and development Employee retention , labor rights, human rights protection , workplace diversity , water resource management, waste management , etc.	•Two-way communication meetings •Labor-management meetings •Education and training courses • Internal website/Email notification /Official Announcement/Appeal Mailbox	•Irregular •Once every quarter •Irregular •Irregular

2.4
Communication analysis and the process of identifying stakeholder concerns

Stakeholders	Key Material Topics	Main Communication Channels	Frequency in 2025
Government Agencies	Compliance with regulations : Safety and health laws , environmental protection, corporate governance laws, water resources , waste management laws, Information security, labor-related laws, etc.	•Official letter/telephone consultation • Participate in outreach meetings • Regulatory briefing •Visits by competent authorities	•Irregular •Irregular •Irregular •Regular/irregular
Supplier	Supplier sustainable management, legal compliance, waste management, energy conservation and carbon reduction , labor human rights, greenhouse gas management, etc.	•Written audit •Written/field assessment • On-site audit	•Irregular •One year/time •One year/time
Client	Product quality, product safety, customer relationship management, customer privacy, Compliance with regulations, energy conservation and carbon reduction, Sustainable product services, etc.	•Customer complaint handling and response •Customer satisfaction survey •Client meetings •Phone/email/website	•Irregular •year •Irregular •Irregular

The above focus topics were analyzed with reference to the GRI Sustainability Reporting Standards (GRI Standards). Following the steps of identification, prioritization, validation, and review, we assessed these topics to determine the scope of material issues to be disclosed in this Report, as well as the key sustainability challenges the Company faces both internally and externally, thereby enabling a comprehensive evaluation of our sustainability performance.

2.4 Communication analysis and the process of identifying stakeholder concerns

The process for determining material topics is as follows:

Step	Core Activity	Process Description and Materiality Considerations	Key Quantitative Indicators / Results
1. Identification	Stakeholder and Issue Identification	• At the end of 2024, the Sustainability Committee invited its members to jointly conduct a stakeholder identification process. Department heads identified stakeholders and, based on their materiality, classified them as primary or secondary stakeholders, confirming five categories of primary stakeholders: investors, customers, employees, suppliers, and government agencies. • The Committee reviewed material topics identified by domestic and international peer companies, international sustainability trends, and relevant requirements of the Taiwan Stock Exchange to ensure the objectivity, completeness, and inclusivity of the material topics.	5 Major Stakeholder Groups (Investors, Customers, Employees, Suppliers, and Government Agencies)
2. Material Topic Analysis and Prioritization	Impact Assessment and Materiality Prioritization	• Material topics were evaluated by the ESG Committee based on actual or potential positive and negative impacts on the economy, environment, and society, as assessed by stakeholders and internal middle-to-senior management personnel. Each topic was rated on a scale of 1 to 5. Based on the assessment results, the Sustainable Development Committee conducted further analysis and discussion to determine topics with significant impacts requiring management attention and established corresponding management approaches. • TURVO places great emphasis on two-way communication with its stakeholders. In 2025, the company once again reviewed and reorganized its sustainability agenda, and following a resolution by the Sustainability Committee at the end of 2024, it decided to focus on eight key themes.	Impact Rating Scale: 1–5 Material Topics in 2025: 8
3. Confirmation	Organizational Boundary and Scope Confirmation	• After completing the prioritization process, internal discussions were conducted to identify the internal and external boundaries associated with each material topic. These boundaries serve as the basis for future sustainability disclosures in TURVO's Sustainability Report.	Internal and External Boundaries Confirmed (Basis for Sustainability Report Disclosure)
4. Review	Integration into Daily Management and Strategy	• Material topics are incorporated into the Company's daily operations and annual plans and serve as important references for stakeholder communication and sustainability strategy development.	Incorporated into Annual Management Plans (Continuous Review and Communication)

2.5 Results of analysis on Material Topics

The ESG Committee of TURVO convened a special review meeting on February 10, 2025, to evaluate stakeholder concerns and their actual or potential impacts on the economy, environment, and society. After reviewing industry trends and assessing both internal and external operating environments, the Committee identified eight material topics. The assessment results were documented in meeting records and submitted to the Chairperson for approval.

The material topics disclosed in 2025 are summarized as follows:

Ranking	Material Topic	Concern	Severity	Materiality Level
1	Product Quality and Safety	4.57	4.15	★★★★★
2	Customer Relationship Management	4.34	3.82	★★★★★
3	Integrity Management and Business Ethics	4.27	3.73	★★★★☆
4	Occupational Safety and Health	4.37	3.64	★★★★☆
5	Supplier Sustainability Management	4.23	3.88	★★★★☆
6	Information Security	4.2	3.73	★★★★☆
7	Regulatory Compliance	4.34	3.76	★★★★☆
8	Climate Change Adaptation Measures	3.82	3.61	★★★☆☆

Notes:

Level of Concern Rating Scale:
- 1 = Not Concerned
- 2 = Low Concern
- 3 = Moderate Concern
- 4 = High Concern
- 5 = Very High Concern

Impact Severity Rating Scale:
- 1 = No Impact
- 2 = Low Impact
- 3 = Moderate Impact
- 4 = High Impact
- 5 = Significant Impact

Source: Assessment results were derived from stakeholder concern surveys and evaluations of actual or potential impacts on economic, environmental, and social aspects, with reference to industry trends and internal and external environmental assessments.

2.6 Stakeholders and Material Topics

2025 Material Topic Prioritization Results

Material Topic	Investors	Suppliers	Customers	Employees	Government Agencies
Product Quality and Safety	●	○	●	●	
Customer Relationship Management	●	○	●	●	
Integrity Management and Business Ethics	●	●	○	●	
Occupational Safety and Health	●	●	○	●	○
Supplier Sustainability Management	●	●	○	●	
Information Security	●	●	○	●	
Regulatory Compliance	○	○		●	●
Climate Change Adaptation Measures	●	○		●	

2.7 Response to Material Topics

The Company identified eight material topics in 2025. The corresponding management actions and measures are summarized as follows:

˙Corporate Governance and Economic Aspects

Material Topic	GRI Standards	Importance to TURVO	Management Actions
Product Quality and Safety	416-2、417	Product quality and delivery performance are highly valued by customers and are critical factors in establishing customer trust and a positive corporate reputation. The Company is also committed to protecting customer privacy.	The Company has obtained ISO 9001 Quality Management System certification and continues to maintain its effectiveness through documented procedures, operating standards, and continuous improvement activities.
Customer Relationship Management	416-2、417	Product services and customer satisfaction are essential factors in building trust and maintaining long-term customer relationships.	Annual customer satisfaction surveys are conducted regularly. Customer complaints are handled promptly, and responsible units are required to implement corrective actions within specified timeframes.
Integrity Management and Business Ethics	2-18、2-15	Creating value for shareholders and maintaining stakeholder confidence are important responsibilities of the Company. Integrity management is fundamental to establishing corporate credibility and reputation.	The Company has established its Articles of Incorporation and shareholder dividend distribution policies. In addition, the "Code of Ethical Conduct" and the "Integrity Management Best Practice Principles" have been implemented to strengthen ethical business practices.
Supplier Sustainability Management	308-1、414	To achieve sustainable business development, TURVO works closely with suppliers and business partners throughout the supply chain. Suppliers are expected to comply with environmental and social responsibility requirements.	The Company has established the "Supplier Management Regulations" to foster mutually beneficial and stable partnerships with suppliers, promote joint growth, and build a sustainable supply chain.
Information Security	418	TURVO is committed to protecting the information security of customers, employees, and suppliers, ensuring that privacy and confidential information are safeguarded against unauthorized access, use, or disclosure.	The Company has implemented the ISO 27001 Information Security Management System to effectively manage and control information security risks.
Regulatory Compliance	2026/2/27	Regulatory compliance is the foundation of integrity management and is essential for building corporate trust, credibility, and reputation.	The Company complies with applicable laws and regulations and has established anti-corruption, anti-bribery, and conflict-of-interest management mechanisms to ensure effective implementation of integrity management practices.

Environmental Aspect			
Material Topic	**GRI Standards**	**Importance to TURVO**	**Management Actions**
Climate Change Adaptation Measures	303-1,2,3、2-27	Domestic wastewater and industrial wastewater discharges comply with the wastewater acceptance standards of the industrial park, reducing treatment costs and ensuring compliance with water pollution control regulations.	In accordance with the ISO 14001 Environmental Management System and the Water Pollution Control Act, the Company regularly commissions Ministry of Environment-approved third-party testing organizations to conduct wastewater discharge testing and complete all required regulatory reporting procedures.
Social Aspect			
Occupational Safety and Health	403	The Company complies with the Occupational Safety and Health Act and is committed to providing employees with a safe, healthy, high-quality, and friendly working environment.	An annual Occupational Safety and Health Management Plan is established and implemented. In accordance with ISO 45001 requirements, hazard identification and risk control mechanisms have been established to continuously improve workplace safety performance.

CHAPTER

03

Corporate Governance

TURVO's short-, medium-, and long-term sustainability management targets and indicators for corporate governance, including ethical business practices, risk management, and regulatory compliance, are presented in the table below:

	Short-term indicators (2025~2026)	Medium-term indicators (2027~2030)	Long-term indicators (2031 after)
Corporate Governance	The corporate governance evaluation ranking is within 65% of all listed companies	The corporate governance evaluation ranking is within 50% of all listed companies	The corporate governance evaluation ranking is within 50% of all listed companies
Regulations follow	Violations of corporate or tax laws : 0	Violations of corporate or tax laws : 0	Violations of corporate or tax laws : 0

3.1 Corporate Governance

Turvo International Co., Ltd. (Stock Code: 2233) was established in 1987 and is specializing in precision metal component machining. The company utilizes CNC lathes, milling machines, turn-mill compound machines, precision grinding machines, advanced measurement instruments, and continuous process improvement to ensure high-quality production.

Our customer base spans across various sectors, including automotive, bicycle components, consumer electronics, industrial applications, and medical device components. TURVO's R&D efforts focus on process design for new products, process optimization for existing products, as well as the design and development of customized machining and inspection equipment. We are committed to the continuous pursuit of advanced manufacturing technologies to expand the breadth and depth of customer service.

In its approach to corporate governance and sustainable management, TURVO adheres to the principles of ethical business practices and transparent information disclosure. The company complies with regulations, enhances operational performance, strengthens internal control and personnel management mechanisms, and maintains ISO management system certifications. These efforts aim to cultivate a strong corporate culture grounded in business philosophy and ethical standards.

The goals and performance related to this material topic are outlined as follows:

Corporate Governance

2026 Goals	2025 Goals	2025 Performance Achievement
The corporate governance evaluation ranking is within 50% of all listed companies	The corporate governance evaluation ranking is within 65% of all listed companies	The corporate governance evaluation ranking is within 65% of all listed companies → Achieved

Regulatory compliance

2026 Goals	2025 Goals	2025 Performance Achievement
Violation of Companies Act or tax regulations: 0	Violation of Companies Act or tax regulations: 0	0 items → achieved

With years of experience in design, manufacturing, and system integration, TURVO has successfully developed high-precision planetary gear reducers, which are promoted globally under its own brand TUF ONE. Upholding this spirit of innovation, we continue to create limitless possibilities and deliver shared value for our customers and end users.

Headquarters and Subsidiaries

The company also operates an overseas manufacturing facility in China, with a total global workforce of approximately 1,201 employees.

1. Headquarters：No. 27, Jing 2nd Road, Taichung Port Technology Industrial Park, Wuqi District, Taichung City, Taiwan
2. Xinfeng Plant : No. 45, Shangxing Road, Shangjiao Industrial Zone, Chang'an Town, Dongguan City, Guangdong Province, China
3. Yuzuan Plant : No. 69, Hongfu East Road, Yaozhuang Town, Jiashan County, Jiaxing City, Zhejiang Province, China

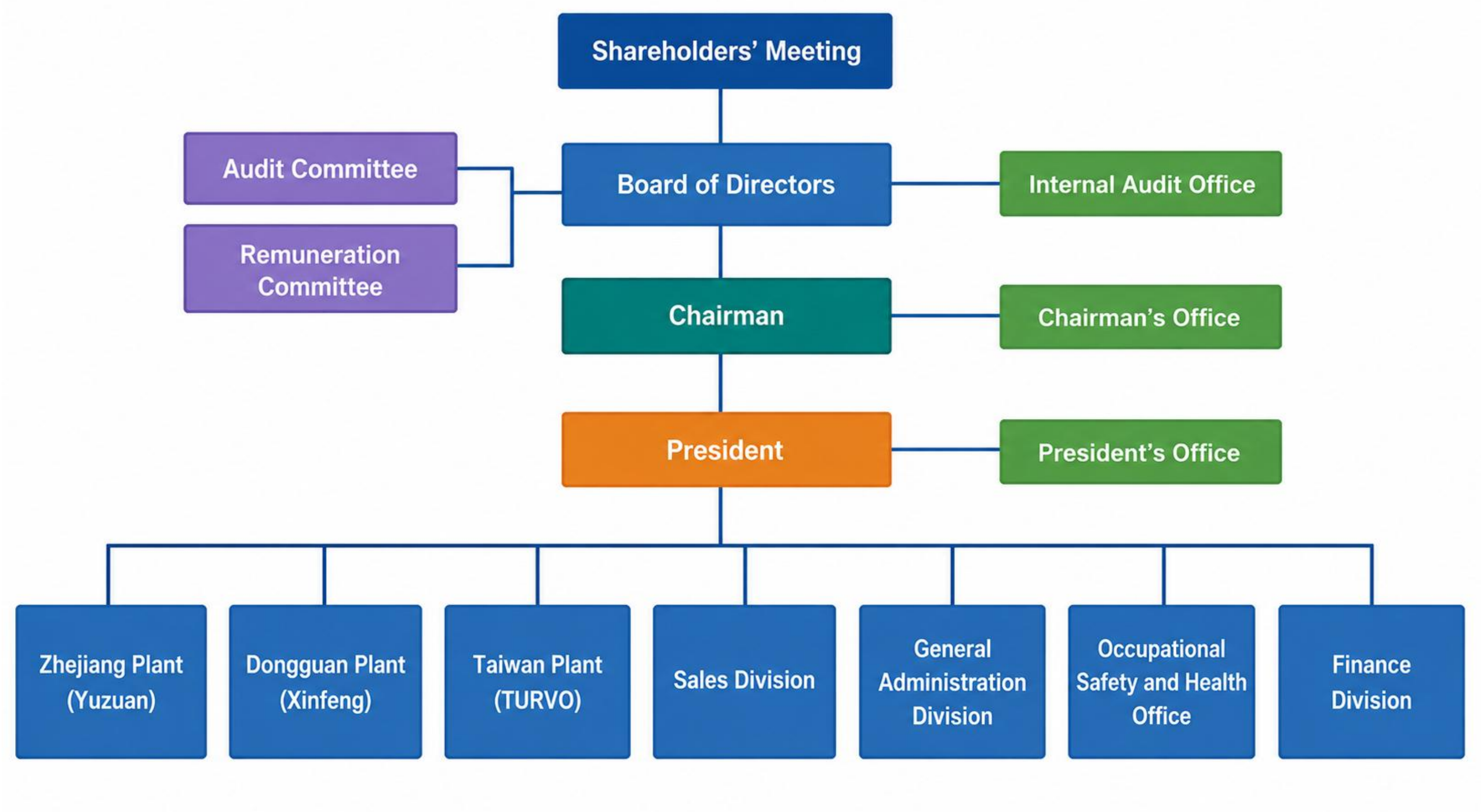
Business Philosophy and Corporate Vision

The core philosophy of TURVO is "**Keep Life Moving**."
We aspire to contribute to humanity through products manufactured with superior quality.

Since its establishment in 1987, TURVO has adhered to the following core business philosophy: honesty and integrity, quality-oriented practices, youthful energy, and teamwork. Our operating principles and core values are as follows: ：

Turning **U** c stomer **R**ight **V**ertical **O**pen

Turning professional / Customer first spirit / Precise work attitude / Management efficiency of vertical integration / Open and enterprising attitude



Governance

Board of Directors

TURVO Company upholds operational transparency, values shareholders' rights and interests, and ensures the effective functioning of the Board of Directors as the cornerstone of sound corporate governance. The Board has established the Audit Committee and the Remuneration Committee under its authorization. The charters of both committees have been approved by the Board and serve to assist the Board in performing its supervisory duties and achieving the Company's corporate governance objectives.

To fulfill its corporate social responsibility and safeguard the fundamental human rights of all employees, customers, and stakeholders, the Company supports and adheres to the spirit and core principles of international human rights conventions. TURVO is committed to respecting and protecting human rights,

Duties and Authorities of the Board of Directors

The duties and authorities of the Board of Directors include the following:

1. Reviewing and approving the Company's operational plans.
2. Reviewing the annual and semi-annual financial reports.
3. Establishing or amending internal control systems, and evaluating the effectiveness of such systems.
4. Establishing or amending procedures for major financial and business transactions, including the acquisition or disposal of assets, engagement in derivative transactions, extension of loans to others, and provision of endorsements or guarantees.
5. Reviewing proposals for the public offering, issuance, or private placement of equity-related securities.
6. Appointment and dismissal of senior executives in charge of finance, accounting, or internal audit.
7. Reviewing donations to related parties or significant donations to non-related parties.
8. Promoting the vision, strategies, and verification schedule for sustainable development.
9. Reviewing other material matters as required under Article 14-3 of the Securities and Exchange Act, or matters stipulated by law, the Articles of Incorporation, or regulatory authorities that must be submitted to the shareholders' meeting or the Board of Directors for resolution.

Educational background and professional experience of Board members

9 Board Seats

3 Independent Directors

Core Expertise

- Hands-on industry experience
- Corporate Management
- Finance and Accounting
- financial technology
- Legal & Governance
- Sustainability / ESG

Job title	Name	Gender	Main experience
Chairman	Liu, Jun-Chang Representative of Shenxing Industrial Co., Ltd.	Male	Ph.D. in Construction Planning and Engineering, Feng Chia University. General Manager of Turvo International Co., Ltd.
Director	Lin, Zhi-Cheng Representative of Shenxing Industrial Co., Ltd.	Male	Graduated from the Department of Industrial Engineering, Feng Chia University National Chung Hsing University Senior Executive Master's Program - Business Leaders General Manager of Shenxing Industrial Co., Ltd.
Director	Yang, Chen-Gjun Representative of Goodway Machine Corp Co., Ltd.	Male	ZTE University EMBA Master Head of Jincheng Investment Co., Ltd. Chairman of Yi Chuan Machinery Industry Co., Ltd. YAMA SEIKI Founder and Chairman General Manager of Yawei Electromechanical Co., Ltd. Sales and Service Assistant of Chengtai Machinery Co., Ltd. Export Business Manager of Chengtai Machinery Co., Ltd. Supervisor of the Taiwan Science Park Science and Technology Industry Association Director of the Taichung Industrial Zone Manufacturers Association
Director	Tsai, Ming-Dong Representative of Shenxing Industrial Co., Ltd.	Male	Master's Degree in Finance, California State University, San Bernardino; Executive Vice President of Turvo International Co., Ltd.
Director	Liu, Dong-liang Representative of Shenxing Industrial Co., Ltd.	Male	Master of Business Administration, Longhua University of Science and Technology Director of Panasonic Taiwan Co., Ltd.
Director	Tsai, Chong-Ting Representative of Shenxing Industrial Co., Ltd.	Male	Master of Business Administration, California State University, San Bernardino Manager of the Marketing Planning Center of Shenxing Industrial Co., Ltd.
Independent Director	Shih, Yun-Ting	Female	LL.B., Soochow University; Attorney Hsieh Wen-Tien Law Office; Attorney Chia-Ho International Law Office
Independent Director	Yi, Chang-yun	Male	Master of Business Administration, Private Feng Chia University Director of the Audit Group of Anhou Jianye Joint Accounting Firm Independent Director of Zheng Shen Enterprise Co., Ltd. Independent Director of Merry Eletronics Co., Ltd.
Independent Director	Hsueh, Fu-Sheng	Male	PhD from Cornell University, USA Minister of Environment, Executive Yuan, Republic of China President of National Chung Hsing University President of the National Taiwan University System Chairman of the University Entrance Examination Foundation Director of the Industrial Technology Research Institute Supervisor of the Industrial Technology Research Institute Director of AIDC (Aerospace Industrial Development Corporation).

Continuing Education of Board Members

In addition to possessing relevant industry backgrounds and practical management experience, all directors of the Company participated in continuing education programs in 2025 in accordance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEx Listed Companies."

The training programs covered topics including financial accounting, securities regulations, ESG and sustainable development, insider trading prevention, corporate governance, executive compensation, climate change, and legal responsibilities. The Company regularly discloses directors' continuing education records in accordance with applicable regulations. The total continuing education hours of all directors complied with regulatory requirements.

Job Title	Name	Study Date	Organizer	Course Name	Training Hours	Compliance with Training Requirements
Chairman	Liu, Jun-Chang Representative of Shenxing Industrial Co., Ltd.	114.04.18	Commerce Development Research Institute	Corporate Governance Seminar	3	yes
		114.09.26	Securities and Futures Institute	2025 Insider Trading Prevention Seminar	3	yes
Director	Lin, Zhi-Cheng Representative of Shenxing Industrial Co., Ltd.	114.06.13	Securities and Futures Institute	Trump 2.0 Reshaping the Global Economic Order: Impacts and Response Strategies	3	yes
		114.11.06	Securities and Futures Institute	Sustainability Strategies Built on Core Competencies: How Enterprises Leverage ESG to Enhance Long-Term Resilience and Competitive Advantage	3	yes
Director	Yang, Chen-Gjun Representative of Goodway Machine Corp Co., Ltd.	114.08.25	Taiwan Corporate Governance Association	M&A Development Trends and Practical Case Studies from the Perspective of Directors and Supervisors	3	yes
		114.11.10	Taiwan Science Park Industry Association	Executive Compensation and ESG Performance-Based Incentive System Design	3	yes
Director	Liu, Dong-liang Representative of Shenxing Industrial Co., Ltd.	114.06.13	Securities and Futures Institute	Trump 2.0 Reshaping the Global Economic Order: Impacts and Response Strategies	3	yes
		114.11.06	Securities and Futures Institute	Sustainability Strategies Built on Core Competencies: How Enterprises Leverage ESG to Enhance Long-Term Resilience and Competitive Advantage	3	yes

Continuing Education of Board Members

Job Title	Name	Study Date	Organizer	Course Name	Training Hours	Compliance with Training Requirements
Director	Tsai, Chong-Ting Representative of Shenxing Industrial Co., Ltd.	114.06.13	Securities and Futures Institute	Trump 2.0 Reshaping the Global Economic Order: Impacts and Response Strategies	3	yes
		114.11.06	Securities and Futures Institute	Advanced Practical Seminar for Directors and Supervisors (Including Independent) and Corporate Governance Managers [Insider Trading and Corporate Governance]	3	yes
Director	Tsai, Ming-Dong Representative of Shenxing Industrial Co., Ltd.	114.04.22	Taiwan Directors Association	Maintaining Core Competitiveness: Expanding from Taiwan to the Global Market	3	yes
		114.07.09	Taiwan Stock Exchange	Cathay Sustainable Finance and Climate Change Summit Forum	3	yes
		114.07.22	Taiwan Corporate Governance Association	Sustainable Development Promotion Conference – Taichung Session	6	yes
Independent Director	Yi, Chang-yun	114.05.09	Securities and Futures Institute	2025 Insider Trading Prevention Seminar	3	yes
		114.06.15	Taiwan Corporate Governance Association	Key Success Factors for Industrial Holding Companies and Group Operations	3	yes
Independent Director	Hsueh, Fu-Sheng	114.09.26	Securities and Futures Institute	2025 Insider Trading Prevention Seminar	3	yes
		114.10.31	Securities and Futures Institute	2025 Legal Compliance Seminar on Insider Equity Transactions (Online)	3	yes
Independent Director	Shih, Yun-Ting	114.07.09	Taiwan Stock Exchange	Cathay Sustainable Finance and Climate Change Summit Forum	6	yes

Board Diversity and Independence

To strengthen corporate governance and ensure a sound and balanced composition of the Board of Directors, the Company has adopted the "Corporate Governance Best Practice Principles." Article 20 of the Principles stipulates that the composition of the Board shall consider diversity, and that an appropriate diversity policy shall be formulated based on the Company's operational characteristics and needs.

The diversity policy covers two key dimensions:

Basic attributes and values, including gender, age, nationality, and cultural background; and Professional knowledge and skills, such as expertise in law, accounting, industry, finance, marketing, or technology, as well as professional competencies and industry experience.

Governance Objectives and Implementation

The Board of Directors provides strategic guidance, supervises management performance, and is accountable to the shareholders' meeting. The Company's corporate governance framework ensures that the Board exercises its authority in compliance with applicable laws, the Articles of Incorporation, and resolutions of the shareholders.

All Directors possess the necessary knowledge, skills, and professional competence to fulfill their duties, including industry insight, management capability, and decision-making acumen. The Company continues to arrange diversified training programs for Board members to enhance decision-making quality, strengthen supervisory functions, and further improve overall Board effectiveness.

Specific Management Objectives and Achievement Status of Board Diversity Policy

Management Objectives	Achievement
Directors who also serve as company managers should not hold more than one-third of the board seats	Achieved
At least one-third of the independent directors must have accounting or industry expertise	Achieved
Independent directors shall account for no less than one-third of the board seats	Achieved
The term of office of an independent director should not exceed three consecutive terms	Achieved

Board Competencies and Knowledge

Job title	director Name	Country of Citizenship	Gender	Have employee status	age				Independent director's term of office			Industry experience				Professional capabilities							
					Age 40-49	Age 50-59	Age 60-69	Over Age 70	Less than 3 years	3 to 9 years	More than 9 years	Electricity Mechanical	Business and Finance	Mechanical processing	Industry Academia	Operational judgment	Financial Analysis	Business Management	Crisis Management	Industry knowledge	International Perspective	Leadership	Decision-making ability
Chairman	Liu, Jun-Chang Representative of Shenxing Industrial Co., Ltd.	R.O.C.	Male	✓				✓				✓				✓	✓	✓	✓	✓	✓	✓	✓
Director	Lin, Zhi-Cheng Representative of Shenxing Industrial Co., Ltd.	R.O.C.	Male				✓					✓	✓			✓	✓	✓	✓	✓	✓	✓	✓
Director	Tsai, Ming-Dong Representative of Shenxing Industrial Co., Ltd.	R.O.C.	Male	✓			✓					✓				✓	✓	✓	✓	✓	✓	✓	✓
Director	Liu, Dong-liang Representative of Shenxing Industrial Co., Ltd.	R.O.C.	Male				✓					✓	✓			✓	✓	✓	✓	✓	✓	✓	✓
Director	Tasi, Chong-Ting Representative of Shenxing Industrial Co., Ltd.	R.O.C.	Male			✓						✓					✓	✓		✓	✓	✓	
Director	Yang, Chen-Gjun Representative of Goodway Machine Corp Co., Ltd.	R.O.C.	Male			✓								✓	✓	✓		✓	✓	✓	✓	✓	✓
Independent Director	Yi, Chang-yun	R.O.C.	Male		✓				✓			✓			✓	✓	✓	✓		✓	✓	✓	
Independent Director	Shih, Yun-Ting	R.O.C.	Male				✓	✓						✓	✓		✓	✓		✓	✓	✓	
Independent Director	Yun-Ting Shih	R.O.C.	Female		✓			✓			✓		✓	✓	✓	✓	✓	✓	✓	✓	✓		

Directors ' remuneration

Remuneration Policy, Standards, and Composition, Procedures for Determining Remuneration, and the Relationship with Business Performance and Future Risks

1. Remuneration Policy, Standards, and Composition:

   According to Article 23 of the Company's Articles of Incorporation, the remuneration of all directors shall be determined by the Board of Directors based on their participation in the Company’s operations and the value of their contributions, with reference to standard practices in the industry.

   In addition, if the Company records a profit for the year, Article 26 of the Articles of Incorporation provides that: “After deducting accumulated losses from the year’s pre-tax earnings (before the distribution of employee and director compensation), no more than 1.7% of the remaining amount may be allocated as directors’ compensation, and 3.5% to 7% of the remaining amount may be allocated as employee compensation.” Of the aforementioned employee compensation amount, no less than 20% shall be allocated as compensation for grassroots employees.

   The Company conducts regular assessments of directors’ remuneration in accordance with the “Board Performance Evaluation Policy” and the “Remuneration Policy for Independent Directors, Directors, and Managers”. The performance evaluations and reasonableness of compensation are reviewed and approved by the Remuneration Committee and the Board of Directors.

   For managerial personnel, remuneration is determined in accordance with the “Remuneration Policy for Independent Directors, Directors, and Managers”, aiming to reward and recognize employees’ contributions. Bonuses are granted based on the Company’s annual operational performance, financial condition, business outcomes, and individual performance.

   Managerial bonuses are granted based on the performance evaluation results conducted in accordance with the Company’s Performance Management Guidelines, which consider both departmental performance and individual performance scores.

2. Remuneration Determination Procedures：

   To regularly assess the remuneration of directors and managerial officers, the Company refers to the evaluation results from the “Board Performance Evaluation Policy” for directors and the “Performance Appraisal Policy” applicable to managers and employees. The performance assessment and reasonableness of compensation for both directors and managers are reviewed annually by the Remuneration Committee and approved by the Board of Directors.

   In addition to considering individual performance achievement rates and contributions to the Company, the evaluation process also takes into account the Company’s overall operational performance, industry risks, future development trends, and evolving business conditions. The Company periodically reviews and adjusts its remuneration system in accordance with actual operational status and applicable regulations, aiming to strike a balance between sustainable business development and effective risk management.

3. The Link Between Business Performance and Future Risks:

   The Company reviews its remuneration policies, payment standards, and related systems with primary consideration given to overall business performance. Compensation is determined based on performance achievement levels and individual contributions, with the goal of enhancing the effectiveness of the Board of Directors and the organization as a whole.

   All performance targets for managerial officers are integrated with risk control mechanisms, ensuring that potential risks within their scope of responsibilities are properly managed and mitigated. Remuneration is granted based on actual performance results and evaluation ratings, which are further linked to the Company’s broader human resources and compensation policies.

   Key decisions made by the management team are undertaken with balanced consideration of various risk factors. The performance outcomes of these decisions are reflected in the Company’s profitability, thereby establishing a direct connection between executive compensation and risk management performance.

Board Operations

In 2025, the Board of Directors convened eight meetings. The attendance of each director is summarized as follows.

Job title	Name	Number of Meetings Scheduled (A)	Meetings Attended (B)	Meetings Attended by Proxy	Attendance Rate (%) (B/A)
Chairman	Liu, Jun-Chang Representative of Shenxing Industrial Co., Ltd.	8	8	0	**100%**
Director	Lin, Zhi-Cheng Representative of Shenxing Industrial Co., Ltd.	8	8	0	**100%**
Director	SZU, CHING-HSING Representative of Shenxing Industrial Co., Ltd. (Note 1)	2	2	0	**100%**
Director	Tsai, Ming-Dong Representative of Shenxing Industrial Co., Ltd. (Note 1)	6	6	0	**100%**
Director	Liu, Dong-liang Representative of Shenxing Industrial Co., Ltd.	8	8	0	**100%**
Director	Tsai, Chong-Ting Representative of Shenxing Industrial Co., Ltd.	8	8	0	**100%**

Job titled	Name	Number of Meetings Scheduled (A)	Meetings Attended (B)	Meetings Attended by Proxy	Attendance Rate (%) (B/A)
Director	Yang, Chen-Gjun Representative of Hong Ju Investment Co., Ltd	8	8	0	**100%**
Director	Yang, Chen-Gjun Representative of Goodway Machine Corp Co., Ltd.	8	8	0	**100%**
Independent Director	YI, CHANG-YUN	4	4	0	**100%**
Independent Director	HUANG, LI-HEN (Note 2)	4	4	0	**100%**
Independent Director	LO, SHIH-MIN (Note 2)	4	4	0	**100%**
Independent Director	SHIH,YUN-TING (Note 3)	4	4	0	**100%**
Independent Director	HSUEH,FU-SHENG (Note 3)	4	4	0	**100%**

Note 1. Shenxing Industrial Co., Ltd. reassigned its representative, with the original representative SZU, CHING-HSING was dismissed and TSAI, MING-TUNG was appointed as the new representative on March 28, 2025.

Note 2. All directors (including independent directors) were dismissed following the comprehensive re-election at the annual shareholders' meeting on May 29, 2025.

Note 3. All directors (including independent directors) were newly appointed following the comprehensive re-election at the annual shareholders' meeting on May 29, 2025.

Additional information

If any of the following applies to the Board in session, specify the date, the session of the meeting, the content of the motions, the opinions of all Independent Directors, and the response of the Company to the opinions of the Independent Directors:

1.) Particulars inscribed in Article 14-3 of the Securities and Exchange Act: The Company has set up an Audit Committee, which is in accordance with the relevant matters of particulars inscribed in Article 14-3 of the Securities and Exchange Act. For relevant information, please refer to “Operation of Audit Committee” of the annual report.

2). Further to the aforementioned issues, any other adverse opinions, or qualified opinions from the Independent Directors on record or in written declaration on the resolutions of the Board: None.

The recusal of the Directors from motions involving a conflict of interest. Specify the names of the Directors, the content of the motions, the reasons for recusal and the participation in voting:

Date	Name of Director	Session of the Board	Content of the Motions	Reasons for Recusal	Participation in Voting
08 January 2025	Liu, Jun-Chang Representative of Shenxing Industrial Co., Ltd.	The 15th term The 13th meeting	Discussion on the distribution of 2024 year-end bonus for the managers by the Remuneration Committee in 2025.	The director concurrently serves as the Company’s manager.	Chairman LIU, CHUN-CHANG, a person with an interest in this case, did not participate in the vote due to the principle of conflict of interest. The resolution was passed by the other directors present without objection and was implemented.
05 March 2025	Liu, Jun-Chang Representative of Shenxing Industrial Co., Ltd.	The 15th term The 14th meeting	Discussion on the 2025 salary adjustment for the managers by the Remuneration Committee in 2025.	The director concurrently serves as the Company’s manager.	Chairman LIU, CHUN-CHANG, a person with an interest in this case, did not participate in the vote due to the principle of conflict of interest. The resolution was passed by the other directors present without objection and was implemented.
05 March 2025	Liu, Jun-Chang Representative of Shenxing Industrial Co., Ltd.	The 15th term The 14th meeting	Discussion on the second distribution of 2024 year-end bonus for the managers by the Remuneration Committee in 2025.	The director concurrently serves as the Company’s manager.	Chairman LIU, CHUN-CHANG, a person with an interest in this case, did not participate in the vote due to the principle of conflict of interest. The resolution was passed by the other directors present without objection and was implemented.
05 March 2025	Liu, Jun-Chang Representative of Shenxing Industrial Co., Ltd.	The 15th term The 14th meeting	Discussion on the 2024 employees' compensation distribution for the managers by the Remuneration Committee in 2025.	The director concurrently serves as the Company’s manager.	Chairman LIU, CHUN-CHANG, a person with an interest in this case, did not participate in the vote due to the principle of conflict of interest. The resolution was passed by the other directors present without objection and was implemented.
05 March 2025	Liu, Jun-Chang Representative of Shenxing Industrial Co., Ltd.	The 15th term The 14th meeting	Discussion on the 2024 incentive scheme for additional year-end bonus and its distribution to the managers by the Board of Directors in 2025.	The director concurrently serves as the Company’s manager.	Chairman LIU, CHUN-CHANG, a person with an interest in this case, did not participate in the vote due to the principle of conflict of interest. The resolution was passed by the other directors present without objection and was implemented.
05 November 2025	Liu, Jun-Chang Tsai, Ming-Dong Representative of Shenxing Industrial Co., Ltd.	The 16th term The 3rd meeting	Discussion on the amendment to the 2024 employees' compensation distribution for the managers (originally approved at the 14th meeting of the 15th Board of Directors) by the Board of Directors in 2025.	The directors concurrently serve as the Company’s managers.	Chairman LIU, CHUN-CHANG and Director TSAI, MING-TUNG, being persons with an interest in this case, did not participate in the vote due to the principle of conflict of interest. The resolution was passed by the other directors present without objection.

Performance Evaluation

Listed companies are required to disclose details of board self- (or peer) assessments, specifying the evaluation cycle, timeframe, scope, methodology, and assessment criteria.

Scoring criteria: 1 point for fully compliant, 0.75 points for mostly compliant, 0.5 points for partially compliant, 0.25 points for partially compliant, and 0 points for non-compliant. The final score is the sum of the scores and divided by the total number of questions multiplied by 100.

Board Member Performance Evaluation - Average Score of All Directors		
Evaluation facets	**2024**	**2025**
A. Understanding of company goals and missions	96	93
B. Awareness of Directors' Duties	100	96
C. Degree of participation in company operations	94	95
D. Internal relationship management and communication	94	96
E. Professional and Continuing Education of Directors	100	98
F. Internal Control	99	96

Enhancing Board Functionality and Performance Evaluation Mechanism

To fulfill its commitment to sound corporate governance, the Company continues to strengthen the functionality and operational effectiveness of the Board of Directors through clearly defined performance goals and regular evaluations. In line with this objective, on August 6, 2020, the Board approved amendments to the Board Performance Evaluation Policy, establishing a structured approach to assess board effectiveness and promote continuous improvement.

At the end of each fiscal year, the Office of the President consolidates relevant board activity records and distributes self-assessment questionnaires to all board members. The results of these assessments are compiled into a formal evaluation report and submitted to the Board of Directors for review, discussion, and improvement planning. This process reinforces accountability, promotes transparency, and ensures that the Board continues to align with best practices in corporate governance and sustainable development.

On August 7, 2023, the Board of Directors approved the appointment of Ms. Lee Yi-Yen, Assistant Vice President of the Office of the President, as the Company's Corporate Governance Officer. Ms. Lee possesses over three years of managerial experience in financial roles within public companies, in line with regulatory requirements.

The Corporate Governance Officer is responsible for organizing meetings of the Board of Directors, the Audit Committee, the Remuneration Committee, and the Shareholders' Meeting in accordance with the law. Assisting directors in onboarding and ongoing professional development. Providing directors with the necessary information to perform their duties. Assisting directors in complying with applicable laws and regulations.

The Board of Directors operates in full compliance with the Rules of Procedure for Board Meetings and all relevant laws and governance guidelines. The Company's Chief Accounting Officer and Chief Internal Auditor also attend board meetings and provide necessary reports for directors' reference. To further enhance board members' competencies, the Company arranges external training programs and guest lectures by external experts.

Performance Evaluation

Board and Committee Performance Evaluation by External Experts

In accordance with the Company's Board and Functional Committees Performance Evaluation Policy, an external independent professional institution or team of external experts and scholars shall be engaged to conduct a performance evaluation of the Board of Directors at least once every three years.

In November 2025, the Company conducted the 2025 performance evaluation of the Board of Directors, individual directors, and functional committees. The evaluation results and findings were formally reported to the Board of Directors on January 21, 2026.

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Once a year	January 2025 December 2025	The board of directors	Internal self-evaluation of board of directors	1. Participation in the operation of the Company 2. Improvement of the quality of the board of directors' decision making 3. Composition and structure of the board of directors 4. Election and continuing education of the director 5. Internal control
Once a year	January 2025 December 2025	The board members	Self-assessment of board members	1. Alignment of the goals and missions of the company 2. Awareness of the duties of a director 3. Participation in the operation of the Company 4. Internal relationship management and communication 5. The director's professionalism and continuing education 6. Internal control
Once a year	January 2025 December 2025	Audit Committee	Internal self-evaluation of Audit Committee	1. Participation in the operation of the Company 2. Awareness of the duties of the functional committee 3. Improvement of the quality of the functional committee’s decision-making 4. Composition of the functional committee and election of its members 5. Internal control
Once a year	January 2025 December 2025	Remuneration Committee	Internal self-evaluation of Remuneration Committee	1. Participation in the operation of the Company 2. Awareness of the duties of the functional committee 3. Improvement of the quality of the functional committee’s decision making 4. Makeup of the functional committee and election of its members 5. Internal control
Once every three years	October 2022 September 2023	The performance evaluation of board of directors	External Evaluation Organization: Taiwan Investor Relations Institute	1. Composition and professional development of the Board of Directors 2. Quality of decision-making by the Board of Directors 3. Efficiency of the Board of Directors' operations 4. Internal control and risk management 5. Degree of the Board of Directors' participation in corporate social responsibility

Audit Committee

Key Responsibilities and Focus Areas of the Audit Committee:

The Company's Audit Committee is composed of three independent directors. The primary purpose of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities for the quality and integrity of the Company's accounting, auditing, financial reporting processes, and internal controls.

The key matters reviewed by the Audit Committee include, but are not limited to, the following:

- Financial statement audits and accounting policies and procedures.
- Matters involving the directors' personal interests.
- Internal control system and related policies and procedures.
- Fraud prevention program and fraud investigation and complaint reporting.
- Significant asset or derivative transactions.
- Corporate risk management.
- Significant capital loans and endorsements or guarantees.
- The appointment, dismissal, remuneration, qualifications, independence and performance evaluation of certified public accountants.
- Raising or issuing securities.
- Appointment and removal of finance, accounting or internal audit directors.
- Derivative financial products and cash investment situations.
- Performance of duties by the Audit Committee.
- Audit Committee Performance Evaluation Self-Assessment Questionnaire.
- Regulatory compliance.

The Audit Committee of TURVO held 7 meetings in 2025. The attendance of independent directors are as follows:

Job title	Name	Number of Required Attendances (A)	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (B/A)
Independent Director	YI, CHANG-YUN	7	7	0	100%
Independent Director	HUANG, LI-HEN (Dismissal on 28 Mar 2025)	4	4	0	100%
Independent Director	LO, SHIH-MIN (Dismissal on 28 Mar 2025)	4	4	0	100%
Independent Director	SHIH, YUN-TING (Appointed on 28 Mar 2025)	3	3	0	100%
Independent Director	HSUEH, FU-SHENG (Appointed on 28 Mar 2025)	3	3	0	100%

Operation of the Remuneration Committee

In accordance with Article 14-6 of the Securities and Exchange Act, TURVO established a Compensation Committee in 2011. At the Board of Directors meeting held on November 3, 2022, the Company resolved to appoint the members of the fifth term of the Compensation Committee. The term of this Committee is from November 3, 2022, to August 30, 2025, and it consists of three members: Convenor Huang Li-Heng (Independent Director), Yi Chang-Yun (Independent Director), and Luo Shih-Min (Independent Director).

The scope of authority of the Compensation Committee is as follows, and it shall submit its recommendations to the Board of Directors for discussion:

1. Periodically review these regulations and propose amendments.
2. Establish and periodically review the Company's policies, systems, standards, and structures regarding the performance evaluation and compensation of directors and executives.
3. Periodically evaluate and determine the compensation of the Company's directors and executives.

1). TURVO's Remuneration Committee members consisted of 3 people。
2). The term of the Compensation Committee for the 5th term is from November 3, 2022, to May 29, 2025. The term of the Compensation Committee for the 6th term is from August 6, 2025, to May 28, 2028. The Compensation Committee held 4 meetings in 2025. The qualification and attendance of the members are as follow.

Title	Name	Number of Required Attendances (A)	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (B/A)
Independent Director (5th Convener)	HUANG, LI-HEN (Dismissal on 29 May 2025)	3	3	0	100%
Independent Director	YI, CHANG-YUN	4	4	0	100%
Independent Director	LO, SHIH-MIN (Dismissal on 29 May 2025)	3	3	0	100%
Independent Director (6th Convener)	SHIH, YUN-TING (Appointed on 6 Aug 2025)	1	1	0	100%
Member	YEN,WEN-PI (Appointed on 6 Aug 2025)	1	1	0	100%

Information Disclosure

Turvo International maintains an official website (https://www.turvo.com.tw/), where it discloses key corporate information, including company profile, product offerings, and financial data. The Company has designated spokespersons and deputy spokespersons who are responsible for handling and responding to matters related to shareholder rights. In addition to holding investor conferences from time to time, or participating in investment forums organized by institutional investors to present business performance and future outlook, the Company also uploads relevant materials to the Market Observation Post System (MOPS) for stakeholder reference.

Furthermore, in compliance with applicable regulations and prevailing industry practices, the Company regularly discloses information regarding its business activities, organizational structure, financial status, and operational performance.

3.2 Corporate Integrity

TURVO conducts business activities based on the principles of fairness, honesty, integrity, and transparency. To implement its ethical business policy and proactively prevent unethical conduct, the Company has established a "Code of Integrity" and a "Code of Ethical Conduct", both approved by the Board of Directors. These codes clearly define the responsibilities of the Board and management, and uphold integrity as a core corporate value. The guidelines apply to all directors, managerial officers, employees, and individuals with substantial control over the Company.

We discloses integrity policy through internal website, annual report, and official website, ensuring that suppliers, customers, and other business partners fully understand the Company's commitment to ethical conduct and the standards that govern we operations.

TURVO has appointed the Office of the General Manager as the designated unit responsible for promoting ethical business practices. Adequate resources and qualified personnel have been allocated to ensure the effective implementation, revision, interpretation, and consultation of relevant operating procedures and codes of conduct, as well as to manage the recording and documentation of reported cases and oversee compliance.

The responsible unit reports to the Board of Directors at least annually, ensuring transparency and accountability in the execution of integrity-related policies.

The unit's core responsibilities and key areas of focus include:

1. Assist in integrating integrity and ethical values into the Company's business strategies, and develop appropriate anti-fraud measures to ensure that all business practices are conducted in accordance with applicable laws and regulations.
2. Regularly analyze and assess the risk of unethical conduct within the business scope, formulate corresponding preventive measures, and establish standard operating procedures (SOPs) and behavioral guidelines related to daily operations and commercial activities. Additionally, implement mutual supervision and checks-and-balances mechanisms in high-risk business processes to minimize the occurrence of dishonest conduct.
3. Promote and coordinate integrity policy awareness and training programs across all levels of the organization to foster a culture of ethical behavior.
4. Develop and maintain an effective whistleblowing mechanism, ensuring that reports are handled confidentially, fairly, and in a timely manner.
5. Support the Board of Directors and management in reviewing the effectiveness of integrity-related preventive measures, and regularly evaluate and report on the Company's compliance with relevant procedures and internal controls.
6. Prepare, maintain, and properly archive documentation related to the integrity management system, including integrity policies, compliance declarations, implementation commitments, and execution status.
7. Ensure transparency and accountability by maintaining documented evidence of the implementation of the integrity management framework, and make such records available for internal audit and governance review.

Material Topic: Ethical Business Practices and Corporate Integrity		
Management Policy	Policy	Comply with principles of integrity, business ethics, and applicable laws and regulations.
	Objective	Pursue continuous growth and sustainable operations by adhering to ethical business conduct, professional ethics, and all relevant environmental, labor, occupational safety and health, and corporate governance laws and regulations, thereby enhancing overall corporate competitiveness.
	Commitment	Implement integrity and ethical practices through due diligence and proactive communication, comply with legal requirements, and protect the rights and interests of stakeholders.
	Management Measures	1.Establish effective internal control systems and management mechanisms to ensure ethical and integrity-based corporate conduct.
		2.Adhere to relevant regulatory requirements and collaborate with government initiatives to promote sustainable development in the manufacturing industry.
		3.Emphasize business and professional ethics, respect intellectual property rights, and protect personal and customer privacy.
		4.Strengthen communication with all stakeholders to align with their expectations for the Company's sustainable development.

3.2 Corporate Integrity

3.2.1 Conducting Business with Integrity

Before establishing business relationships with others, the Company shall first assess the legitimacy and integrity policies of agents, suppliers, customers, or other business partners, as well as any history of dishonest conduct, to ensure that their business practices are fair and transparent and that they do not solicit, offer, or accept bribes.

When conducting the assessment described in the preceding paragraph, the Company may implement appropriate verification procedures to review its business partners regarding the following matters in order to understand their integrity in business operations:

1. The country of origin, location of operations, organizational structure, business policies, and payment location of the enterprise.
2. Whether the enterprise has established integrity policies and the status of their implementation.
3. Whether the location of the enterprise's operations is in a country with a high risk of corruption.
4. Whether the business operations of the enterprise fall within an industry with a high risk of bribery.
5. The enterprise's long-term operational status and business reputation.
6. Consultation with business partners regarding their opinions of the enterprise and its industry reputation.
7. Whether the enterprise has a history of misconduct such as corruption, bribery, or illegal political contributions.

CORE VALUES

FAIRNESS	HONESTY	INTEGRITY	TRANSPARENCY

Integrity-driven governance for sustainable growth.

3.2.2 Reporting/Complaint Mechanism

TURVO prioritizes respecting human rights, protecting intellectual property, and preventing improper transfers of benefits that harm the interests of the company, its customers, and suppliers. To ensure the implementation of ethical business practices, we have established an independently operated Audit Department that conducts internal audits on a regular or ad hoc basis each year. We have also established convenient and accessible complaint channels for internal and external stakeholders to report issues and receive appropriate responses, thereby reducing operational risks and establishing positive interactions with stakeholders.

2025 Implementation Results: No managers or employees violated the principles of integrity.

3.3 Business Philosophy and Ethical Conduct

Business Philosophy

Since its establishment in 1987, TURVO has upheld the following business philosophy: integrity and honesty, quality-oriented, youthful vitality, and teamwork. With the pursuit of profits and earnings as its primary goal, the company is committed to ensuring transparency in corporate information, creating higher added value for its products, enhancing the professionalism and leadership capabilities of its team, and continuously improving operational performance.

Ethics and Compliance

TURVO places great importance on the integrity and honesty of its employees. The company has established relevant policies, including the "Corporate Governance Code of Practice," "Code of Ethical Conduct," "Code of Business Integrity," "Regulations on the Prevention of Insider Trading," and "Procedures for Reporting and Handling Whistleblower Complaints." These policies are publicized and promoted through the company's intranet and made available to all employees via online courses for on-demand access. They are also incorporated into training programs and used to advocate corporate social responsibility and ethical principles. Additionally, the employment contracts signed by new employees upon joining the company include clauses regarding the protection of trade secrets and confidentiality obligations to prevent corruption.

Company personnel will refer to the RBA guidelines, and training sessions will be conducted in the future. The estimated number of participants is as follows:

Taiwan Plant		
Year	Executive-level positions (Directors, managers, and mid-to-senior-level management and above)	New Hires
Year 2025/2026	40	50

Note: "Managers" refers to supervisors at the section chief level or above, while 'employees' refers to non-managerial staff or engineers.
All business partners also adhere to the highest standards of integrity as outlined in the "Code of Ethical Conduct," "Code of Business Integrity," and "Regulations on the Prevention of Insider Trading," thereby upholding our corporate culture and business philosophy of "integrity and honesty."

Anti-Bribery and Anti-Corruption

TURVO has established a "Code of Ethical Conduct" to ensure normal business operations, uphold fair competition, and regulate commercial purchasing and sales activities. It prohibits all forms of improper gain, including corruption, extortion, and embezzlement. This policy clearly regulates all of TURVO's commercial activities and external interactions, including contacts with government agencies, negotiations with client representatives regarding orders, client QC inspections, and the impartial execution of product testing, inspection, and auditing. It prohibits any improper gain—whether direct or indirect—in the form of cash, goods, or other benefits, under any pretext such as kickbacks, promotional fees, advertising fees, service fees, reimbursement of various expenses, or the provision of domestic or international travel, outside of legitimate transactions. (Procurement Section)

In 2025, TURVO will evaluate all suppliers using an annual supplier assessment form, which includes assessments of pass rate, return rate, on-time delivery rate, quality reliability, and delivery accuracy. In addition to supplier evaluations, separate investigations were conducted for newly selected outsourced service providers and raw material suppliers during the year. Prior to any procurement transaction, suppliers must voluntarily commit to ensuring that the terms of the transaction comply with relevant laws and regulations regarding RoHS and REACH, and that raw materials are sourced from regions free of conflict minerals. TURVO Taiwan plant will also fully implement the signing of the "Supplier Integrity, Integrity, and Confidentiality Commitment Letter" by 2025. This document clearly stipulates that suppliers, their personnel, and affiliated companies commit to adhering to TURVO's procurement and contracting procedures to ensure integrity in business activities, and resolutely oppose collusive bidding (quoting), bribery, and favoritism or malpractice.

3.4 Regulatory Compliance

TURVO adheres to regulations by regularly collecting and compiling relevant laws and regulations to identify compliance requirements. In the event of new or revised regulations, the responsible departments immediately review whether current organizational practices are compliant and assist in disseminating policy updates to all units. To safeguard the company’s legitimate rights and interests, we promptly update relevant legal knowledge, produce informational materials, and enhance employees’ legal literacy.

The following table summarizes the Company’s key legal sources, internal policies, and procedures regarding corporate governance, environmental, economic, and social compliance, as well as whether any violations occurred in 2025:

Category	Relevant key legal sources in Taiwan	The Company's response procedures or manual	Were there any violations in 2025?
Corporate Governance	The Company Law, the Code of Practice for Corporate Governance, the Code of Integrity for Listed and OTC Companies, the Articles of Organization of the Audit Committee, the Rules of Procedure of the Compensation Committee, the Securities Exchange Act, etc.	The Company’s Articles of Incorporation, Code of Corporate Governance Practices, Code of Ethical Conduct, Code of Business Integrity, Regulations on the Prevention of Insider Trading, and Procedures for Reporting Whistleblower and Grievance Cases, among others.	Our company operates in full compliance with the law and, as a result, has not incurred any significant monetary fines or other non-monetary penalties.
Employees Labor Rights and Conditions	Labor Standards Act, Employment Services Act Gender Equality in Employment Act, Labor Insurance Act, Labor Pension Act, National Health Insurance Act, Employee Welfare Fund Act, Labor Leave Regulations, Enforcement Rules for Labor-Management Meetings, etc.	Approval of work rules, approval of the list of representatives for labor-management meetings, regulations on the appointment and management of new employees, regulations on the handover procedures for departing employees, regulations on payroll operations, and regulations on employee rewards and disciplinary actions, etc.	In 2025, there were no violations of labor rights or working conditions, nor were there any instances of fines. There were no incidents of forced labor at the Company’s operational sites.
Health and Safety	The Occupational Safety and Health Act, the Enforcement Rules of the Occupational Safety and Health Act, the Regulations on the Protection of Workers' Health, the Regulations on Occupational Safety and Health Facilities, and the Regulations on Occupational Safety and Health Education and Training, among others.	Approval of occupational safety and health work guidelines, approval of occupational safety and health organizational structures and personnel, ISO 45001 occupational health and safety management systems, and related procedure manuals, etc.	No violations of occupational safety and health laws and regulations in 2025
Environment	The Basic Environmental Act, the Climate Change Response Act, the Waste Disposal Act, the Resource Recycling Act, the Air Pollution Control Act, the Noise Control Act, the Drinking Water Management Regulations, the Discharge Standards, the Water Pollution Control Act, and its Enforcement Rules, etc.	ISO 14001 Environmental Management System and related procedure manuals, SOPs, and forms, including procedures for wastewater treatment, waste management, and noise control. Issuance of greenhouse gas inventory reports in accordance with the GHG Protocol, the globally recognized standard for greenhouse gas inventories.	No environmental violations or fines in 2025.
Economy Society	The Fair Trade Act, the Patent Act, the Copyright Act, the Intellectual Property Act, the Trade Secrets Protection Act, the Act on the Protection of Personal Information Processed by Computer, the Civil Code, the Communicable Diseases Control Act, the Sexual Harassment Prevention Act, etc.	Employment Contracts, Code of Ethical Conduct, Code of Business Integrity, Regulations on the Prevention of Insider Trading, Procedures for Sustainability Information Management, Intellectual Property Management Regulations, Personal Data Protection Management Regulations, etc.	In 2025, the Company had no record of violations of economic and social regulations or instances of fines.
Products	The Fair Trade Act, the Act on the Protection of Personal Information Processed by Computer, customer contracts, ISO, IATF process management systems, etc.	IATF 16949 Automotive Quality Management System, ISO 13485 Medical Device Quality Management System, ISO 9001 Quality Management System, and related management procedures and forms; implementation of an ERP system to ensure effective control in compliance with international standards and prevent harm to consumers.	In 2025, the Company did not incur any fines or compensation claims from customers due to breaches of customer privacy. The Company complied with the Marketing and Communications Act and did not violate any health and safety regulations governing its products and services.

3.5 Internal Audit and Management Systems

Internal Audit

To comprehensively review and evaluate the effectiveness of internal controls, measure the effectiveness and efficiency of operations, the reliability, timeliness, and transparency of reporting, as well as legal compliance, TURVO has established an Internal Audit Department as an independent internal audit unit reporting directly to the Board of Directors.

Audit Process

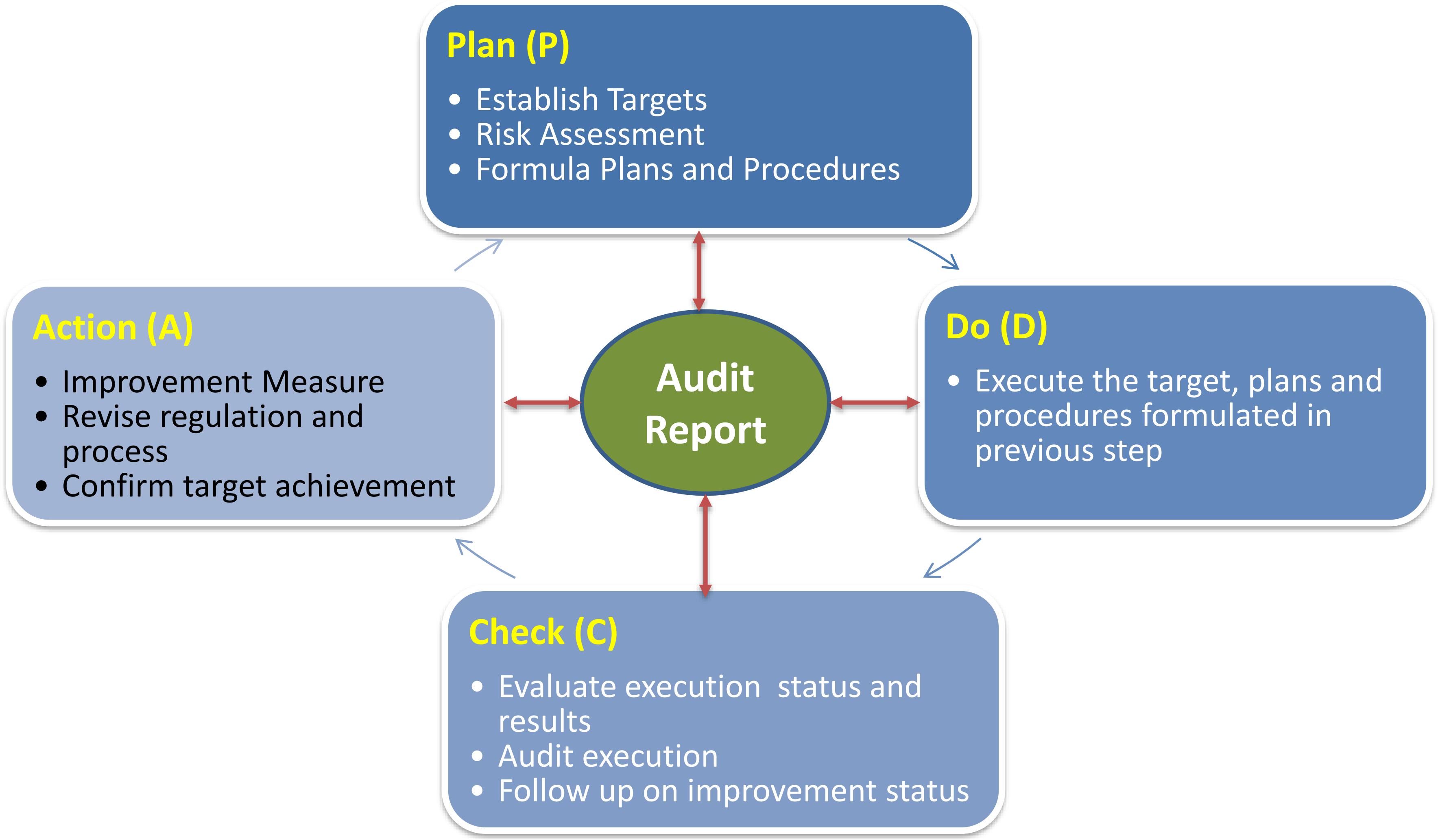
1. Develop an annual audit plan based on risk assessment results and conduct audit operations in accordance with the annual audit plan.
2. Conduct special audits as needed and promptly inform management of existing deficiencies or potential risks.
3. Issue audit reports and propose recommendations and improvement measures following the completion of audit work.
4. Continuously track the status of improvements for identified deficiencies, prepare quarterly follow-up reports, and close the case only after confirming that improvements have been completed.
5. After audit reports and follow-up reports have been submitted for approval, they shall be delivered to each independent director for review by the end of the month following the completion of the audit.

Audit work is conducted based on the results of risk assessments; an annual audit plan is drafted and executed after approval by the Board of Directors to provide management with an overview of the status of internal controls. Special audits are conducted as needed, and audit findings are fully communicated with the audited units to help management understand current deficiencies or potential risks.

After completing audit operations, the Internal Audit Department issues written audit reports and follow-up reports. Following approval, these are submitted to each independent director for review on a monthly basis, and audit operations are reported regularly (at least once per quarter) at routine meetings of the Audit Committee and the Board of Directors.

In 2025, a total of 76 deficiencies were identified, all of which have been fully rectified. There were no material internal control deficiencies, and the design and implementation of the internal control system were effective. The internal control system statement is disclosed in the annual report and filed in accordance with applicable laws and regulations.

Audit operations are managed using the PDCA (Plan-Do-Check-Act) management cycle, as illustrated below:



3.5 Internal Audit and Management Systems

Internal Management System

In accordance with the "Regulations Governing the Establishment of Internal Control Systems by Publicly Traded Companies" and relevant laws and regulations, the Company's Board of Directors and management have established an internal management system to enhance operational efficiency and product quality.

The internal management system is primarily divided into the following three components:

1. Internal Control System

The internal control system covers the entire company's operations, including all "management" functions such as planning, organization, and control, as well as the eight major cycle procedures and other management controls involved in business areas such as sales and collections, procurement and payments, production, payroll, financing, property, plant, and equipment, investments, and research and development. It also encompasses controls over computerized information systems. Its primary objective is to "promote the effective operational management of the organization."

2. ISO Management Systems

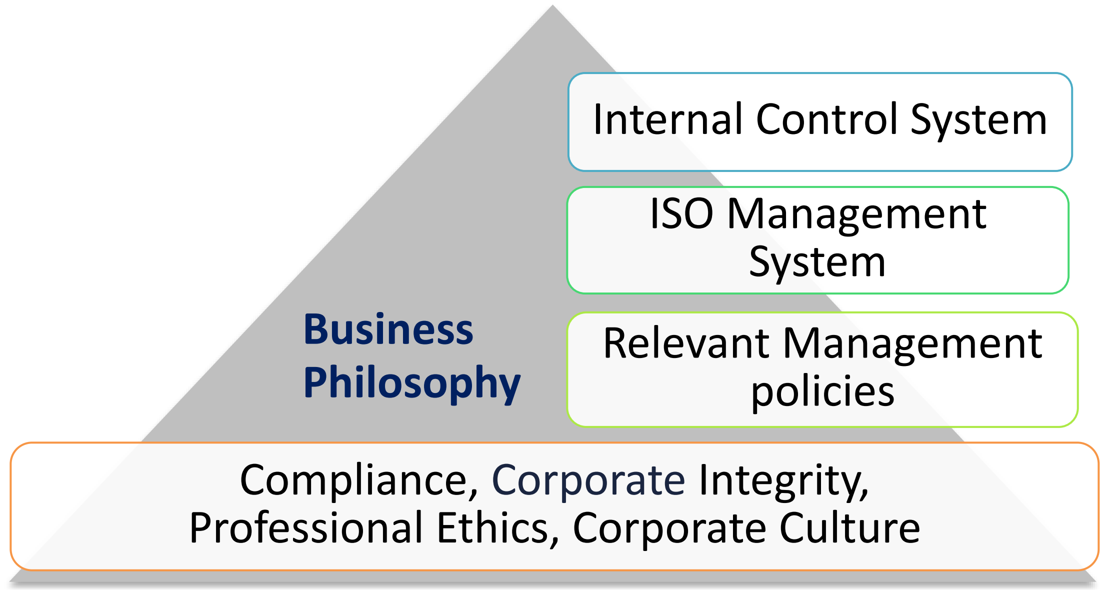
We have established ISO management systems to address issues related to production, quality, and the environment. The relevant ISO certifications we have obtained include: ISO 9001 Quality Management System, ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System, IATF 16949 Automotive Quality Management System, ISO 13485 Medical Device Quality Management System, ISO 14064-1 Greenhouse Gas Inventory, and AS9100 Aerospace Quality Management System (currently undergoing Stage 1 verification).

3. Various Management Policies

For special control items involving high operational risks, such as personnel management systems, credit management operations, and approval authorities for various expenses, relevant management policies have been established to mitigate operational risks.

The three internal control management systems—the aforementioned internal control system, ISO management systems, and various management regulations—are founded on regulatory compliance, integrity and ethics, and corporate culture and business philosophy. This ensures the effective operation and continuous improvement of these three management systems, aligns with TURVO's philosophy of sustainable operations, and ultimately enhances management effectiveness, product quality, and added value to achieve the company's vision and mission of sustainable operations.

The internal control management system is illustrated below:



3.6 Information Security

Material Issue: Information Security	
Policy	Comply with information security laws and regulations, protect the personal data of shareholders, customers, and suppliers, and prevent hacking and other improper conduct.
Objective	Ensure the confidentiality, integrity, and availability of the organization's business-related information and communication systems, and provide continuously available services.
Commitment	Utilize due diligence and early warning communication methods to ensure that information within the organization is appropriately protected and to prevent data breaches.

Management Measures

- Network security and access control, along with security measures such as antivirus software, to block unauthorized hacker intrusions.
- Virus Protection: All servers are equipped with protection software (MDR) and malware monitoring software.
- Vulnerability Management: Conduct periodic vulnerability scans to patch vulnerabilities and track improvements.
- Information Security Awareness: Organize periodic information security awareness seminars.

Cybersecurity Risk Management Framework

Based on the concerns of internal and external stakeholders, TURVO has established the Company's "Information Security Management System" and "Sustainable Information Management Procedures" in accordance with international information security management practices, guidelines for information and communication security controls for listed companies, personal data protection standards, and relevant laws and regulations.

These measures ensure that the Company's information and communication infrastructure and information systems meet the requirements of confidentiality, integrity, availability, and legality. Furthermore, the Company employs a PDCA (Plan-Do-Check-Act) cycle management model for continuous improvement to integrate and strengthen its information security management system. The status of information security management implementation in 2025 and the results of such implementation were reported to the Board of Directors in November 2025.

Information security risk management framework, information security policies, specific management plans, and resources allocated for information security management.

1. Information Security Risk Management Framework and Organizational Operations Model:

a). The Company's Information Technology Department serves as the unit responsible for information security. It is in charge of the Company's overall information security planning, risk management, promotion, and implementation, and has appointed a dedicated individual to serve as the Information Security Manager to oversee day-to-day operations. The Company's IT Department began ISO 27001 Information Security Management System (ISMS) consulting in October 2024 and obtained ISO 27001 certification in May 2025.

b). The Company's Audit Department serves as the oversight unit for information and communication security. Information security management is included as a key item in periodic risk assessments, and the results of risk mitigation measures are reviewed regularly to reduce internal information security risks. The Audit Department, in conjunction with the Sustainable Development Committee, reports the results to the Board of Directors on a regular basis and tracks the effectiveness of improvements.

2. Information Security Objectives:

a). Ensure that the organization's information assets are properly managed and protected, and that operations remain uninterrupted.

b). Identify and assess potential information security risks to prevent hacking, virus attacks, and other forms of damage.

c). Detect and mitigate risks, and protect data privacy to prevent data breaches.

3.6 Information Security

3. Specific Information Security Management Plan

3-1. Network Security and Access Control:

a). Implement security measures such as enterprise-grade firewalls, security policies, intrusion detection systems, and antivirus software to prevent unauthorized access by hackers.

b). Access permissions for all operating systems are activated only after approval by the responsible supervisor, and access logs are maintained.

3-2. Virus Protection:

a). All servers are equipped with security software (MDR) and malware monitoring software.

b). Virus definitions for endpoint computers are automatically updated, and the status of antivirus software updates is regularly checked.

3-3. Vulnerability Management:

a). Periodic vulnerability scans are conducted to patch vulnerabilities and track improvements.

3-4. Asset Security Management

a). Access control for the server room and the movement of equipment such as computer hosts and servers are recorded and retained for reference.

b). The server room is equipped with an independent air conditioning system to maintain an appropriate operating temperature.

4. Resource Allocation for Information and Communication Security:

TURVO's IT department consists of four members who are responsible for information security. They hold weekly internal meetings to review the monitoring of various security systems and the resolution of anomalies, ensuring that the systems operate effectively; We also plan and execute critical information security tasks, such as operating system or critical software upgrades for system hosts and disaster recovery drills. We periodically commission professional organizations to conduct vulnerability scans, promptly patch vulnerabilities, and allocate an annual budget for information security upgrades to replace outdated equipment, thereby ensuring overall information security.

The Company has not recently incurred any losses due to major information security incidents, nor has it implemented any corresponding measures that could potentially impact operations. None of the above circumstances have resulted in any facts that cannot be reasonably estimated.

Information Security Management Measures and Implementation Status

Information and communication security management measures include five key areas, policy and procedure education and awareness, network security protection, email security controls, device security protection, and disaster recovery and contingency planning. The status of their implementation is as follows:

Status of Information and Communication Security Management Implementation

Management Measures	Implementation Status
Education and Outreach on Policies and Procedures	1. In 2025, the company obtained ISO 27001 international information security certification and established a number of corporate information and communication security management policies. 2. New employees have completed the information security awareness training. 3. Two regular sessions were held to promote awareness of information security policies, threat identification, and mobile office security. 4. Conduct four social engineering drills.
Cybersecurity Protection	1. The intrusion prevention system actively blocks external intrusion threats, achieving a 100% effective blocking rate. 2. Zero instances of production equipment losing network connectivity due to cybersecurity threats. 3. Zero instances of system intrusion incidents.
Email Security Management	1. In 2025, there were zero reports of risky emails entering the company. 2. External emails are filtered comprehensively by SPAM SQR to defend against all types of email attacks.
Device Security	1. 100% installation rate for endpoint protection software on PCs and laptops; 100% installation rate on information service servers. 2. No cases of virus infection or intrusion on IT/OA equipment; continued improvement in virus incidents on devices, with 0 incidents per quarter. 3. Login permissions for managed information system servers and network management devices are strictly controlled; no incidents of unauthorized account logins. 4. Continued improvement in system vulnerabilities and enhanced protection for server systems.
Disaster Recovery and Response	1. We conducted one data center service failure drill and one backup data recovery drill, with results meeting expectations. 2. We conducted one system failure drill at TURVO's new facility, activating the backup system and off-site backup mechanisms to ensure that critical system services were restored within the expected timeframe, thereby minimizing losses.

3.7 Risk Management

To strengthen the Board of Directors' functions and risk management mechanisms, the Company has established a "Risk Management Policy," which has been approved by the Board of Directors. This policy outlines risk management procedures, risk categories, effective identification, risk analysis and management responses, as well as processes for continuously monitoring the likelihood of various risks and assessing their severity. It aims to enhance risk awareness among all employees, keep all types of risks within acceptable limits, and ensure the integrity, effectiveness, and optimization of risk management.

Risk Management Mission:

To comply with laws and regulations, demonstrate operational capability, reduce the likelihood of incidents, minimize asset losses, and pursue the Company's sustainable development, the Company regards sustainable development and risk management as top priorities for business expansion. To ensure these principles are fully integrated into operational activities, we implement proactive control measures to manage and address uncertainties. We will continue to establish and maintain effective enterprise risk management systems, continuously raise employee awareness of risk management, and actively identify and manage risks and uncertainties.

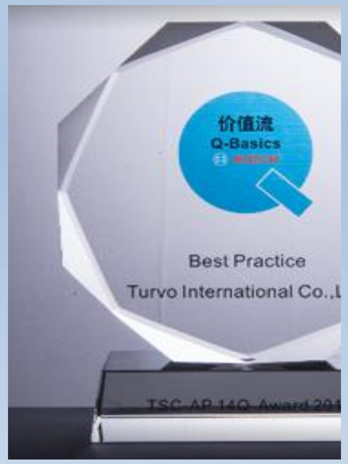
We aim to establish and maintain an effective risk management system while continuously improving it to reduce operating costs, ensure the company's sustained profitability, create a high-quality work environment, and achieve the company's sustainability goals.

Risks and Opportunities

The objectives, targets, commitments, and management measures are outlined in the table below:

ESG Focus	Risk factors	Threats and Impacts	Countermeasures
E Environmental	Impacts of Climate Change	The physical risks posed by climate change continue to grow, and the transition to a low-carbon economy requires investment in related equipment and the development of green products.	In terms of energy management, we have installed solar power systems and implemented energy-saving equipment such as LED lighting and variable-frequency air conditioning, while optimizing production schedules to reduce energy waste. Regarding water resource management, we have installed water-saving equipment and improved water-intensive processes. In terms of environmental management, we have implemented waste sorting, increased recycling rates, and conducted regular monitoring of the work environment, while adopting low-carbon raw materials and processes to reduce carbon emissions.
	Carbon Reduction Management	Regulatory requirements for greenhouse gas emissions are becoming increasingly stringent.	Establish a greenhouse gas emissions data management system (Carbon Manager) to identify opportunities for reduction and improvement through data-driven management.
	Energy Efficiency	Inefficient energy use will increase operating costs and carbon emissions.	We will continue to improve our working environment, strengthen assessments of energy efficiency, invest in energy management systems, and promote the energy transition to achieve our carbon reduction goals.
	Supply Chain Environmental Risks	Improper handling of cutting fluids, scrap metal, and cooling water may violate environmental regulations, resulting in fines or the risk of a work stoppage.	Establish a circular economy model by recycling cutting fluids and reusing scrap metal, and invest in wastewater treatment and exhaust gas recovery equipment to comply with environmental regulations.
S Social	Environmental, Health, and Safety Management	Injuries sustained by employees in the workplace can result in lost work hours and staffing shortages.	We provide a safe work environment by conducting training, emergency drills, and facility inspections based on risk categories to reduce operational risks and ensure employee safety.
	Supply Chain Occupational Safety Risks	High-risk operations such as high-speed cutting and welding can lead to workplace accidents and expose companies to liability risks.	We provide safety training and personal protective equipment, and have implemented automated equipment and robotic arms to reduce the risks associated with manual operations.
	Customer Mapping	Customer demands and market price fluctuations may affect customer relationships and order stability.	By leveraging high-precision equipment and manufacturing processes, we enhance product quality and delivery efficiency to quickly meet customer needs, while continuously providing the resources necessary for business continuity management to ensure our customers' normal operations.
G Governance	Industry Competition	Changes in industry supply and demand may affect product shipments and operating performance.	We closely monitor industry trends and expand our client base across various sectors to mitigate operational risks arising from market fluctuations.
	Business Operations	Natural disasters or unexpected incidents may result in operational disruptions and financial losses.	Develop emergency response plans and business continuity plans, and conduct regular drills to mitigate the impact of operational disruptions.
	Information Security	Technological advancements are exposing businesses to increasing cybersecurity risks.	We implement information security management systems, comply with relevant laws and regulations regarding intellectual property rights and personal data protection, and enforce physical security, system security, and electronic document preservation measures to safeguard customer information and company assets.

Honors & Awards



04 Sustainable Products, Services, and Supply Chains

4.1
Customer Relations & Service

4.2
Product Quality & Safety

4.3
Innovation & R&D

4.4
Sustainable Supply Chain

4.1 Customer Relations & Service

Material Issues: Customer Relationship Management	
Policy	Diligently manage customer relationships to enhance service satisfaction.
Objective	Maintaining customer relationships and providing services regularly or irregularly to ensure that customer orders are retained and satisfaction continues to improve.
Commitment	To employ due diligence and proactive communication methods, comply with applicable business laws and ethical standards, and protect customer privacy.

Management Measures

- To achieve the goals of sustainable operations and growth, we will conduct regular customer satisfaction surveys, value customer feedback, and ensure the maintenance of customer relationships.
- Maintain high levels of customer satisfaction and continuously improve them to ensure a steady flow of customer orders.
- Develop short-, medium-, and long-term plans to enhance customer satisfaction, ensuring a steady stream of orders.

TURVO specializes in the development and manufacturing of precision metal parts, providing global customers with reliable and trustworthy metal manufacturing solutions and services. We assist customers with high-end product development and stable mass production supply, serving as a trusted strategic partner. The short-, medium-, and long-term plans regarding business performance and customer service are outlined in the table below:

	Short-Term Targets (2025–2026)	Mid-Term Targets (2027–2030)	Long-Term Targets (2031 and beyond)
Operational Performance	Maintain a customer satisfaction score of 90 or higher	Maintain a customer satisfaction score of 93 or higher	Maintain a customer satisfaction score of 93 or higher
Compliance	Violations of fair trade regulations: 0 cases	Violations of fair trade regulations: 0 cases	Violations of fair trade regulations: 0
	Violations of customer privacy or information security regulations: 0 cases	Violations of customer privacy or information security regulations: 0 cases	Violations of customer privacy or information security regulations: 0 cases

Goals and Performance

To achieve steady growth in operational performance and provide customers with excellent service and high satisfaction, TURVO has established the following goals and performance metrics:

◆ Revenue and Customer Satisfaction

2026 Target	2025 Target	2025 Performance Achievement Rate
Maintain a customer satisfaction score of 93 or higher7	Maintain a customer satisfaction score of 90 or higher	Customer satisfaction: 93 points → Achieved

◆ Regulatory Compliance

2026 Targets	2025 Target	2025 Performance Achievement Rate
Violations of Fair Trade Regulations: 0 cases	Violations of fair trade regulations: 0 cases	Violations of fair trade regulations: 0 → Achieved
Violations of customer privacy or information security regulations: 0	Violations of customer privacy or information security regulations: 0 cases	Violations of customer privacy or information security regulations: 0 cases → Achieved

Customer Retention and Satisfaction Surveys

In accordance with the "Customer Satisfaction Assessment Management Procedures," customer satisfaction surveys are conducted regularly: Each year, sales department staff conduct customer satisfaction surveys through visits, email, telephone, and questionnaires. Sales personnel compile the relevant data obtained from the "Customer Satisfaction Survey" annually and prepare reports in accordance with the "Customer Satisfaction Rating Standards."

Customer satisfaction surveys are a key objective for achieving sustainable operations and growth. Based on the philosophy of enhancing customer satisfaction, we leverage the Enterprise Resource Planning (ERP) system to actively promote a win-win-win philosophy among customers, suppliers, and TURVO. TURVO aims to provide customers with periodic satisfaction surveys based on optimized solutions in areas such as cost, quality, and service (including delivery times), thereby laying the foundation for long-term business development.

The results of the customer satisfaction surveys for the past two years are shown in the table below

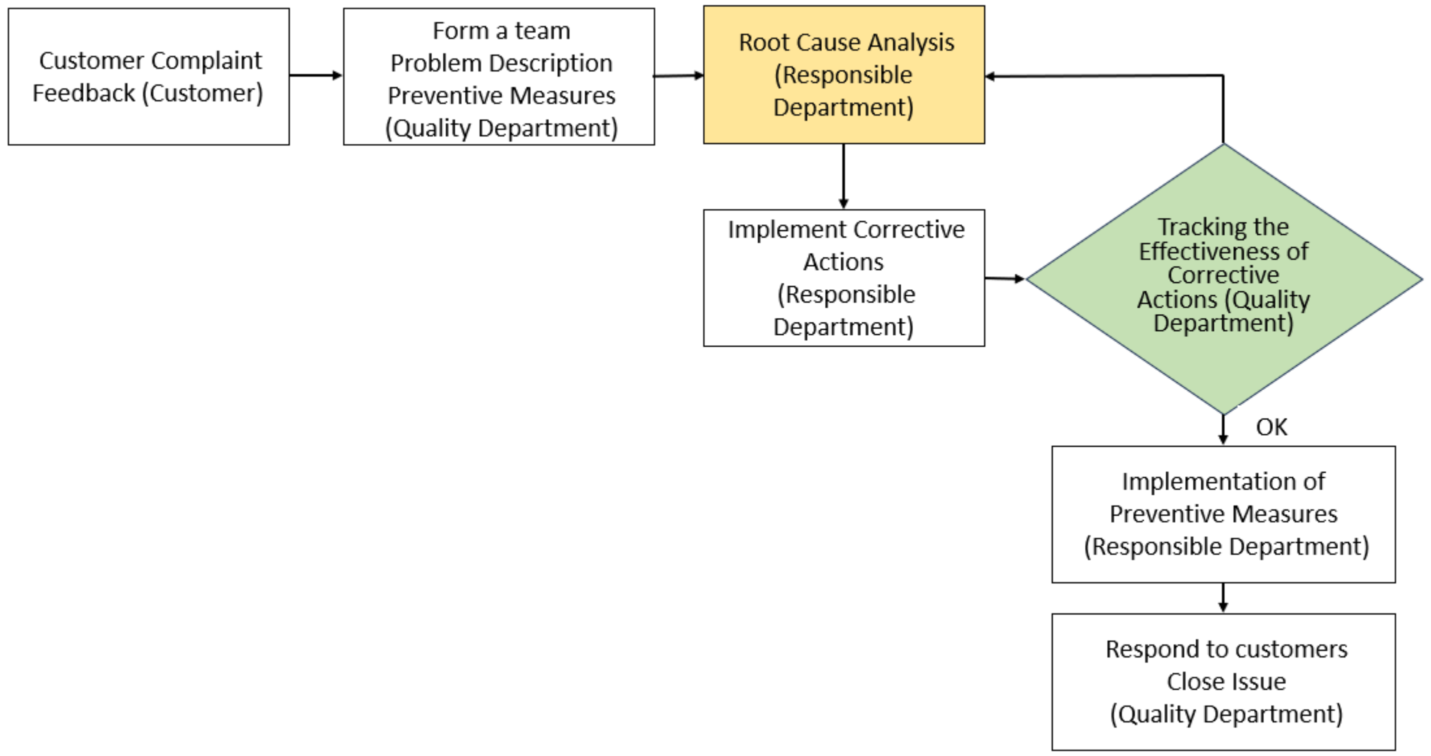
Item	2024	2025
Average Satisfaction	93.0	93.0
Target	90.0	90.0
Achievement Status	Achieved	Achieved

Customer Feedback and Handling

To promptly address customer inquiries and needs, in addition to the Sales Division, Sales Engineering Section, and Quality Assurance Department handling matters in accordance with established standard operating procedures, the Company has set up a message system on its official website. Customers may directly submit feedback via this system to ensure that all customer needs are addressed in a timely manner. Furthermore, upon receiving a complaint, the Company will immediately forward the feedback internally for resolution to protect customer rights.

Simplified Flowchart of the Customer Complaint Handling Mechanism

1. When a customer lodges a complaint or provides feedback, the customer complaint handling procedure is initiated. The Quality Assurance Department is responsible for verifying the nature of the issue and addressing it immediately to reduce the recurrence rate of similar incidents and the number of complaints.
2. When a complaint arises, an improvement team is formed using the 8D problem-solving method as appropriate to identify the root cause. Short-term and long-term corrective actions are implemented, and the effectiveness of these measures is subsequently evaluated. Concurrently, through employee retraining, we foster a culture of continuous improvement within the company to continually enhance the quality standards of TURVO products.



Customer Privacy

At the outset of any collaboration with clients, TURVO enters into confidentiality agreements to ensure that trade secrets disclosed by either party are properly protected and utilized by the other. Additionally, all employees are required to sign employment contracts upon joining the company. Through these confidentiality measures and enhanced information security protocols, we fulfill our commitment to "protecting the intellectual property of all business partners" and strictly safeguard the trade secrets of our clients and suppliers.

Regarding confidentiality measures, TURVO has established the "Document Control Management Procedures," which apply to all employees to safeguard the trade secrets of clients and suppliers.

Confidentiality and Disposal Measures

1. Client privacy constitutes the company's confidential documents and data. The company maintains a dedicated document room to safeguard client data; this room is locked, and documents and data accessed, processed, or transmitted using electronic technology are managed by designated personnel at each factory's information center to ensure confidentiality. Unauthorized units are prohibited from accessing such information.
2. If a breach or potential breach of client/supplier confidential information is discovered, emergency response measures will be implemented, and the client/supplier will be immediately notified to discuss relevant dispositions and liability for compensation.

To strengthen information security, TURVO strictly implements its internally established Information Security Management System (ISMS) to ensure the confidentiality, integrity, and availability of business data and documents. Through measures such as device security, network security protection, and email security controls, we prevent risks of client secrets being leaked, destroyed, or lost due to external threats or improper management by internal personnel, thereby enhancing service levels and strengthening client trust.

During 2025, TURVO did not incur any fines or compensation claims from customers due to the leakage of customer privacy.

Protect the intellectual property rights of all business partners

- Strictly protect the business secrets of customers and suppliers.
- Implement the Information Security Management System (ISMS).
- Strengthen device, network, and email security defenses.

4.2 Product Quality and Safety

Material Issues: Product Quality and Safety	
Quality Policy	Excellent quality, customer satisfaction.
Objective	Improve the yield rate of all product types, ensure product quality meets customer requirements, and maintain accurate delivery schedules.
Commitment	To employ due diligence and proactive communication methods to ensure product quality and safety that meet customer requirements, as well as accurate delivery times.

Management Measures

- During the product manufacturing process, we adhere to relevant international regulations and standards as well as Taiwanese laws.
- Improve the yield rate of all product types to ensure product quality, safety, and on-time delivery in accordance with customer requirements.
- Provide customer complaint channels to protect customer privacy and rights.

Recognizing quality management as a top priority in our operations, we remain committed to its importance and care. We pledge the following quality management measures:

Across all company-wide processes—from receiving customer orders, product and process development, procurement, and production... to shipping and after-sales service planning and operations—we are dedicated to continuously improving and enhancing quality and technology, preventing defects, reducing variation and waste, and ensuring comprehensive customer satisfaction regarding products, pricing, quality, delivery times, and service. This approach enhances our operational performance and enables sustainable business operations.

We prioritize the safety and health impacts of our products during use. We continuously evaluate and improve at every stage—from product development and certification to customer experience—and reflect these efforts in the quality of our products to enhance their safety and reliability.

Product Quality and Safety

We adhere to international environmental regulations, industry standards, and customer specifications regarding the prohibition or restriction of hazardous substances, and we comply with the European Union's Restriction of Hazardous Substances (RoHS) Directive. We maintain effective communication channels with our customers and have established a "Customer Complaint Management Policy" for the products and services we provide to effectively address customer complaints. Based on this policy, we strictly monitor all components and materials, using it as the standard for managing prohibited and restricted chemical substances among suppliers to meet customer and regulatory requirements regarding hazardous substances in products.

In addition to complying with the EU Restriction of Hazardous Substances (RoHS) Directive, the Company also adheres to the EU Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) Regulation; all of our products exported to the EU are in full compliance with REACH. The Company maintains effective communication channels with customers and has established a Customer Complaint Management Policy for the products and services we provide to effectively address customer complaints.

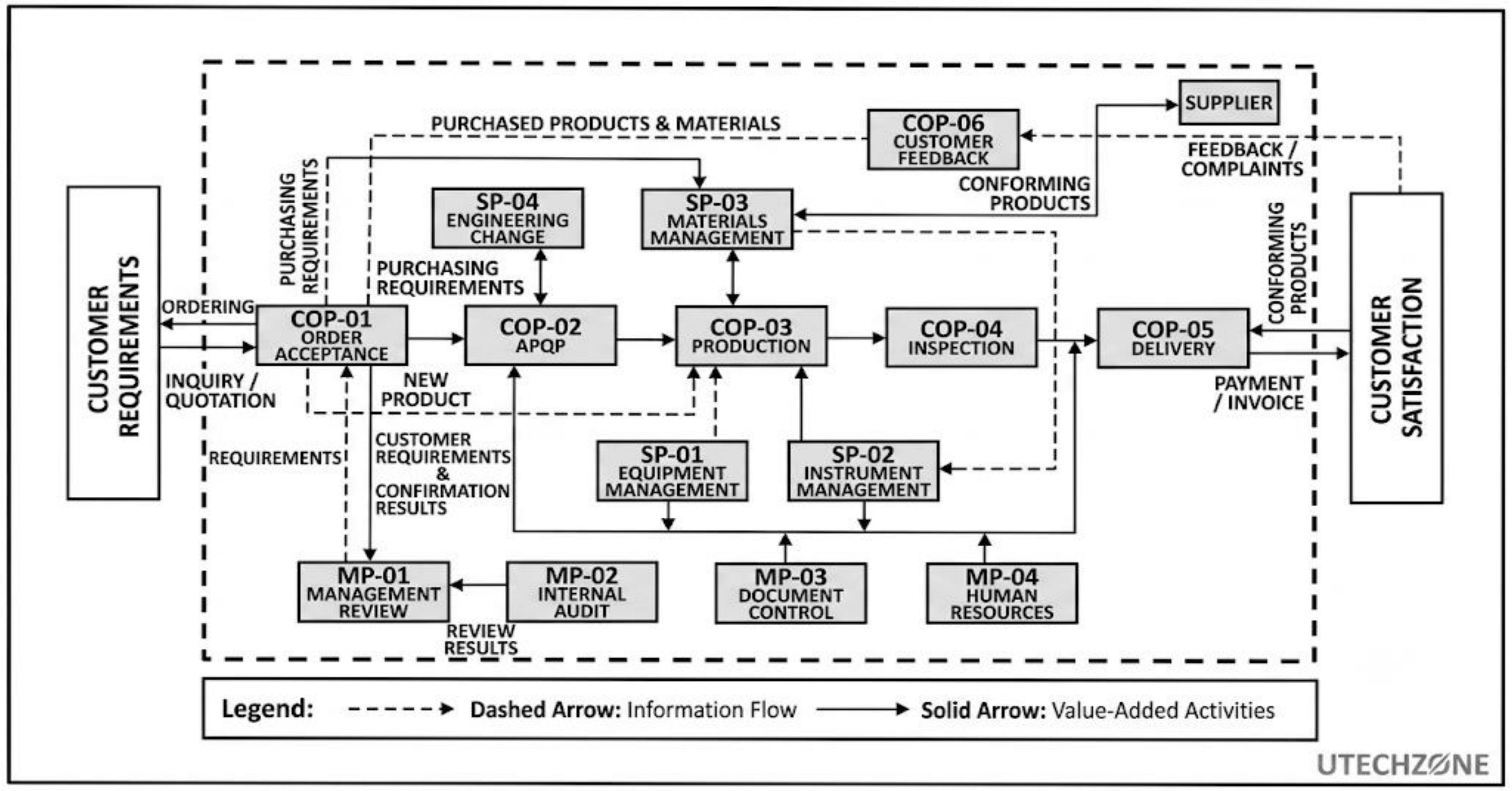
The company's Occupational Safety and Health Office serves as the dedicated unit for environmental safety management. It conducts comprehensive reviews across all aspects—including knowledge, materials, production, and inspection—extending beyond merely the introduction of materials, production process monitoring, and quality control of incoming and outgoing shipments. Furthermore, through awareness campaigns and training, it reinforces employees' commitment to environmental regulations and integrates these into daily operational management.

By 2025, we aim to achieve zero incidents of non-compliance with health and safety regulations regarding our products and services. We will adhere to international regulations, customer requirements, and environmental trends, review the current status of hazardous substance management, and update our hazardous substance management guidelines to protect the global environment and minimize our impact on ecosystems.

We will implement robust raw material and supplier management. The Procurement Department will establish a raw material supply chain management system to monitor and control incoming materials on a daily basis, effectively enhancing the identification of material quality compliance. Furthermore, shipped products will meet customer specifications for health and safety regarding products and services, as well as product and service labeling requirements.

The Quality Department promotes internal quality training courses (on-the-job training) and quality improvement projects (TPS activities, continuous improvement) to deepen employees' problem-solving capabilities.

Quality Management System Flowchart



The overall average yield for major products at the Taiwan plant in 2025 was 97.88%.

Factory	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
Taiwan Plant TURVO	98.08%	98.12%	98.38%	98.55%	98.17%	97.83%	98.04%	98.27%	97.88%	97.69%	96.22%	97.31%	97.88%

In 2025, the Company had no incidents involving violations of regulations regarding the health and safety of products and services as required by customers.

4.3 Innovation & R&D

TURVO is committed to the development of precision metal products and quality improvement. Key objectives for sustaining profitable growth include: product R&D and innovation, securing patent protection for R&D outcomes, protecting trade secrets and ensuring regulatory compliance, product quality management, and evaluating the market potential of products. Accordingly, the following short-, medium-, and long-term targets have been established:

	Target Item	Short-Term (2025–2026)	Medium-Term (2027–2030)	Long-term (2031 beyond)
Innovation and R&D	Number of Patents Granted per Year	1–2	2–3	3–4
	R&D Expenditures as a Percentage of Revenue	7%	7.5%	8%
Regulatory compliance	No violations of product or patent laws	0 cases	0	0

TURVO is dadicated to product R&D and innovation, patent development, product quality management, and regulatory compliance. The table below outlines the key objectives and achievement rates for the past two years:

2026 Target

- Patents Granted: 2–3
- R&D expenses account for 7.5% of revenue

2025Target

- Patents Granted: 1-2
- R&D expenses account for 7% of revenue

2025 Performance Achievement

- Patents Granted → Not Achieved patent applications related to gear reducers have been filed and are currently under review
- 7.61% → Achieved

Regulatory Compliance

	2026 Target	2025 Target	2025 Achievement
Violations of product labeling or patent regulations	0 cases	0 cases	0 cases → Achieved

4.3.1 Product R&D and Innovation

TURVO is committed to product development and quality improvement, constantly striving for self-improvement and growth, with the continued creation of profit growth as a key objective.

Our R&D Strategy: We will use three major product categories, gear reducers, liquid-cooled quick-connect fittings, and bicycle components as the primary drivers of operational growth. In particular, we will actively expand into the fields of artificial intelligence (AI) servers and humanoid robots to transform and develop our production and sales competitiveness. Our specific policies and management guidelines for innovation and R&D are as follows:

TURVO's R&D direction focuses on three key areas: product innovation and upgrading, production capacity expansion, and sustainable operations.

1. Product Innovation and Upgrading

TURVO is actively developing next-generation automotive components, covering areas such as precision components for hydrogen energy systems and Advanced Driver Assistance Systems (ADAS). At the same time, we are expanding R&D in AI server liquid cooling systems and robotics-related parts, while strengthening our medical device product line to increase the proportion of high-end products.

2. Production Capacity Expansion and Smart Manufacturing Initiatives

In 2025, we will continue to optimize production capacity and advance our smart manufacturing initiatives, focusing on the production of planetary gearboxes and the implementation of automated production systems to improve production efficiency, product quality, and delivery reliability. At the same time, through the integration of smart equipment, process optimization, and automated management, we will reduce manual labor and energy consumption, strengthen operational resilience and the competitiveness of high-value-added products, and gradually move toward the goals of high-efficiency and sustainable manufacturing.

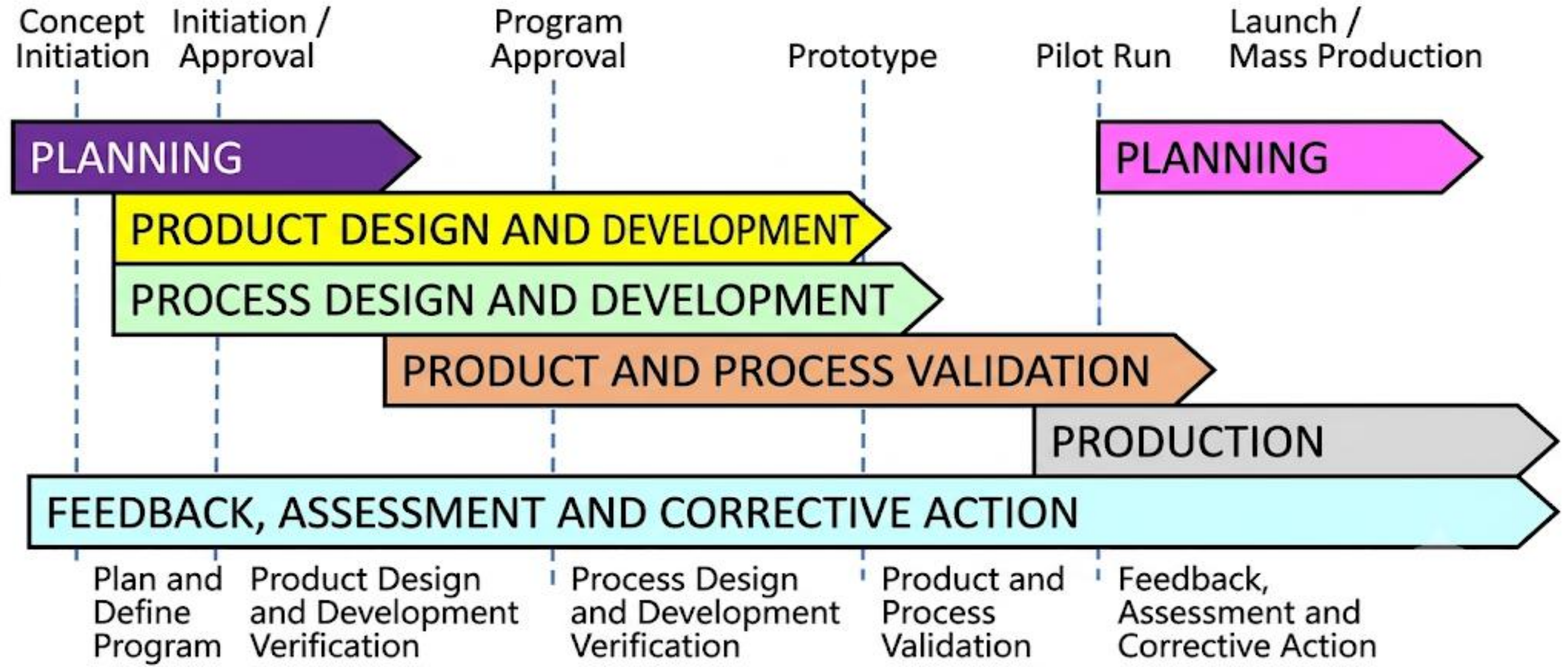
Sustainable Business Development

TURVO continues to drive sustainable transformation and low-carbon operations. In 2024, the company formally submitted a carbon reduction commitment to the Science Based Targets Initiative (SBTi), gradually establishing medium- and long-term greenhouse gas reduction targets and management mechanisms. In 2025, the company will continue to advance its carbon reduction action plan, which includes installing solar power systems, establishing wastewater recycling and treatment facilities, improving energy efficiency, and obtaining green building certifications, all aimed at reducing environmental impact and strengthening corporate sustainability governance performance.

Furthermore, TURVO continues to deepen its capabilities in precision manufacturing and R&D innovation. Through smart manufacturing, automation technology, and cross-disciplinary R&D integration, the company enhances product quality and market competitiveness while actively expanding its technical expertise and market presence in emerging application areas such as AI servers and robot reducers.

Moving forward, the company will continue to integrate sustainable business strategies with its core technological strengths to deepen customer partnerships and strengthen its global market presence, steadily advancing toward the goals of high value-added, low-carbon manufacturing, and sustainable growth.

R&D Innovation Management Process



R&D expenses as a percentage of revenue over the past three years are shown in the table below.

Unit: NT$1,000

Category	R&D Expenses	Percentage of Revenue (%)
2023	224,708	6.73%
2024	257,984	7.05%
2025	249,251	7.61%

4.3.2 Intellectual Property Management Measures

Intellectual Property Strategy and R&D Achievements

The Company continues to invest in research, development, and innovation in the fields of precision manufacturing, gear reducers, and key components for robots. Our patent portfolio covers areas such as “gear reducer and transmission system technology,” “key component technology for harmonic gear reducers,” and “precision machining process technology,” with patent applications and strategic positioning conducted globally.

Among these, patent applications include technologies for gear reducer lubrication structures, eccentric gear reducers, flexible rings, and harmonic gear reducers, actively expanding market applications in robotics, automation equipment, and high-end precision transmission systems. Concurrently, the Company is investing in the development of precision manufacturing processes to enhance product quality, machining efficiency, and market competitiveness. Moving forward, we will continue to strengthen our global intellectual property portfolio and core technology R&D, deepen the application of high-value-added products, and enhance the Company’s innovation capabilities and sustainable competitive advantages.

Patent Management

The Company has established the “Intellectual Property Management Regulations” to create a comprehensive management framework covering patent application, examination, acquisition, maintenance, protection, incentive measures, and legal case management. All R&D outcomes and patent proposals must undergo a review and evaluation process to effectively protect the Company’s core technologies and R&D achievements. Furthermore, to strengthen the management and tracking of patent cases, a “Patent Inventory” management mechanism has been established to regularly review patent statuses and maintenance conditions.

Trademark Management

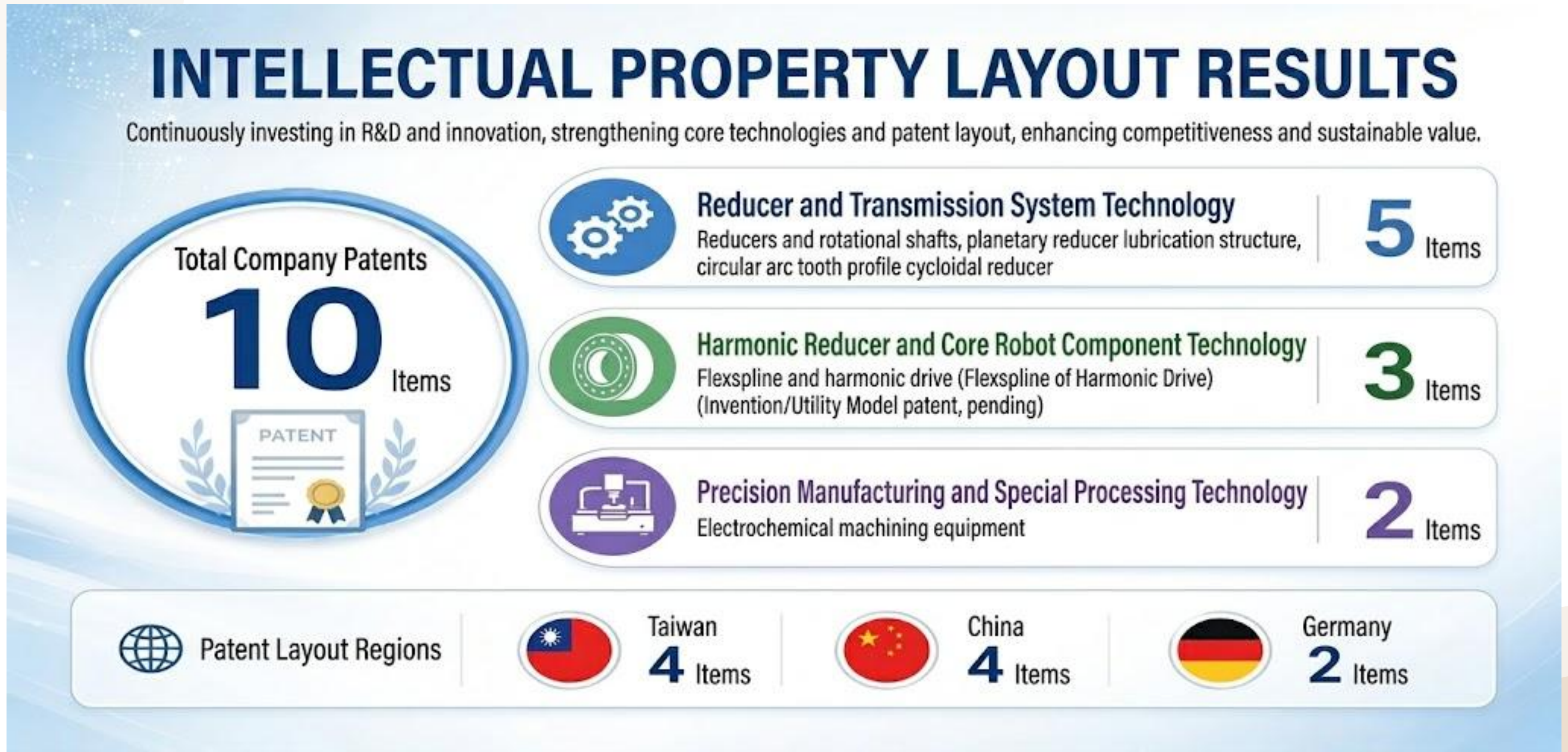
The company has established a trademark management system that clearly defines the scope of trademark application, use, management, and licensing. A “Trademark Register” management list has been created to periodically review trademark usage and assess the necessity of ongoing maintenance, thereby enhancing brand recognition and market competitiveness while continuously advancing trademark portfolio development and corporate image building.

Trade Secret Management

The Company places great importance on the protection of trade secrets and confidential information. Employees are required to sign relevant confidentiality and rights agreements upon joining and leaving the Company to ensure that the Company’s confidential information and the rights of both parties are safeguarded. The Company conducts regular employee training to enhance staff capabilities in identifying, handling, and protecting trade secrets. Additionally, we enter into non-disclosure agreements (NDAs) with suppliers, customers, and partners to mitigate the risk of confidential information leaks and protect our core technologies.

Furthermore, the Company implements an access control security management system, setting personnel access permissions based on job requirements and regulating visitor access areas and movement routes to strengthen the security management of the facility and confidential information.

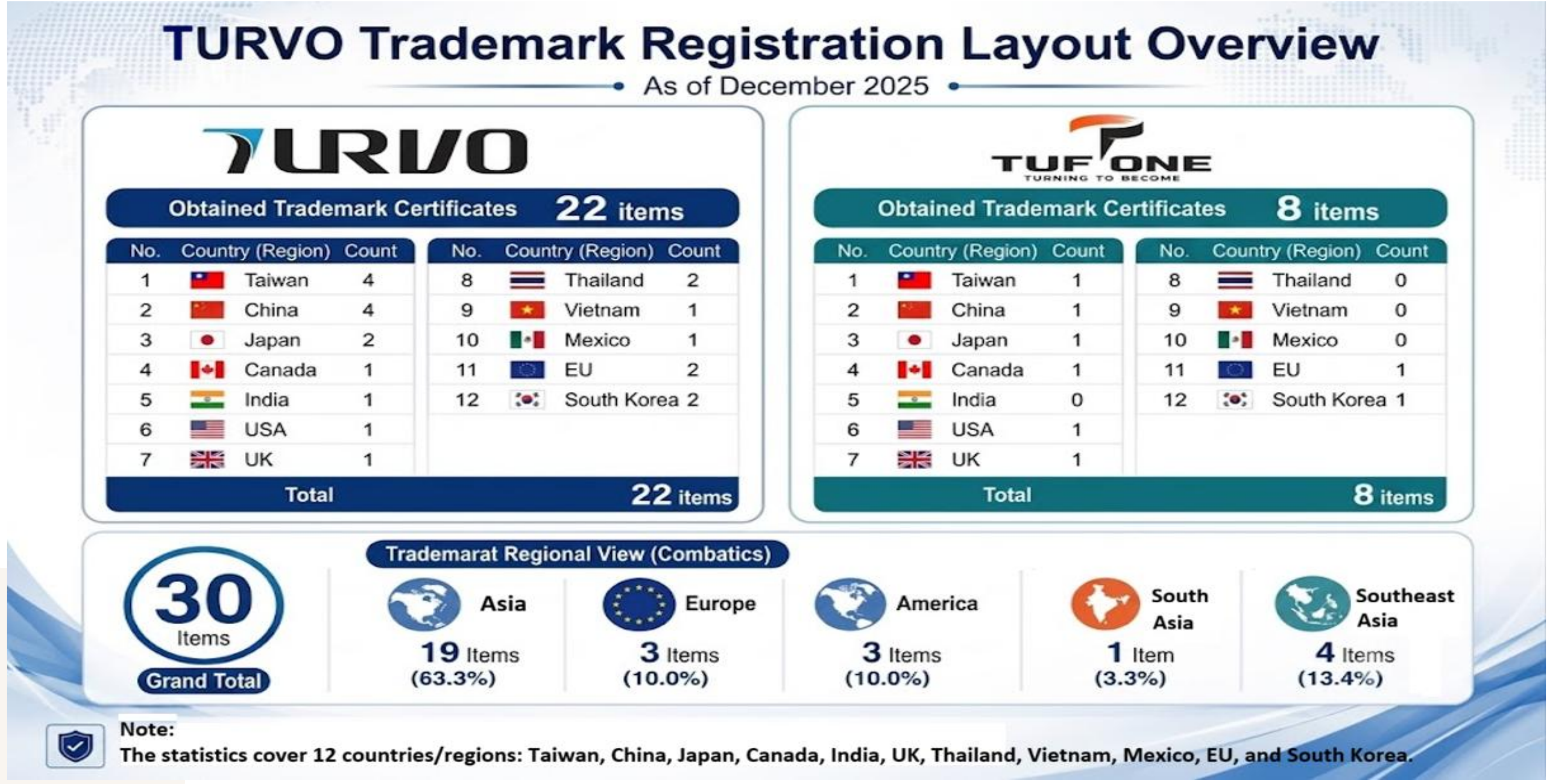
Patent Certifications – Cumulative Global Patents by 2025



Trademarks are critical assets for TURVO's global market expansion and brand management. The company has completed trademark registration in multiple countries to strengthen brand protection mechanisms and enhance brand recognition, showcasing TURVO's corporate image of professional innovation, steady development, and sustainable operations. Through continuous deepening of market expansion, technological R&D, and product innovation strategies, TURVO actively enhances brand value and international competitiveness. This ensures customers fully recognize that, in addition to precision manufacturing and customized product development capabilities, TURVO possesses a comprehensive R&D and service team capable of providing stable, high-quality total solutions.

Moving forward, TURVO will continue to strengthen its global brand strategy and intellectual property protection mechanisms, deepen customer partnerships, and enhance market trust and brand influence, steadily advancing toward its goal of becoming an international precision manufacturing and high-value technology brand.

Global Trademark Registrations in 2025


TURVO Trademark Registration Layout Overview

As of December 2025

TURVO — Obtained Trademark Certificates 22 items

No.	Country (Region)	Count	No.	Country (Region)	Count
1	Taiwan	4	8	Thailand	2
2	China	4	9	Vietnam	1
3	Japan	2	10	Mexico	1
4	Canada	1	11	EU	2
5	India	1	12	South Korea	2
6	USA	1			
7	UK	1			
Total					22 items

TUF ONE (TURNING TO BECOME) — Obtained Trademark Certificates 8 items

No.	Country (Region)	Count	No.	Country (Region)	Count
1	Taiwan	1	8	Thailand	0
2	China	1	9	Vietnam	0
3	Japan	1	10	Mexico	0
4	Canada	1	11	EU	1
5	India	0	12	South Korea	1
6	USA	1			
7	UK	1			
Total					8 items

30 Items Grand Total

Trademarat Regional View (Combatics)

Asia	Europe	America	South Asia	Southeast Asia
19 Items (63.3%)	3 Items (10.0%)	3 Items (10.0%)	1 Item (3.3%)	4 Items (13.4%)

Note:
The statistics cover 12 countries/regions: Taiwan, China, Japan, Canada, India, UK, Thailand, Vietnam, Mexico, EU, and South Korea.

4.3.3 R&D and Services for Green and Sustainable Products

Continuous improvement of processing technologies and production automation, reduction of waste, and enhancement of energy efficiency

In line with its commitment to environmental protection and sustainable development, TURVO places great emphasis on optimizing energy and resource efficiency, recycling, and material utilization in its production processes. TURVO has obtained ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System) certifications, striving to minimize negative environmental impacts and contribute to improving overall environmental quality.

Product Services

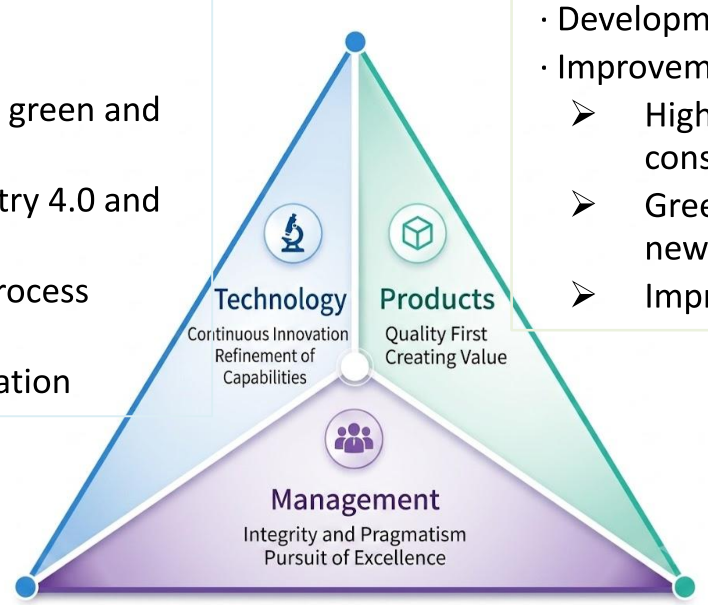
The software and production equipment used are designed to intelligently adjust tool loads based on cutting mechanics and stress conditions, thereby improving tool efficiency. This protects the spindle, tools, and workpieces while accelerating sample completion times. Monitoring software is employed to detect tool abnormalities, enabling preventive measures before quality issues arise in the workpiece. Simultaneously, production costs are accurately calculated to optimize early-stage processes and achieve optimal quantitative performance models at an earlier stage.

We use low-carbon cutting fluids to support tooling, reducing mist generation and the burden on oil-vapor recovery systems. By implementing a smart control system focused on tooling, we accelerate sample completion times, promptly prevent the production of excessive defective parts, and avoid energy waste. This helps achieve environmental sustainability goals while better meeting customers' urgent sample needs and continuously enhancing our competitiveness.

4.3.4 Future Innovation and R&D Strategy

TURVO continues to actively explore new opportunities, business ventures, and procurement initiatives related to manufacturing, production, and sales through its in-house R&D center. This effort aims to enhance the quality and functional value of various new R&D products to maintain the competitiveness of the company's products and technologies. The Company's future technology, product, and management strategies are outlined in the figure below:

- Technological innovation: production/equipment/products
- New eco-friendly products that are green and sustainable
- Improving efficiency through Industry 4.0 and AI
- Reducing energy consumption in process equipment
- Warehouse automation and digitization



· Development of Patented New Products
· Improvement of in-house products
  - ➢ High-efficiency, low-energy-consumption new products
  - ➢ Green, sustainable, and eco-friendly new products
  - ➢ Improving product yield

- Internal patent incentive system and maintenance
  - ➢ Product Innovation and Patents
- Internal suggestion and improvement incentive program
  - ➢ Process technology and equipment improvements
  - ➢ Innovative development of manufacturing equipment
  - ➢ Quality Improvement and Reliability
  - ➢ Operational Efficiency and Warehouse Automation
- Intellectual Property Protection

4.4 Supply Chain Sustainability Management

Material Issues: Supplier Sustainability Management	
Policy	Establish a sustainable supply chain
Objective	Strive to maintain long-term cooperative relationships with domestic and international suppliers, establish mutually trusting and stable partnerships, and reduce the risk of operational disruptions and develop a sustainable supply chain.
Commitment	Utilize due diligence and early warning communication methods to ensure that suppliers providing raw materials and parts to the company are qualified and guarantee that they meet the Company's specifications and requirements for raw materials and components.

Management Measures

- Establish the "Supplier Management Guidelines" to conduct supplier quality evaluations and delivery management, ensuring the management of qualified suppliers.
- Regularly hold supplier conferences to maintain good interaction and information exchange, fostering a win-win cooperative relationship.
- Increase the proportion of locally sourced suppliers to reduce energy consumption.
- Require key suppliers to commit to implementing social responsibility and conducting self-assessments; conduct on-site audits of high-risk and high-value-transaction suppliers to ensure compliance with environmental protection and other requirements.
- We do not procure raw materials containing hazardous substances and ensure compliance with international RoHS standards; the use of minerals from conflict-affected regions is prohibited.

Regarding the sustainable management of the supply chain, we have established short-, medium-, and long-term sustainable business objectives, work plans, and performance outcomes as shown in the table below

	Item	Short-Term Targets (2025–2026)	Medium-Term Targets (2027–2030)	Long-Term Targets (2031 and beyond)
Sustainable Supply Chain	Percentage of Qualified Suppliers	90% or higher	Reach 92% or higher	94% or higher
	Increase the proportion of local suppliers	Raw materials: 92.00%	Raw materials: 96%	Raw materials: 96%
		93.00% of parts	96% of components	96% of components
	Require suppliers to complete the "Supplier Integrity, Integrity, and Confidentiality Pledge"	80% or higher	80% or higher	90% or higher
Compliance with RBA	No use of hazardous substances	100% compliance rate	100% compliance rate	100% compliance rate
	Supplier Due Diligence on "Responsible Minerals"	100% Use of Compliant Minerals	100% Use of Compliant Minerals	100% Use of Compliant Minerals

Business Objectives and Performance

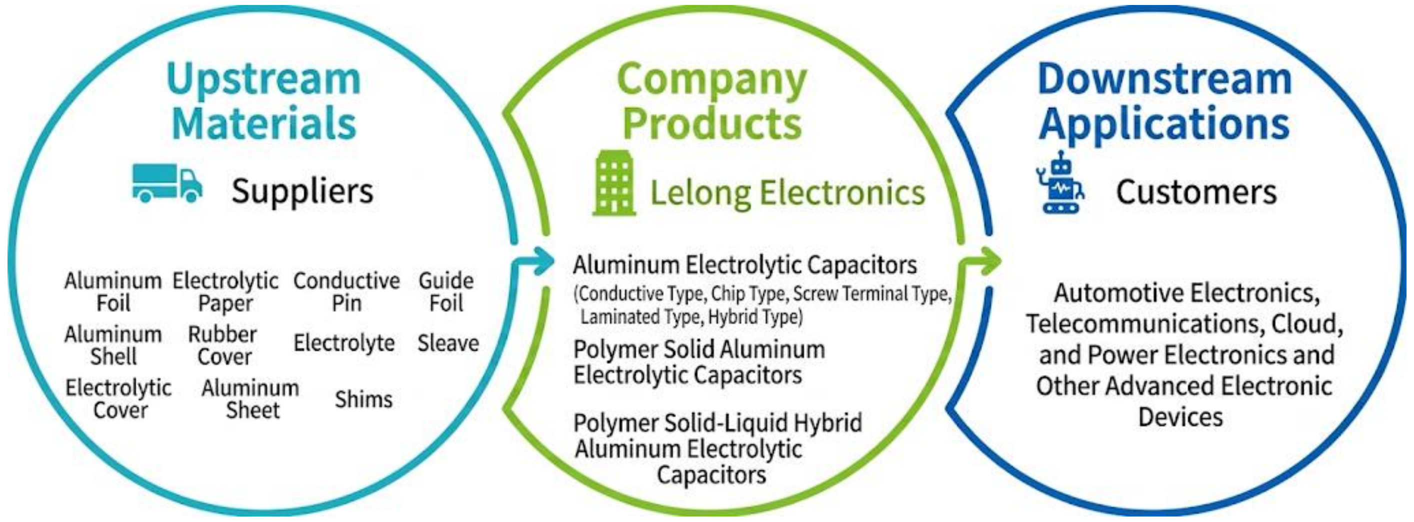
Target Item	2026 Target	2025 Target	2025 Performance Achievement
Percentage of Qualified Suppliers			
	90% or more	90% or more	95% qualified suppliers → Achieved
Increase the proportion of local procurement			
	Raw materials: 96%	Raw materials: 92%	Raw materials: 70% → Not achieved (Raw material suppliers must be designated by the customer, so they cannot be replaced)
	96% of parts	93% of components	97.31% of components → Achieved
Completed the "Supplier Integrity, Integrity, and Confidentiality Pledge"			
	80% completion for the commitment form	80% of commitment forms completed	80% of suppliers completed the commitment form → Achieved
No use of hazardous substances			
	100% compliance rate	100% compliance rate	100% Compliance Rate → Achieved
Supplier Due Diligence on "Responsible Minerals			
	100% use of compliant minerals	100% compliant mineral usage	100% compliant mineral usage → Achieved

4.4.1 Supplier Management Policy and Commitment

To establish a sustainable supply chain and support sustainable operations throughout the supply chain, we place great emphasis on the sustainable management of our suppliers. In accordance with the "Supplier Management Guidelines, "the Company conducts supplier evaluations prior to establishing business relationships. In addition to ensuring suppliers' ability to deliver quality products, meet delivery deadlines, offer competitive pricing, and provide satisfactory service, we require suppliers to comply with relevant regulations regarding occupational safety and health, environmental protection, and human rights. Together, we are committed to enhancing corporate social responsibility and fostering a sustainable partnership for mutual development.

4.4.2 Industrial Supply Chain

TURVO operates in the precision metal processing and manufacturing industry. Its upstream sector primarily consists of metal material suppliers, while its downstream sector comprises end-user customers across the automotive, medical device, optoelectronics, bicycle parts, consumer electronics components, and industrial applications sectors, enabling the Company to provide customers with comprehensive precision metal processing services.

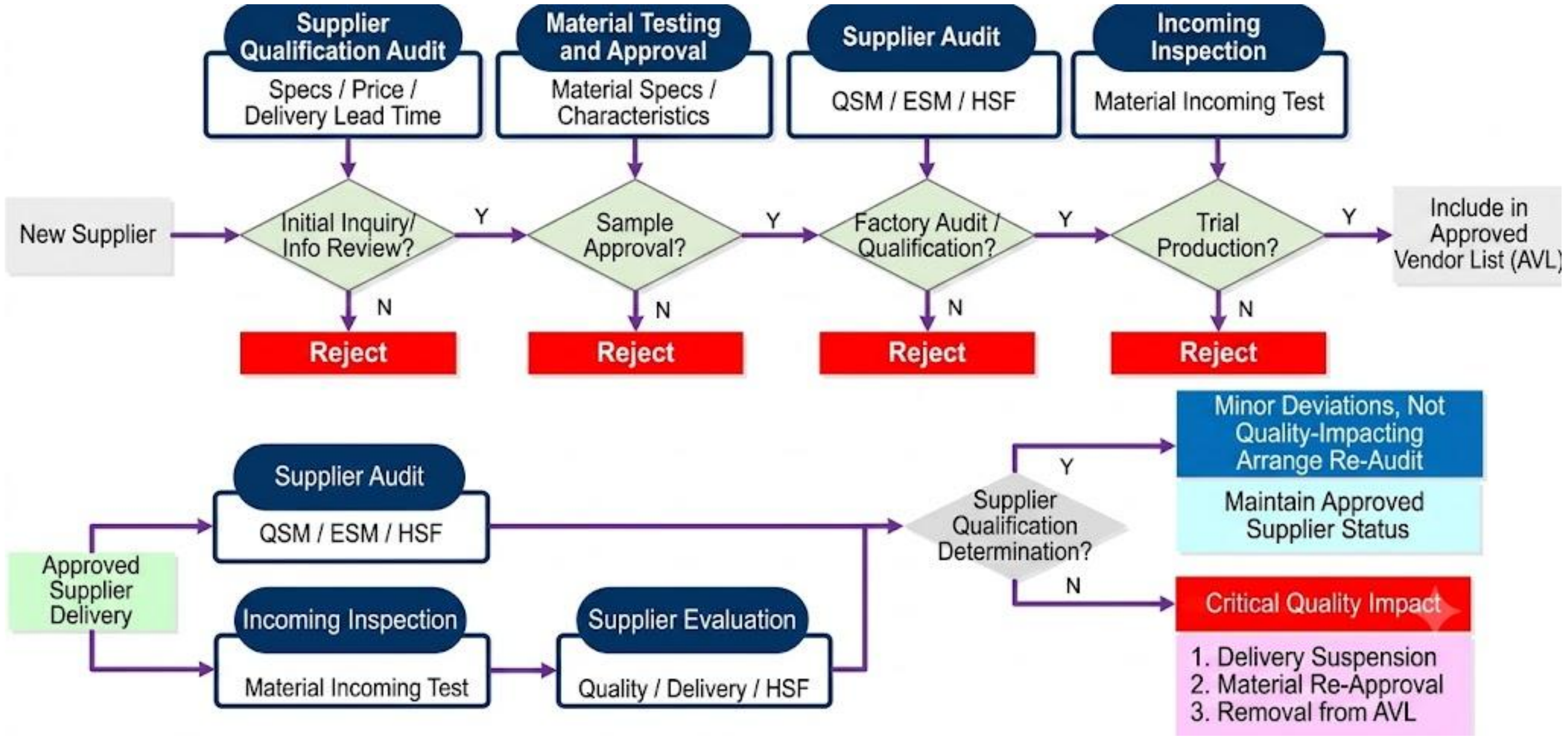


In response to changes in the international landscape, our company has always maintained good partnerships with upstream suppliers. As a general rule, we provide demand forecasts of at least one month in advance to facilitate material preparation and production capacity planning, thereby ensuring a reliable supply of upstream raw materials.

4.4.3 Supply Chain Management

New Supplier Onboarding Process

When onboarding new suppliers, the Procurement Department serves as the convening unit for the evaluation team, bringing together relevant departments to form an evaluation team to carry out the evaluation process. The Company requires all suppliers to submit basic vendor information and a supplier wire transfer form in accordance with regulations, and to sign a Vendor Integrity, Integrity, and Confidentiality Pledge. They must also commit to complying with relevant RoHS and REACH regulations, using raw materials sourced from conflict-free regions, and ensuring these requirements are communicated throughout the entire upstream supply chain. The Company's new supplier onboarding evaluation process is illustrated below:



Supplier Evaluation System

To carefully select suppliers, we have established procedures for selecting qualified suppliers. Through appropriate management and evaluation, we ensure that raw material and component suppliers meet our company's and our customers' requirements regarding product quality, delivery times, pricing, and technical capabilities. We continuously improve these processes to ensure a stable supply source, minimize the risk of production disruptions caused by supply shortages, and build mutually trusting and stable partnerships with suppliers for mutual growth, thereby establishing sustainable supplier relationships.

TURVO has established a supplier management system and guidelines, conducts regular supplier evaluations and audits, and actively maintains good long-term cooperative relationships with suppliers. This approach reduces costs, enables fast and flexible delivery schedules, enhances product competitiveness, maximizes profits, and creates a win-win situation.

TURVO Supplier Evaluation System

Evaluation Object and Scope
- Main material suppliers must pass ISO9001 quality management system certificate

Evaluation Subject and Requirements
- Supplier specifications should comply with RoHS, REACH and other relevant legal and regulatory requirements, use conflict-free minerals, and simultaneously communicate this to the entire upstream supply chain.

Evaluation Frequency and Process
- Conduct regular quarterly evaluations of suppliers

Supplier Risk Management
- Requirements forbid suppliers from using child labor, forced labor or other severe labor violations.

Overseas Supplier Evaluation
- Overseas suppliers pass an EHS-CSR evaluation annually, in the following year, a self-assessment process may be arranged.

Determination and Disposition of Qualified Supplier Evaluation Results

Evaluation of Qualified Suppliers

NO.	Evaluation Criteria	Evaluation Criteria	Weight
1	Supply Compliance Indicators	Quality Reliability	60%
		On-time delivery	40%

Evaluation Results and Actions

Grade	Score	New Supplier Determination	Action for Existing Suppliers
A	≧90	Qualified (Excellent)	Suitable for procurement and delivery; may be considered for increased procurement volume; to be developed into a strategic partner supplier
B	≧80 to <90	Pass (Good)	Eligible for procurement and delivery
C	≥70 to <80	Pass (Good)	Available for purchase and delivery
D	<70	Non-compliant	Reduce procurement; set a deadline for corrective action and re-evaluation, while simultaneously seeking alternative suppliers; if the supplier remains non-compliant in the next quarter, procurement will be prohibited.

Due to industry characteristics and the maintenance of good relationships with existing suppliers, no new suppliers were added in 2025. The following table shows the evaluation results for existing suppliers of major raw materials:

Number and Grade of Major Raw Material Suppliers in 2025

Grade / Facility	Grade A	Grade B	Grade C Qualified Suppliers 70 points or higher	Grade D	Total
Taiwan	28	2	2	0	32

Supplier Audits

To manage supplier return rates, on-time delivery rates, and the frequency of disruptions to customer production lines, the company produces a "Supplier Evaluation Form" quarterly. After approval by the responsible manager, the form is filed for reference, and evaluation standards are implemented in accordance with the "Supplier Evaluation Form."

The company conducts second-party audits in accordance with the supplier audit plan, covering product safety/regulatory requirements, supplier performance, and the level of quality management system certification. Procurement and outsourcing personnel audit suppliers based on the “Supplier Audit Report” and maintain records for reference. Based on the audit results, a supplier audit non-conformity report is issued, and corrective guidance is provided. Continuous improvement of non-conformities is required; if a supplier lacks the ability to improve, procurement from that supplier is prohibited.

Supplier Guidance

- Suppliers rated at Grade D are designated as priority candidates for guidance.
- After the guidance period is completed, the supplier’s overall performance is re-evaluated based on the supplier audit.
- If the supplier still fails to meet requirements after the audit and evaluation, measures such as reducing purchase volume, suspending, or terminating procurement will be taken.

Supplier Communication

- For any supplier issues, we will promptly arrange a meeting to jointly review and discuss improvements and propose solutions.
- During the procurement supplier evaluation process, we will understand the supplier’s cooperation plans and direction during site visits.
- In the future, we plan to hold regular supplier conferences to communicate with suppliers, convey company goals, promote initiatives, and recognize outstanding suppliers.

4.4.4 Local Procurement

TURVO views suppliers as key partners in the company’s sustainable operations. We aim to collaborate with the entire supply chain to create a sustainable industrial environment. In terms of procurement strategy, TURVO not only selects high-quality suppliers but also prioritizes local sourcing—defined as situations where the supplier’s manufacturing facility is located in the same country as TURVO’s production sites.

To support the local economy and employment opportunities near our production sites, TURVO prioritizes local suppliers in our procurement decisions. By actively implementing local sourcing of materials, we reduce unnecessary air and sea freight costs and lower the carbon footprint generated during material transportation. This not only fulfills our environmental responsibility to conserve energy and reduce carbon emissions but also directly lowers procurement costs.

For TURVO’s partner suppliers, we categorize them by procurement type into: primary material (raw material) and secondary material (component) suppliers. The breakdown of local versus overseas procurement for TURVO’s raw materials by suppliers managed by the Taiwan plant in 2025 is as follows:

Percentage of Local Procurement for Primary/Secondary Material Suppliers in 2025

Procurement Region / Number of Suppliers	Taiwan	
	Primary	Secondary
Number of local suppliers	21	543
Total number of suppliers	30	558
Local procurement ratio	70.00%	97.31%

The following table shows the percentage of local suppliers for TURVO’s primary and secondary raw materials in 2025

Primary / Secondary / Procurement Region	Number of primary and secondary raw material suppliers in 2025	
	Primary	Secondary
Taiwan	70.00%	97.31%
Other (including China)	30.00%	2.69%
Total	100%	100%

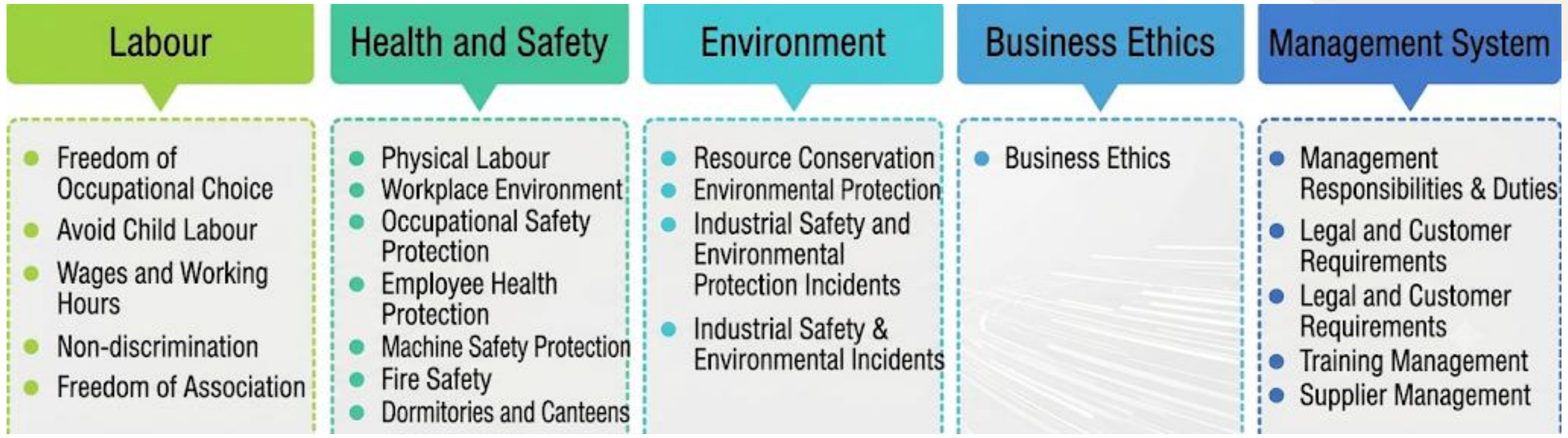
4.4.5 Supplier Social Responsibility Implementation

To establish a sustainable supply chain and support the sustainable operations of our supply chain, TURVO places great emphasis on the sustainable management of suppliers. Prior to engaging with any supplier, the Company conducts a supplier review process. In addition to ensuring the supplier's ability to deliver quality products, meet delivery deadlines, offer competitive pricing, and provide satisfactory service, we require suppliers to comply with relevant regulations regarding occupational safety and health, environmental protection, and human rights. Together, we are committed to enhancing corporate social responsibility and building a sustainable partnership.

Additionally, the Company has developed a Supplier Corporate Social Responsibility Commitment based on the guidelines of the Responsible Business Alliance (RBA). The scope of social responsibility that suppliers are required to commit to includes labor, health and safety, the environment, ethical standards, and management systems. This ensures that suppliers maintain safe working environments, treat employees with respect and dignity, conduct business operations in an environmentally responsible manner, and adhere to ethical standards. The Company requires suppliers to minimize risks related to the environment, human rights/labor, corporate ethics, and labor standards, as well as to proactively prevent production stoppages resulting from strikes, thereby establishing a mutually beneficial relationship with suppliers.

TURVO requires its supplier partners to adhere to the RBA Code of Conduct and sign the "Supplier Integrity, Integrity, and Confidentiality Pledge," committing that all activities conducted comply with relevant laws and ethical standards. We plan to hold supplier conferences in the future to continuously explain TURVO's sustainable management goals and policies to suppliers. We will then conduct regular audits to verify whether suppliers' sustainable development performance meets the requirements of various management systems, ensuring that suppliers consistently meet our expectations.

Five key areas of the Supplier Social Responsibility Management Self-Assessment Form:



Item \ Annual	2024	2025
Number of New Suppliers (Note 1)	11	17
Number of supplier evaluations (Note 2)	536	630

Note 1: The supplier survey covers newly selected outsourcing or raw material suppliers for each fiscal year.
Note 2: The number of supplier evaluations refers to vendors evaluated each quarter.

4.4.6 Ethical Procurement

Working with suppliers to create a sustainable environment is one of TURVO's key development priorities; therefore, we aim to influence our suppliers' sustainability management practices through our procurement activities. To this end, we have made clear our commitment to not using raw materials containing conflict minerals and require suppliers to comply with relevant RoHS and REACH regulations, use raw materials sourced from regions free of conflict minerals, and communicate these requirements throughout their entire upstream supply chain. We also require suppliers to commit to not using prohibited or restricted substances and to provide Hazardous Substance Free (HSF) test reports. For suppliers of raw materials identified through R&D assessments as having or potentially having a significant impact on environmental aspects, the procurement department requires them to comply with environmental management and relevant regulatory requirements to the greatest extent possible to reduce potential pollution.

Compliance with Hazardous Substance Management Regulations

To safeguard health and environmental safety, TURVO complies with the EU RoHS Directive (2011/65/EU), the EU REACH Regulation, and California Proposition 65. We are also committed to adhering to the relevant requirements regarding chemical substances set by various countries and our customers, and we require suppliers to comply with regulations governing restricted or prohibited hazardous chemicals.

Responsible Mineral Sourcing

TURVO currently has agreements with suppliers to use raw materials sourced from non-conflict regions. Together with our suppliers, we adhere to the Responsible Business Alliance (RBA) Code of Conduct, committing to not procure or use materials from conflict-affected and high-risk regions. We communicate our policy prohibiting the use of conflict minerals to suppliers, requiring their commitment and compliance, and trace the origins of tantalum, tungsten, tin, gold, and cobalt used in our products. Additionally, suppliers are required to comply with relevant laws and regulations regarding RoHS and REACH, use raw materials sourced from non-conflict regions, and ensure these requirements are communicated throughout the entire upstream supply chain. This guarantees that all materials, products, or components delivered to TURVO do not contain conflict metals, either directly or indirectly.

05

Inclusive Workplace

A Workplace that Cares

To build a sustainable enterprise, one of TURVO's sustainability missions is a friendly workplace: attracting and retaining talent (compensation and benefits), employee training and development, promoting harmonious labor-management relations, training and development, safeguarding human rights and occupational health and safety, and employee care and support. The short-, medium-, and long-term indicators for personnel management are as follows:

	Short-Term Targets (2025–2026)	Mid-Term Targets (2027–2029)	Long-Term Targets (2030 and Beyond)
Labor-Management Relations	Total Turnover Rate: <10%	Total Turnover Rate: <5%	Total Turnover Rate: <4%
	Retention Rate for New Taiwanese Hires (After 3 Months): 65%	Retention Rate (After 3 Months): 75%	Retention rate (after 3 months): 90%
Training and Development	Pre-employment training program (pre-employment training center), Number of recruits ≥ 2	Pre-employment training program (Vocational Training Center pre-employment system), Number of participants: ≥3	Pre-employment Training Program (Vocational Training Center Pre-employment Program), Number of participants ≥ 4
	Average training hours per person: 12 hours	Average training hours per person: 12 hours	Average training hours per person: 12 hours
	New Employee Training Test Pass Rate: 100%	New employee training test pass rate: 100%	New employee training test pass rate: 100%
Protection of Human Rights	Zero cases of workplace harassment or bullying	Zero cases of workplace harassment or bullying	Zero cases of workplace harassment or bullying
	1 employee complaint/mediation case	Employee complaints/mediation cases: 1	Employee complaints/mediation cases: 1
Occupational Safety and Health	Health check-up participation rate: 90%	Health check-up participation rate: 90%	Health check-up participation rate: 90%
	Serious occupational accidents ≤ 0 per year	Serious occupational accidents ≤ 0 per year	Serious occupational accidents ≤ 0 per year
	Maintain 0 cases of occupational diseases caused by chemical exposure	Maintain 0 cases of occupational diseases caused by chemical exposure	Maintain 0 cases of occupational diseases caused by chemical exposure
	Frequency of disabling injuries (FR) ≤ 3 Disabling Injury Severity (SR) ≤ 200 Comprehensive Injury Index (FSI) ≤ 1	Frequency of disabling injuries (FR) ≤ 2.8 Disabling Injury Severity (SR) ≤ 180 Composite Injury Index (FSI) ≤ 0.8	Frequency of disability injuries (FR) ≤ 2.5 Disability Injury Severity (SR) ≤ 150 Comprehensive Injury Index (FSI) ≤ 0.6

Talent Development, Sustainability Goals, and Performance

TURVO is committed to creating a friendly workplace environment that prioritizes employee care and well-being, fulfilling its responsibilities in talent selection, development, utilization, and retention to serve as the driving force behind the company's sustainable development and continuous growth. Based on the aforementioned labor-management relations, training and development, human rights protection, and health and safety, and has achieved the performance targets and achievement rates for the past two years (as shown in the table below). This ensures the retention of competent, stable, and high-potential talent, thereby securing the company's competitive edge for sustainable development.

	2026 Targets	2025 Targets	2025 Performance Achievement	
Labor-Management Relations	Total Turnover Rate: <10%	Total Turnover Rate: <10%	Total Turnover Rate: 28.06%	Not Achieved
	Retention Rate for New Taiwanese Hires (After 3 Months): 75%	Retention rate for Taiwanese new hires (after 3 months): 65%	Retention rate for Taiwanese new hires (after 3 months): 75%	Achieved
Training and Development	Pre-employment Training Program (Pre-employment Training Center) Number of recruits ≥ 2	Pre-employment Training Program (Pre-employment at Vocational Training Center) Number of accepted applicants ≥ 2	Pre-employment Training Program (Pre-employment at Vocational Training Center) Number of accepted applicants ≥ 2	Achieved
	Average training hours per person: 12 hours	Average training hours per person: 12 hours	Average training hours: 20.47 hours	Achieved
	New employee training test pass rate: 100%	New employee training test pass rate: 100%	New employee training test pass rate: 100%	Achieved
Labor-Management Relations	Total Turnover Rate: <10%	Total Turnover Rate: <10%	Total Turnover Rate: 28.06%	Not Achieved
	Retention Rate for New Taiwanese Hires (After 3 Months): 75%	Retention rate for Taiwanese new hires (after 3 months): 65%	Retention rate for Taiwanese new hires (after 3 months): 75%	Achieved
Training and Development	Pre-employment Training Program (Pre-employment Training Center) Number of recruits ≥ 2	Pre-employment Training Program (Pre-employment at Vocational Training Center) Number of accepted applicants ≥ 2	Pre-employment Training Program (Pre-employment at Vocational Training Center) Number of accepted applicants ≥ 2	Achieved

	2026 Targets	2025 Targets	2025 Performance Achievement	
Protection of Human Rights	Workplace harassment/bullying: 0 cases	Workplace Harassment/Bullying: 0 cases	Workplace harassment/bullying: 0 cases	Achieved
	Employee complaints/mediation cases: 1	Employee complaints/mediation cases: 1	Employee complaints/mediation cases: 0	Achieved
Occupational Safety and Health	Health check-up participation rate: 90%	90% health check-up participation rate	90% health check-up participation rate	Achieved
	Serious occupational accidents ≤ 0 per year	Serious occupational accidents ≤ 0 per year	0 serious occupational accidents per year	Achieved
	Maintain 0 cases of occupational diseases caused by chemical exposure	Maintain 0 cases of occupational diseases caused by chemical exposure	Maintain 0 cases of occupational diseases caused by chemical exposure	Achieved
	Disabling injury frequency ≤ 2.8	Frequency of disabling injuries ≤ 9.8	Disabling injury frequency: 9.8	Not achieved
	Disability injury severity ≤ 180	Disability injury severity ≤ 31	Disability injury severity 31	Met
	Composite Injury Index (FSI) ≤ 0.8	Functional Severity Index (FSI) ≤ 0.43	Functional Severity Index (FSI) 0.43	Met

Note:
*1. Frequency of Disabling Injuries (FR) = (Number of disabling injuries × 1,000,000) / Total hours worked
*2. Severity of Disabling Injuries (SR) = (Number of lost workdays due to disabling injuries × 1,000,000) / Total man-hou
*3. Comprehensive Injury Index (FSI) = √(Frequency of Disabling Injuries × Severity of Disabling Injuries / 1,000
*4. The company has been continuously implementing a number of improvement measures, including optimizing new employee training and support systems, strengthening managers' leadership and communication skills, and reviewing the competitiveness of its compensation and benefits programs to stay attuned to employee needs. These efforts are aimed at enhancing employee retention and organizational stability.

5.1 Talent Policy and Commitment

TURVO complies with labor-related laws and regulations, has formulated the "Work Rules" and "Occupational Safety and Health Guidelines," which have been submitted to the competent government authorities for approval and filing. We legally safeguard labor conditions and protect employees' rights to occupational safety and health, providing a healthy and safe working environment, establishing diverse and open channels for labor-management communication, and offering fair compensation and promotion opportunities, a comprehensive training and development system, fostering professional ethics and protecting trade secrets, a robust welfare system, and a warm and harmonious work atmosphere. Through incentive bonuses, we enable employees to contribute their abilities and achieve results with peace of mind, growing and developing alongside the company to lay a solid foundation for sustainable operations.

Corporate Sustainability Policy

Guided by the principle of integrity in business operations, TURVO upholds a management philosophy of "Innovation, Professionalism, Speed, and Flexibility." We are committed to implementing a sustainable development policy centered **on "Environmental Protection, Employee Care, Workplace Friendliness, Social Prosperity, Integrity in Business, and Full Employee Participation."**

To promote labor rights, in addition to complying with Taiwan's "Labor Standards Act" and relevant laws and regulations, we have established internal policies—including work rules that have been filed for approval, guidelines for the prevention of sexual harassment, anti-corruption and anti-bribery measures, fair trade practices, and complaint procedures—and set up management mechanisms to safeguard the rights and interests of our colleagues. To ensure that employees can fully express their opinions, we have installed "Employee Suggestion Boxes" on the factory premises and established personal data protection mechanisms to prevent unfair treatment of individuals. We are committed to maintaining good labor-management relations and implementing various personnel management systems that foster a friendly workplace and care for our employees. In compliance with our human rights policies regarding employee care and a friendly workplace, we pledge:

Not to employ child labor under the age of 16	To prohibit all forms of forced labor
To respect employees' rights to freedom of association and collective bargaining	To prohibit any form of discrimination, harassment, or retaliation
To provide reasonable wages and benefits	Provide diverse communication channels to maintain harmonious labor-management relations
Provide a safe working environment and implement preventive measures	Ensuring employment opportunities for people with disabilities

5.2 Cultivating Talent

As the broader environment changes and the times become turbulent, industry competition is also influenced by international trends. Therefore, TURVO insists that its R&D efforts must remain at the cutting edge of industry trends to overcome the disruptions caused by shifts in the broader environment. Consequently, TURVO is committed to expanding the size of its R&D team and continuously recruiting top-tier and outstanding talent from the industry. This injects fresh energy into product development and corporate management, ensuring that our management philosophy remains at the forefront of the industry and does not fall behind.

Talent is a vital asset to the company, and we are committed to creating a challenging, sustainable, and enjoyable work environment. In addition to determining salary levels based on employees' educational and professional backgrounds, expertise, and years of experience to recruit qualified and stable talent, we have established personnel management systems that include an industry-competitive total compensation strategy, talent cultivation and development mechanisms, performance evaluations and promotions, diverse benefit programs, and a statutory retirement system.

To ensure competitiveness in the labor market, the company has established a Compensation Committee (comprising three members) that meets twice annually to discuss proposals regarding compensation for directors and supervisors as well as employee compensation distribution, which are then submitted to the Board of Directors for approval. For details on the operation of the Compensation Committee, please refer to the internal regulations titled "Operational Management Procedures for the Compensation Committee."

Each year, TURVO formulates a business plan. Hiring units determine their department's staffing needs and direction for the new year, submit staffing requests to the Human Resources Department based on actual needs, and the Human Resources Department then posts job openings and internal transfer opportunities through various recruitment channels. Employees can enhance their professional capabilities through internal transfers. A dedicated section for internal job openings has been established to help employees proactively apply for company positions in accordance with their personal career plans.

1). Recruitment Sources

In 2025, talent recruitment channels will encompass a multi-faceted approach, including job portals, campus recruitment, employee referrals, vocational training centers, government employment service stations, job fairs, off-site recruitment banners, headhunting firms, university partnerships, online recruitment, and internal recruitment; We will continue to target top talent with relevant science and engineering backgrounds or interdisciplinary integration capabilities. We will actively develop high-value-added products and services, such as automotive components, as well as AI-related water-cooling connector components, to increase production capacity, enhance machine automation, and drive profit growth.

As of December 2025, TURVO had a workforce of 431 employees. Over the past two years, women have outnumbered men in the workforce. TURVO treats all job applicants equally and does not discriminate on the basis of gender or disability. Through diverse recruitment channels, the company hires more women and individuals with disabilities, enabling them to realize their personal potential and contribute to the company and the industry. The breakdown is as follows:

Categorized by job category, age, and nationality

Category	Item	2024				2025			
		Female		Male		Female			Male
		Number	%	Number	%	Number	%	Number	%
Job Category	Direct	130	31.03%	68	16.23%	121	28.07%	94	21.81%
	Indirect	74	17.66%	78	18.62%	73	16.94%	69	16.01%
	Management	27	6.44%	42	10.02%	28	6.50%	46	10.67%
Total		231	55.13%	188	44.87%	222	51.51%	209	48.49%
Grand Total		417				431			
Domestic	Under 30	24	5.73%	19	4.53%	23	5.34%	20	4.64%
	Ages 31–50	115	27.45%	115	27.45%	116	26.91%	128	29.70%
	51 and older	10	2.39%	26	6.21%	13	3.02%	25	5.80%
Foreign nationals	Under 30	38	9.06%	16	3.82%	26	6.03%	25	5.80%
	Ages 31–50	44	10.50%	12	2.86%	44	10.21%	11	2.55%
	51 and older	0	0%	0	0%	0	0%	0	0%
Total		231	55.13%	188	44.87%	222	51.51%	209	48.49%
Grand Total		417				431			

Classified by working hours and contract type

Category	Item	2024				2025			
		Female		Male		Female		Male	
		Number	%	Number	%	Number	%	Number	%
Hours Worked	Full-time	228	54.68%	188	45.08%	221	99.55%	207	99.04%
	Part-time	1	0.24%	0	0%	1	0.45%	2	0.96%
Total:		229	54.92%	188	45.08%	222	51.51%	209	48.49%
Grand Total:		417				431			
Contract Type	Regular	229	54.92%	188	45.08%	222	100%	209	100%
	Contract	0	0%	0	0%	0	0%	0	0%
Total:		229	54.92%	188	45.08%	222	51.51%	209	48.49%
Grand Total:		417				431			

Information on Non-Employees for 2025

The plant's operations also outsource catering, security, janitorial services, and dormitory management to contractors, as detailed below:

Contract Projects	Number of Companies	Summary of Job Responsibilities
Catering Services	1	1. Meals are provided by an outsourced catering company. 2. Responsible for cleaning and disposing of trash in the kitchen area.
Security Services	1	1. Access control is managed by the system; non-employees and visitors must register with the switchboard upon entry and exit. 2. Monitor the perimeter of the facility to maintain public safety and reduce the risk of theft or other hazards.
Outsourced Dormitory Management	3	1. A contracted agency will transport workers to medical appointments or other services. 2. The outsourced dormitory management unit is responsible for environmental maintenance, interior tidiness, cleanliness of the surrounding area, and other related matters. 3. The outsourced dormitory management unit is responsible for maintenance and equipment repair management.

Ratio of New Hires and Departures by Gender

To encourage diversity and promote an equitable work environment, we evaluate candidates during interviews based on their abilities and suitability for the position, without discrimination based on gender, religion, race, nationality, or political affiliation. However, disparities in turnover rates based on age or gender may indicate the presence of unreasonable or latent unfairness in the workplace. Therefore, hiring and turnover rates are calculated based on the number of individuals in each category to facilitate comparisons across different groups.

Year	2024		2025	
Item	Female	Male	Female	Male
New Hires	89	89	61	71
Percentage of new hires	50%	50%	46.21%	53.79%
Number of resignations	75	78	70	49
Turnover rate	49.02%	50.98%	58.82%	41.18%
Total number of employees at the beginning of the period	392		417	
Total number of employees at the end of the period	419		431	

Employment of Persons with Disabilities

In accordance with Taiwan's "Act on the Protection of the Rights and Interests of Persons with Disabilities," the number of persons with disabilities with employment capacity hired by a company must not be less than 1% of the total workforce. If the weighted total falls short of this standard, the company must periodically pay a "shortfall subsidy" to the Employment Foundation for Persons with Disabilities, which is the competent authority for labor affairs.

TURVO provides full-time employment opportunities to individuals with disabilities. As of December 31, 2025, the company employed 5 individuals with disabilities (1 more than the legal requirement), with the weighted proportion of such hires reaching approximately 1.19% of the total workforce. The Company adopts a people-oriented management approach, fostering a concept of mutual coexistence and win-win outcomes between labor and management. Labor-management relations are harmonious, and in 2025, there were no instances of labor-management disputes resulting in losses.

5.3 Training and Development

To ensure employees possess the necessary job skills, each department may organize its own training programs or participate in external training courses, with flexible adjustments made based on individual needs. The company provides effective training plans for career development and periodically invites professional instructors to deliver lectures on specialized and technical topics.

Continuing Education and Training System and Policies

Each year, an annual training plan is formulated in accordance with the company's operational plan and training framework (as illustrated), encompassing cultural monthly meetings, new employee orientation, core competency training, specialized skills training, and management and leadership courses. The new employee training curriculum includes the company's history, organizational structure, business philosophy, corporate culture, the Code of Business Integrity, labor and human rights laws, regulations and policies, quality policy, occupational safety and health, as well as an introduction to the company environment and benefits. This helps employees become familiar with the work environment and company systems.

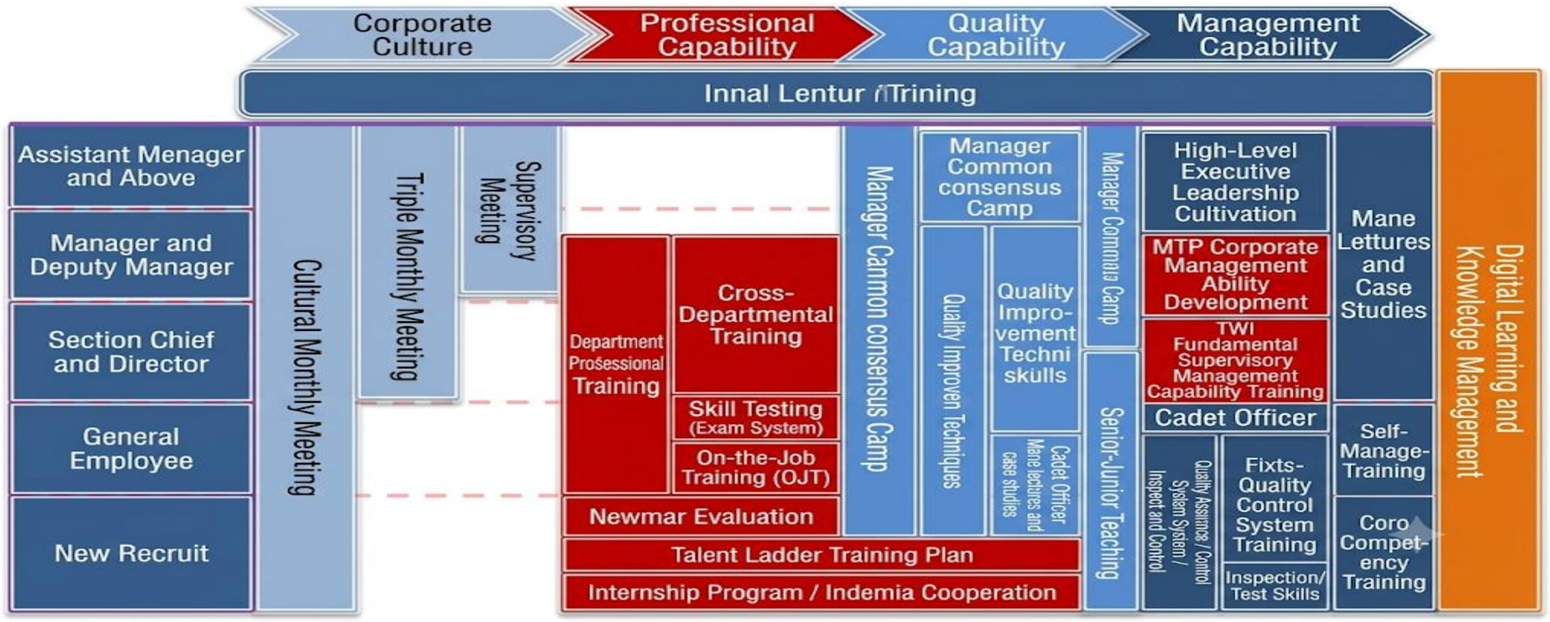
During their tenure, based on the competencies required for different roles and job levels, the company schedules common core competency courses and specialized skill training to enhance employees' job-related capabilities at all levels and provide a roadmap for their future career development. Through the training system's tracking and management, the company monitors the progress of training programs, generates tangible training benefits, cultivates talent that meets organizational development needs, and ensures the company's sustainable growth.

Average Employee Training Hours

In 2024, the total number of employee training hours was 9,096.5, with an average of 15.15 hours of training per employee per year; in 2025, the total number of employee training hours was 11,280.99, with an average of 20.47 hours of training per employee per year. The following table shows the total number of employee training hours for the past two years:

Year / Employee Department	2024	2025
Board of Directors + Chairman’s Office + Audit Department	28.0	292.49
General Manager's Office	195.0	238.50
General Administration Office + Occupational Safety and Health Office + TURVO Academy	3,588.5	1,176.50
Financial Management Office	111.5	387.50
Taiwan Plant (TURVO)	3,893.0	8,505.50
R&D Division (to be merged with Taiwan Plant TURVO in 2025)	149.0	-
Product Division (to be merged with Taiwan-based TURVO in 2024)	1,011.5	-
Business Division	120.0	626.50
Overseas Staff	-	54.00
Total hours:	9,096.5	11,280.99
Average hours:	**15.15**	**20.47**

Note: Annual average hours = Total annual hours / (Total number of employees on December 31 of the previous year + Total number of new hires for the current year)



Performance Management and Employee Development

Employee Career Development

Performance evaluations help strengthen the company’s human resources system and further improve the overall management framework. At TURVO, new employees undergo a probationary period evaluation three months after joining the company. This process helps managers and colleagues understand the company’s expectations regarding behavior, results, and personal characteristics, enabling everyone to work toward common goals. Managers conduct fair, reasonable, and objective performance evaluations in accordance with operational guidelines, ensuring that every team member clearly understands their role and strives to meet the performance requirements of their respective positions. At the same time, employees are provided with clear work objectives and future performance improvement strategies to achieve overall business goals. In 2025, a total of 413 employees participated in the annual performance evaluation.

The purpose of this system is not only to ensure consensus between employees and supervisors regarding work objectives but also to utilize the system effectively by adjusting its focus to a mechanism that prioritizes “employee development” while using “performance evaluation” as a supporting function. This approach ensures the system balances both evaluative and developmental objectives. We hope to cultivate and develop employees’ individual capabilities, enabling them to master their roles proficiently, become the right-hand people of their supervisors and pillars of the company, and thereby enhance the company’s competitiveness and overall organizational effectiveness. At the same time, we fill management positions through internal recommendations, ensuring that promoted employees are placed in roles that best suit their talents and capabilities.

Performance Appraisal of New Taiwanese Employees: The number of employees evaluated in the past two years is shown in the table below

Year / Number of Employees Evaluated	2024	2025
	Number of Employees Evaluated	**Number of Employees Evaluated**
Total:	397	413

5.4 Compensation and Benefits

Material Issues: Compensation and Benefits	
Policy	Provide competitive compensation and benefits to attract and retain talent.
Objective	Balance considerations of industry competitiveness, the macroeconomy, and the sustainable development of corporate culture to establish salary management guidelines and benefit systems that attract and retain key talent.
Commitment	Utilize due diligence and proactive communication to refine employee compensation and benefits, allocating funds based on operational profitability to reward employees.

Management Measures

- Provide a stable employee compensation structure in accordance with the Company's compensation and benefits system.
- Allocate funds for employee benefits and administer benefit programs in accordance with the provisions of the "Articles of Organization of the Employee Benefits Committee."
- Performance evaluations help strengthen the Company's human resources system, thereby fostering and developing employees' individual capabilities.

Talent is a vital asset to TURVO. The company offers a comprehensive compensation strategy that is competitive within the industry to attract and retain outstanding talent, serving as the foundation for the company's sustainable growth. In addition to salary adjustments upon promotion, annual salary adjustments are made based on individual performance to maintain the company's overall compensation competitiveness. In accordance with the company's articles of incorporation, 3.5% to 7% of operating profits are allocated as employee bonuses. This initiative aims to attract and retain outstanding talent, reward employees who make significant contributions, and thereby boost morale and enhance work efficiency.

Compensation Policy for the Highest Governing Body and Senior Management

1. Policy, Standards, and Composition of Remuneration

The remuneration of the Company's directors is determined in accordance with Article 23 of the Company's Articles of Incorporation, which states: "The Board of Directors is authorized to determine the remuneration of all directors based on their level of participation in the Company's operations and the value of their contributions, taking into account the customary levels in the industry".

Furthermore, if the Company generates a profit for the fiscal year, in accordance with Article 26 of the Company's Articles of Incorporation, "the Company shall, based on the profit for the fiscal year (i.e., pre-tax profit before deductions for employee distributions and directors' remuneration) and after deducting accumulated losses, allocate no more than 1.7% of the remaining balance for directors' remuneration." The Company periodically evaluates directors' remuneration in accordance with the "Board of Directors Performance Evaluation Guidelines" and the "Remuneration Guidelines for Independent Directors, Directors, and Executives." The relevant performance evaluations and the reasonableness of compensation are reviewed by the Compensation Committee and the Board of Directors.

The Company's executive compensation is determined in accordance with the "Regulations on Salaries and Remuneration for Independent Directors, Directors, and Executives" to recognize and reward employees for their hard work. Relevant bonuses are granted based on the Company's annual operating performance, financial condition, operational status, and individual work performance; Additionally, if the Company generates a profit in the current fiscal year, in accordance with Article 26 of the Company's Articles of Incorporation, "the Company shall, based on the profit for the current fiscal year (i.e., pre-tax profit before deductions for employee and director remuneration), deduct accumulated losses; if a surplus remains, 3.5% to 7% of the surplus shall be allocated for employee remuneration."

The results of performance evaluations conducted in accordance with the "Performance Appraisal Management Measures" shall serve as a reference for the issuance of bonuses to managers. The performance evaluation criteria for managers consist of a composite score based on departmental operational performance and individual performance.

2. Procedures for Determining Remuneration:

To periodically evaluate the compensation of directors and managers, the Company refers to the evaluation results conducted in accordance with the Company's "Board of Directors Performance Evaluation Regulations" and the "Performance Appraisal Management Regulations" applicable to managers and employees, Furthermore, the performance evaluations and the reasonableness of compensation for the Company's directors and managers are subject to annual review and approval by the Compensation Committee and the Board of Directors.

In addition to considering individual performance achievement rates and contributions to the Company, the review takes into account the Company's overall operational performance, future industry risks, and development trends. The compensation system is also reviewed as needed in light of actual business conditions and relevant laws and regulations to strike a balance between the Company's sustainable operations and risk management.

3. Correlation between Operational Performance and Future Risks:

The review of the Company's compensation policy, including relevant payment standards and systems, is primarily based on the Company's overall operational performance. Payment standards are determined based on performance achievement rates and contributions to enhance the effectiveness of the Board of Directors and the entire organizational team.

The performance objectives of the Company's management are integrated with risk management to ensure that potential risks within their scope of responsibility are managed and mitigated. Performance ratings are assigned based on actual performance outcomes and linked to relevant human resources and compensation policies. The Company's management makes key decisions after carefully balancing various risk factors; the performance of these decisions is reflected in the Company's profitability, and consequently, management compensation is linked to risk management performance.

The compensation structure includes: salary, allowances, festival bonuses, quarterly bonuses, and long-service awards. The salaries and headcount of full-time employees in non-managerial positions for the past three years are as follows:

Year	Average Salary Unit (NTD: dollars)	Median Salary Unit (NT$)	Number of full-time employees not in managerial positions
2023	631,000	522,000	340
2024	770,000	626,000	329
2025	649,000	596,000	471

The following table summarizes employee benefits, depreciation, and amortization expenses for fiscal years 2024 and 2025 by function (in thousands of NT$):

Function / By Nature	2024			2025		
	Classified as Operating Costs	Classified as operating expenses	Total	Classified as cost of sales	Classified as operating expenses	Total
Employee benefit expenses	17,964	21,267	39,231	19,476	17,660	37,136
Salary expenses	404,643	328,204	732,847	394,843	262,560	557,403

- Employee compensation expenses for 2023 and 2024 were NT$634,775 thousand and NT$732,847 thousand, respectively, representing an increase of approximately 15.5%.
- Employee benefit expenses for 2023 and 2024 were NT$32,392 thousand and NT$39,231 thousand, respectively, representing an increase of approximately 21.1%.
- Employee compensation expenses for 2024 and 2025 were 732,847 thousand yuan and 657,403 thousand yuan, respectively, representing a decrease of approximately 10.29%.
- Employee benefit expenses for 2024 and 2025 were 39,231 thousand yuan and 37,136 thousand yuan, respectively, representing a decrease of approximately 5.3%.

Employee Benefits

TURVO allocates employee welfare funds in accordance with the "Employee Welfare Fund Act" to administer welfare programs. Insurance benefits are provided to employees in accordance with relevant laws and regulations; statutory insurance includes Labor Insurance and National Health Insurance, and the Company supplements these with accident insurance and group insurance.

1. **Employee Health Care**: In accordance with regulations, the Company employs on-site nurses to provide employees with immediate nursing resources. A doctor is stationed on-site monthly, and employees may voluntarily request consultations. The Company proactively contacts injured or ill employees via phone and conducts timely return-to-work assessments. A free annual occupational health examination is provided to ensure employees' health.
2. **Family-Friendly Policies**: Breastfeeding rooms are available at all facilities. The Employee Welfare Committee has signed agreements with nearby childcare institutions to provide employees with diverse childcare options.
3. **Emergency Assistance**: In accordance with TURVO's Regulations on the Management of Weddings, Funerals, and Other Special Occasions, support is provided to employees and their dependents in cases such as hospitalization due to illness.

Other employee benefits are listed in the table below

Allowances and Subsidies	Other Benefits
Dinner allowances, travel allowances, maternity allowances, marriage allowances, hospitalization allowances, funeral condolence payments, birthday gifts, three major holiday bonuses, Labor Day gifts	Partner Stores, Free Parking, Family Day, Meal Subsidies,
2025 Christmas Carnival Event 	2025 Family Day Event 

Employee Pension

The pension plan is designed in accordance with the "Labor Standards Act" and the "Labor Pension Act" to safeguard employees' future pension benefits.

Retirement Eligibility:

Employees may voluntarily retire if they meet any of the following conditions:

1. Those who have served for 15 years or more and are at least 55 years of age.
2. Those with 25 or more years of service.

The Company may mandate retirement for employees who meet any of the following conditions:

1. Those who have reached the age of 65.
2. Those who are mentally incapacitated or physically disabled and unable to perform their duties.

New Pension System Contributions: The Company contributes 6% of an employee’s monthly salary, based on the applicable contribution schedule, to the employee’s individual pension account at the Bureau of Labor Insurance.

Leave of Absence

In accordance with government regulations, TURVO allows all eligible employees, regardless of gender, to apply for this program.

(Taiwan Headquarters) Category/Year/Gender	2024			2025		
	Male	Female	Total	Male	Female	Total
Number of employees eligible for parental leave in the current year	0	7	7	6	4	10
Number of employees who applied for parental leave during the year	1	4	5	0	1	1
Number of employees eligible for reinstatement in the current year (A)	2	3	5	0	1	1
Number of employees returning to work during the year (B)	1	3	4	0	0	0
Return-to-work rate (B/A)	50%	100%	—	0%	0%	—
Number of employees who were required to return to work and actually returned to work following parental leave in the previous year (C) (2023, 2025)	1	2	3	0	2	2
Number of individuals who have been on parental leave for more than 12 months past their return-to-work date (D) (2023, 2025)	1	2	3	0	2	2
Retention Rate (D/C)	100%	100%	—	0%	100%	—

Note: Return-to-work rate = Actual total number of employees after parental leave (B) / Total number of employees expected to return to work after parental leave (A) * 100%
Retention Rate = Total number of employees still on staff 12 months after completing parental leave (D) / Total number of employees who returned to work after completing parental leave during the previous reporting period (C) * 100%

5.5 Respect for Human Rights

TURVO complies with labor laws and regulations and has established management guidelines for foreign workers to safeguard employees' labor rights and interests.

Commitment: 100% compliance with relevant labor laws and regulations; management measures include establishing a code of conduct for the protection of workers' human rights and regularly assessing the risk of forced labor.

TURVO is committed to complying with Taiwan's labor-related laws and has established a code of conduct for the protection of workers' human rights, covering working hours, wages, humane treatment, non-discrimination, anti-workplace bullying, and freedom of association. We also comply with regulations regarding the prevention of sexual harassment, workplace protection for pregnant women, protection against unlawful harm while performing duties, and occupational safety and health prevention measures for middle-aged and elderly workers. Standards include the prohibition of child labor and the protection of adolescent workers from night work; regarding foreign workers, we comply with labor regulations to ensure their labor rights are protected. If violations are identified during regular risk assessments, we disclose the information to the relevant supervisors and issue reminders to ensure that similar situations do not recur.

Item	Risk Assessment	Objective	Control Measures
Prohibition of Forced Labor	Internal Control of Working Hours.	Do not compel or coerce unwilling individuals to perform labor.	• Working hour management • Tracking of consecutive shifts and work on regular holidays.
Prohibition of Child Labor and Protection of Minors	Verify that interviewees are at least 18 years of age by checking their ID cards.	Policy: Prohibition of child labor; if minors are employed, they must be protected in accordance with the law.	• Working hour management for minors. • Prohibition of consecutive shifts, night shifts, and work on public holidays. • Provide channels for feedback.
Eliminate unlawful discrimination	In accordance with Taiwanese labor laws, the principle of non-discrimination must be clearly communicated during new hire interviews, employee training, and in processes related to compensation and promotion.	Do not ask for personal information unrelated to the job during new hire interviews; prohibit verbal discrimination between employees and their supervisors or colleagues.	Regularly review regulations and internal management systems to ensure compliance with legal requirements.

Item	Risk Assessment	Objective	Control Measures
Health and Safety Environment	• Conduct hazard identification and risk assessment. • Pay special attention to high-risk workstations and implement engineering controls or other preventive measures. • Implement occupational disease prevention measures to promote employees' physical and mental well-being.	Establish a corporate health and safety culture and create a supportive work environment.	• Establish measures for personal safety and workplace environmental protection. • Provide medical assistance, on-site nursing services, and on-site medical consultations by doctors and physical therapists. • Conduct staff training and awareness campaigns.
Work-Life Balance	Foster interpersonal interactions among colleagues through participation in family days and craft workshops.	Increase employee participation rates.	Strengthen on-site promotion by the Employee Welfare Committee to boost participation.

Implementation of various human rights indicators over the past two years

2024

- None reported / No incidents of discrimination
- No Freedom of association
- No incidents of child labor
- No incidents of forced or compulsory labor

2025

- None Discrimination
- None Prohibited Freedom of association
- No incidents of child labor
- No major incidents of forced or compulsory labor

5.6 Care and Communication – Human Rights Protection

TURVO provides various communication channels to promote communication and coordination between labor and management, gain a deeper understanding of employee satisfaction with management and welfare systems, and maintain good labor-management relations. Since its establishment, labor-management relations have been harmonious, with no losses resulting from labor disputes; the likelihood of future losses due to labor disputes is estimated to be extremely low.

Furthermore, through the Labor-Management Council, employee representatives can convey colleagues' suggestions and views on specific issues. Through discussions on the agenda, consensus is reached with the company, ensuring that communication channels remain open. At the same time, the Employee Welfare Committee, the Occupational Safety and Health Committee, and the Labor Retirement Reserve Supervision Committee have been established in accordance with the law and are officially operational after being submitted to the competent authorities for approval.

Currently, the Labor-Management Conference meets quarterly, and the Employee Welfare Committee and Occupational Safety and Health Committee also meet regularly. Each labor-management communication body fulfills its respective responsibilities, addressing different issues through communication, and works together to promote labor-management harmony and mutual prosperity, creating a mutually beneficial and win-win situation.

Through comprehensive communication channels and a diverse, two-way, and open feedback mechanism, we ensure that employees' concerns are effectively addressed and responded to by implementing employee communication and feedback systems. By handling matters fairly, confidentially, and promptly, we resolve employees' concerns and build sound labor-management relations.

Diversified Labor-Management Communication Channels

The Company respects employees' legally guaranteed rights to freedom of assembly and association, and does not oppose, prevent, or hinder employee assemblies. In the aforementioned labor-management communication bodies, with the exception of labor-management meetings, employee representatives outnumber management representatives. Additionally, the Company has established an Occupational Safety and Health Committee and an Employee Welfare Committee in accordance with the law. The number of representatives from both labor and management in 2025 is as shown in the table below:

Name of Communication Body	Employee Representatives	Management Representatives
Labor-Management Meeting	5	5
Occupational Safety and Health Committee	4	12
Employee Welfare Committee	13	1

Employee Feedback

Work Environment

- Install surveillance cameras at emergency exits to reduce blind spots on the factory premises and enhance workplace safety.
- Improve the environment and signage in waste storage areas to enhance safety and hygiene.
- Improve traffic flow signage, markings, and traffic control measures to enhance traffic safety within the facility.
- Increase noise measurements at the facility perimeter and actively work to reduce noise levels on the premises.
- Other recommendations related to the workplace, etc.

Handling of feedback from Labor-Management Council members

The Company's Labor-Management Committee consists of five management representatives and five labor representatives, who participate in relevant committee activities; Labor representatives on the Labor-Management Council are directly elected by all employees; the five candidates with the highest number of votes serve as labor representatives. Quotas are reserved for male, female, and foreign workers to ensure the voices of all categories of employees are represented. The Labor-Management Council is a consultative system established to coordinate labor-management relations, promote cooperation, and prevent various labor issues before they arise. Its fundamental principle is to encourage voluntary consultation and cooperation between labor and management, thereby enhancing communication between both parties, reducing confrontation and conflict, fostering consensus, pooling collective wisdom and potential, and working together to implement resolutions.

Topics for discussion at labor-management meetings

- Incentive bonuses for achieving sales targets.
- Distribution of festival bonuses.
- Company shareholders' meeting.
- Annual employee physical examinations and employee health consultation services.
- Matters regarding the distribution of employee compensation.
- Organization of the year-end banquet and coordination of related matters with employees.
- Matters related to the distribution of year-end bonuses.
- Establishing the company's official social media page to enhance two-way communication with employees.

Employee Suggestion Box

The company has established an employee suggestion box at the workplace for employees to express suggestions and opinions. We encourage employees to raise issues through normal management systems and channels; however, employees may use the [Employee Suggestion Box] to directly report the following matters.

- Matters for which a response cannot be obtained through normal channels.
- When illegal or unethical conduct is discovered within the company.
- When you have significant suggestions regarding the company's operations and management but are unable to raise them through normal management channels for any reason.
- To recognize outstanding colleagues for their significant, unsung contributions.
- Other matters that must be reported directly to a department manager or higher-level supervisor.

- **【Employee Suggestion Box】** Issues reported may include, but are not limited to, the following:
  - Anti-discrimination, anti-harassment, and prevention of abuse.
  - Prevention of forced labor involving involuntary workers.
  - Management of foreign labor recruitment agencies and protection of foreign workers.
  - Prevention of child labor, protection of minor workers, and protection of student workers.
  - Working hours, wages, benefits, and employment contracts.
  - Freedom of association and collective bargaining.
  - Occupational health and safety management, accident management, and emergency preparedness and response.
  - Dormitory and cafeteria management.
  - Hazardous waste management, wastewater management, stormwater management, air emissions management, and noise management at the facility boundary.

Employees or prospective employees who, in good faith, raise any questions, suggestions, complaints, or grievances to supervisors or management, or who participate in any way in the investigation or resolution of any of the above matters, shall not be subject to dismissal, blacklisting, discrimination, harassment, intimidation, retaliation, or other employment-related decisions.

In 2025, there were 0 reports all of which were resolved on schedule (anonymous letters).

Year	Number of Reports	Number of cases resolved
2025	0	0

5.7 Occupational Safety and Health

Material Issues: Occupational Safety and Health	
Policy	[Zero Workplace Accidents] A high-quality work environment that promotes health and safety
Objective	Identify all types of work and projects, conduct risk assessments and hazard identification, improve occupational safety systems, and enhance occupational health and safety performance.
Commitment	Provide a safe and healthy workplace to protect employees, contractors, and visitors. Comply with ISO 45001 and relevant regulations to implement hazard identification, training, and emergency response, and pursue continuous improvement.

Management Measures

- Based on the "ISO 45001 Occupational Health and Safety Management System" and the "Occupational Safety and Health Act."
- Comply with occupational safety and health laws and other requirements to establish hazard identification and mitigate occupational safety and health risks.
- Occupational safety and health system, including self-inspections and management.
- Occupational safety and health training, emergency response and drills, and workplace environmental monitoring.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Certificat
Certificate
N° 2024/108542.1 Page 1 / 1
AFNOR Certification certifies that the management system implemented by:
AFNOR Certification certifie que le système de management mis en place par :
TURVO INTERNATIONAL CO., LTD.
宇隆科技股份有限公司
for the following activities:
pour les activités suivantes :
MANUFACTURE OF PRECISION METAL PARTS.
精密金屬零件製造
has been assessed and found to meet the requirements of:
a été évalué et jugé conforme aux exigences requises par :
ISO 45001:2018
and is developed on the following locations:
et est déployé sur les sites suivants :
TURVO INTERNATIONAL CO., LTD.(PLANT 2)
宇隆科技股份有限公司(二廠)
NO.59,JING 2 RD., WUCI DIST TAICHUNG CITY 435059 TAIWAN
NO.27,JING 2 RD., WUCI DIST TAICHUNG CITY 435059 TAIWAN(PLANE 2)
This certificate is valid from (year/month/day) 2024-03-12 Until 2027-03-11
Julien NIZRI
Managing Director of AFNOR Certification
Directeur Général d'AFNOR Certification
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TURVO is committed to providing employees with a safe, healthy, and high-quality workplace while ensuring the safety of contractors and visitors. Based on the "ISO 45001 Occupational Health and Safety Management System" and the "Occupational Safety and Health Act," we have established occupational health and safety guidelines to assist departments in identifying operational hazards, establishing safe work standards, and preventing potential accidents.

We assess, improve, or control risks and opportunities to enhance occupational safety and health performance and reduce related risks. Following the successful transition to the ISO 45001 system in 2020, TURVO continues to oversee occupational safety and health audits and implement our safety and health policies. Through the Plan-Do-Check-Act (PDCA) cycle, we continuously improve TURVO's occupational safety and health management performance.

TURVO's Occupational Health and Safety Policy includes the following measures:

- Implementing the ISO 45001 Occupational Health and Safety Management System to provide a safe and healthy work environment and ensure personal safety.
- Comply with occupational safety and health laws and other requirements, and establish hazard identification and risk mitigation measures.
- Promote good occupational safety, health, and wellness practices, and establish channels for consultation and communication.
- Legally Certified Occupational Safety and Health Professionals
- When constructing new facilities or undertaking partial renovations, relevant departments—including manufacturing, management, information technology, and occupational safety and health—conduct safety and health risk assessments.

The number of professionals and occupational safety and health personnel required to hold statutory certifications by 2025 is as shown in the table below:

Professional Health and Safety Certification	Number
Occupational Safety and Health Manager	1
Occupational Safety and Health Administrator (Class B Technician)	1
Occupational Health Nurse	1
Occupational Safety and Health Supervisor (Type A)	1
Fire Safety Officer	2
First Aid Personnel	9
Organic Solvent Operations Supervisor	1
Dust Operations Supervisor	1
Forklift Operator	5
Aerial Work Platform Operator	3
Stationary Crane Operator	3
Energy Management Personnel	1
ISO 14001 (Environmental Management System) Internal Auditor	24
ISO 45001 (Occupational Health and Safety Management System) Internal Auditor	29

Occupational Safety and Health System, Self-Inspection, and Management

TURVO has established an "Occupational Safety and Health Management System" in accordance with the law, which includes: safety and health management systems and training, self-inspection of production equipment, workplace environment monitoring, internal safety and health audits, health examinations and medical care, emergency response and drills, occupational accident management, statutory reporting, as well as contractor management and construction site inspections.

Self-management measures for occupational safety and health include pre-employment training, on-the-job training, and certification training; identifying and classifying potential hazards for controlled management; establishing safe operating standards for machinery and equipment to reduce operational risks for employees; providing necessary protective measures or personal protective equipment; conducting workplace environment monitoring; performing emergency response and evacuation drills; conducting regular health examinations and implementing tiered proactive care; providing timely medical care in the event of an accident; managing occupational accidents; and conducting internal safety and health audits—all to prevent on-site accidents, reduce risks, and continuously improve safety and health practices.

Regarding physical facilities, planning, design, and construction are carried out in accordance with various laws, international standards, and company standards. The audit and occupational safety and health departments are responsible for the management, inspection, and improvement of safety and health, ensuring maximum efficiency in these efforts.

Operational safety and health management includes not only controls for high-risk operations, contractor access management, construction safety management, chemical safety management, and occupational accident analysis and statistics, but also the proper planning of workplace environmental monitoring, emergency response procedures, and regular fire drills. In the event of an accident, this minimizes damage and impact on company assets, personnel, society, and the environment.

Occupational Safety and Health Training

To ensure new employees quickly familiarize themselves with company operations, we arrange for new hires to participate in occupational safety and health training upon reporting for duty. Assessments are conducted based on the course content to enhance employees' safety and health awareness and understanding of their duties. The number of training sessions, participants, and total hours are as follows:

Annual Hours / Training Category	2024			2025		
	Sessions	Number of Participants	Total Hours	Sessions	Number of Participants	Total man-hours
New Employee Training (including health and safety training)	181	543	225	62	132	756
Occupational Safety and Health Training for Current Employees (Note)	464	179.5	167	48	314	827.5

Notes: 1. 3 hours of occupational safety and health training for employees over a 3-year period, as required by law

2. On-the-job training methods: Specialized training programs, in-person drills (with records), bulletin boards, company website, emails, and promotional activities during monthly cultural meetings

Workplace Environment Monitoring

To ensure the safety of the on-site working environment, we conduct regular environmental monitoring every six months in accordance with regulations to assess actual exposure levels to workplace hazards and monitor personnel exposure caused by the on-site environment. Monitored parameters include dust, noise, carbon dioxide, and organic solvents. If measurement results indicate abnormalities, engineering controls and administrative improvements will be implemented in the affected areas.

Workplace environment monitoring is scheduled annually in accordance with regulations. For the 2023–2025 period, one round of workplace environment monitoring is scheduled for each of the first and second factory sites in both the preceding and following years. From 2023 to 2025, a total of 12 rounds have been scheduled, all of which remain within controllable limits. Chemical monitoring results comply with permissible standards for the workplace environment; For physical measurements in noise-exposed workplaces, equipment adjustments and improvements were implemented in some areas. In areas where improvements were not feasible, all personnel within those zones were provided with personal noise protection equipment, and annual special occupational health examinations (including detailed hearing tests) were arranged, in accordance with the hearing protection program. Additionally, carbon dioxide levels met the permissible standards for the work environment; however, awareness campaigns regarding indoor air circulation were intensified to prevent excessive concentrations from affecting personnel's mental well-being.

Annual	Plant 1 Work Environment Measurement Schedule	Work Environment Measurement Sessions at Plant 2	Total Sessions
2023	2	2	4
2024	2	2	4
2025	2	2	4

Emergency Response and Drills

Employees are the company's most valuable asset. To minimize the impact of disasters, each plant has established a self-defense fire brigade. Fire drills and other relevant scenario-based exercises are conducted every six months. Additionally, local fire departments are invited to the plants to provide guidance, observe the effectiveness of emergency evacuation procedures, and conduct comprehensive reviews based on identified shortcomings. This approach aims to increase employee participation and ensure thorough implementation, thereby minimizing the impact of disasters on both employees and the company.

Personnel assigned to the switchboard, fire-trained switchboard staff, and the emergency response team (fire protection team) are equipped with the following resources:

- **Emergency Information:** Site layout plans, evacuation route maps, chemical inventory lists, safety data sheets, and emergency response management procedures.
- **Fire and Life Safety Monitoring:** Fire alarm system, fire sprinkler system, emergency smoke exhaust system, surveillance and video recording system, emergency power system, and plant-wide public address system.
- **Emergency Equipment:** Fire extinguishers, fire blankets, personal warning devices (whistles), emergency lighting fixtures, directional signage, etc. To address the possibility of the Emergency Response Center being affected by a disaster, each plant is equipped with readily accessible emergency equipment in appropriate locations to ensure sufficient information is available and to support continuous emergency operations when necessary.
- **First Aid Equipment:** In accordance with emergency medical care practices, it is recommended that workplaces with hazards be equipped with AEDs, emergency shower facilities, eye wash stations, first aid kits, and other first aid supplies.

First Aid and Medical Drills	Assembly Activities for Evacuation Drills	Fire Extinguisher Drills
		

Occupational Accident Management

TURVO takes the causes of every occupational accident seriously. To ensure effective management, we have established the "Procedures for the Investigation and Handling of Occupational Accidents." Once an accident occurs within a department, it must be reported and addressed in accordance with these procedures. The Occupational Safety and Health Office, along with the department's employee representative and supervisor, will jointly investigate and analyze the incident to identify the root cause, clarify the relationship between the incident and the work tasks, and develop corrective and preventive measures. If the incident recurs, the effectiveness of these measures must be re-evaluated. In addition, the Occupational Safety and Health Office collaborates with all departments to reduce potential operational hazards and environmental risks through measures such as job observation, training, workplace inspections, and internal/external audits, thereby enhancing overall safety and health awareness among personnel.

In addition to managing risks in the workplace, the company places equal emphasis on employee safety during commutes to and from work. Through unscheduled departmental meetings and regular company-wide cultural meetings, as well as by posting traffic safety and defensive driving materials on bulletin boards and other locations employees pass daily, the company deepens employees' understanding of road safety and reduces the likelihood of traffic accidents.

In 2025, there were 4 reported workplace accidents, with an FR of 9.8, an SR of 31, and an FSI of 0.43.

Occupational Injury Rate/Index	2024	2025
Number of Reports	2	4
Frequency of Disability (FR)	2.26	9.8
Disabling Injury Severity Rate (SR)	208.136	31
Composite Injury Index (FSI)	0.686	0.43
Occupational Injury Fatality Rate	0	0

Note: Occupational accident statistics exclude traffic accidents
Frequency Rate (FR) = Total number of disabling injuries / Working hours × 1,000,000
Serious Injury Rate (SR) = Total days lost due to disabling injuries (excluding fatalities) / Working hours × 1,000,000
Comprehensive Injury Index (FSI) = √(Frequency of Disabling Injuries × Severity Rate of Disabling Injuries / 1,000)
Occupational fatality rate = Number of occupational fatalities / Working hours × 1,000,000

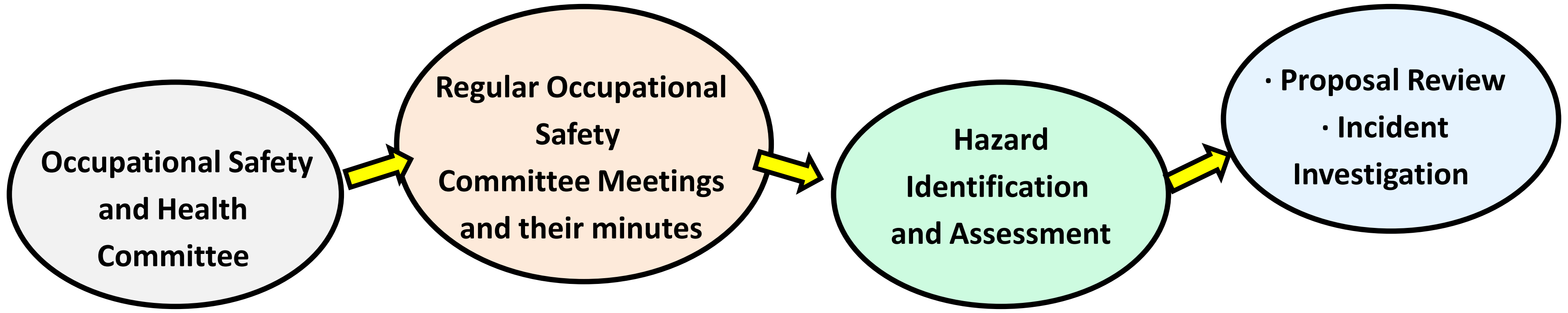
Internal Occupational Safety and Health Inspections

To ensure personnel conduct internal self-inspections of machinery, equipment, and occupational safety and health matters to eliminate potential workplace hazards, the Occupational Safety and Health Office conducts five key audits of daily operations across all departments, including chemicals, machinery and equipment, on-site environment, fire safety equipment, and waste disposal.

In 2025, audits were conducted across the company's nine on-site departments, resulting in a total of four non-conformities. Analysis and statistics revealed the top three categories were: chemicals (25%), machinery/equipment and site environment (25%), and others (50%). The "other" category included specific deficiencies such as protective equipment and first-aid kits. Concurrently, departments were guided and monitored to implement improvements, achieving a 100% completion rate.

Year	Number of Site Departments Audited	Non-conformities	Chemicals	Mechanical Equipment/ On-site Environment	Fire Safety Equipment	Other
2025	9	4	25%	25%	-	50%

Internal Participation, Consultation, and Communication Channels



Occupational Safety and Health Committee

TURVO has established an Occupational Safety and Health Committee, which, in accordance with the law, elects employee representatives to provide a formal channel for face-to-face communication between management and employees on environmental, safety, and health issues. Meetings are held quarterly to discuss matters related to environmental, safety, and health, and to review and revise implementation measures as appropriate. In 2025, a total of nine members representing both labor and management participated in the regular meetings of the Occupational Safety and Health Committee.

Hazard Identification, Opportunity, and Risk Assessment

Interdepartmental hazard identification teams have been established to identify potential routine and non-routine hazards related to unit operations, areas, equipment, and the physical and mental well-being of personnel. Personnel conduct risk assessments, which serve as the basis for risk control, incident prevention, and continuous improvement within the occupational safety and health system. Throughout 2025, nine departments participated in completing risk assessment forms and formulated corresponding control measures.

5.8 Health Promotion Activity

Initiatives: Health care and medical support, ergonomic hazard assessment and management, prevention of abnormal workloads, prevention of workplace violence, protection and management of maternal health, and safe working environments for middle-aged, older, and elderly workers. The company actively promotes workplace health. In addition to meeting legal requirements for occupational safety and health care, we invest time and resources in various health initiatives—including health awareness, health activities, healthy eating, and health management—to sincerely care for the well-being of every employee.

The health promotion measures are outlined in the table below:

Health Awareness

- 1. Announcements and educational campaigns on the prevention of infectious diseases.
- 2. Promotion of disease prevention concepts.
- 3. Free provision of medical-grade masks to employees.
- 4. Provision of height-adjustable office chairs to prevent musculoskeletal injuries caused by prolonged sitting.
- 5. Ensuring good ventilation (monitoring carbon dioxide levels), noise control, and an adequate supply of drinking water.

Health Activities

- 1. Organizing Family Day events.
- 2. Encouraging employees to take the stairs to reduce the risk of cardiovascular disease and improve cardiopulmonary function and immunity.
- 3. Arranging for occupational physicians and nurses to provide one-on-one health and stress counseling.
- 4. Providing free fresh fruit in the employee cafeteria.

Healthy Diet

- 1. All ingredients, seasonings, and oils meet national certification standards.
- 2. Do not use artificial flavorings.
- 3. Adopt a low-fat, low-sugar, low-sodium diet.
- 4. Provide nutritional information.
- 5. Encourage employees to bring their own reusable tableware. 6. Offer healthy meal options.

Health Management

- 1. Annual health checkups are conducted.
- 2. Measures to prevent and mitigate ergonomic hazards are implemented.
- 3. Health risk management is enforced.
- 4. Professional psychological counseling services are provided to assist with work-related stress and family/interpersonal issues.
- 5. Occupational physicians or nurses are available for one-on-one consultations, providing return-to-work assessments or job redesign recommendations for high-risk employees.

Health Care and Medical Support

Health Examinations: Exceeding legal requirements, the company provides free annual health examinations to employees every year except for 2023. Additionally, based on semi-annual environmental monitoring results, special health examinations are conducted for employees engaged in work involving specific health hazards. Health examination results are statistically analyzed to identify potential risk factors, and employees are categorized according to health risk management protocols. High-risk groups are monitored, workplace health promotion and occupational disease prevention initiatives are promoted, and comprehensive medical and healthcare services are provided to employees.

The categories of health checkups and the number of participants in recent years are shown in the table below:

Item \ Year	2025	
	Examination Category	Number of Participants
General Health Checkup	In accordance with the Occupational Health Protection Regulations	321
Special Health Examinations (Dust, Noise)		160 Environmental monitoring results within limits

Through regular on-site services provided by occupational physicians, we proactively arrange professional medical consultations for employees with abnormal health check results, pregnant employees, those with abnormal workloads, individuals at high risk for musculoskeletal disorders, and employees returning to work after occupational injuries. For those classified as requiring Level 2 management or higher, physicians conduct a comprehensive assessment of their health status and job nature to provide guidance on the appropriateness of job assignments. The number of participants in health consultation services over the past two years is shown in the table below:

Item \ Year	2024 Health Consultation Services	2025 Health Consultation Services
Number of Participants	76	199

Health Risks

1. General Health Checkup: Categorized into Levels 1–4 Management: The management model is as follows

Grading	Management Measures
Level 1 Management	All health checkup results are normal, and the physician has determined that there are no abnormalities.
Level 2 Management	Some health check results are abnormal; health education materials and guidance are provided, and the employee's condition is monitored.
Level 3 Management	Health check results show abnormalities; conduct follow-up visits to document health issues, and monitor and support the employee's condition for 3 to 6 months.
Level 4 Management	If any health check results indicate abnormalities, a follow-up visit record will be created, and follow-up will be conducted within 1 to 3 months or immediately, with resources for re-examination provided.

2. Special Health Examinations: In the future, the facility will implement graded management in accordance with the law for employees engaged in noise-exposed and dust-exposed work. The management model is as follows

Grade	Management Measures
Level 1 Management	Examination results show all items are normal, or some items are abnormal but the physician's comprehensive assessment determines there are no abnormalities.
Level 2 Management	Test results show abnormalities in some or all items, and a physician's comprehensive assessment determines that the abnormalities are unrelated to work.
Level 3 Management	Test results show abnormalities in some or all items, and a physician's comprehensive assessment determines the condition to be abnormal; however, the relationship between the abnormality and work cannot be determined, and further evaluation by a specialist in occupational medicine is required.
Level 4 Management	Test results show abnormalities in some or all items, which are comprehensively determined by a physician to be abnormal and work-related.

Partnership for Sustainable Healthcare

TURVO has entered into special agreements with professional medical institutions, including Tung General Hospital and Taichung Veterans General Hospital, to provide discounted medical fees and comprehensive medical services. This helps employees receive proper care, alleviate life stress, and maintain a positive doctor-patient relationship.

Epidemic and Infectious Disease Prevention Plan

The company believes that healthy employees are the cornerstone of normal business operations, and caring for employees' physical and mental well-being is the company's responsibility. In response to the potential threat of infectious diseases in the workplace, the company has established a dedicated unit to continuously monitor the global emergence of new infectious diseases, assess their potential impact, and formulate workplace prevention and response plans. For instance, in response to updates on new variants of COVID-19, as well as the potential threats posed by common seasonal influenza, gastrointestinal viruses (Norovirus), and summer dengue fever during the fall and winter months, the company implements specific measures to minimize the risk of infection.

The specific measures are as follows:

→ We periodically post the latest vaccination information from the Centers for Disease Control (CDC) and the Ministry of Health and Welfare on the internal bulletin board, at notice boards in each facility, and via company email.

→ Provide temperature and blood pressure monitors to assist employees in tracking their health status at any time.

→ Enforce the policy of staying home when sick to reduce the risk of transmission.

→ Enhance employees' awareness of infectious diseases and promote preventive measures.

→ Promote respiratory hygiene and cough etiquette.

→ Monitor visitors' health status and provide masks or relevant medical assistance when necessary.

→ Increase the frequency of facility inspections, cleaning, and disinfection to optimize sanitation procedures in public areas.

→ Collaborate with foreign labor management agencies to coordinate health management for migrant workers, including entry screenings, regular health checks, and follow-up. Implement isolation measures when necessary to prevent cross-infection.

Establish an epidemic reporting mechanism to facilitate tracking of employees' health status and relevant contact histories, expanding the scope to include visitors, vendors, and job applicants; if an employee experiences any abnormal symptoms such as physical discomfort during this period, they must report immediately, and the facility's occupational health staff must list and track reported cases to confirm subsequent conditions and prevent gaps in epidemic prevention.

Ergonomic Risk Assessment and Management

From the hardware design of production machinery and material handling operations to office staff, the company implements source-level controls. We provide ergonomic safety training to all facility personnel to establish proper safety awareness and implement ergonomic assessment and improvement projects. Examples include ergonomic assessments and improvements for machinery maintenance and repair operations, such as providing lifting equipment, lift trucks, hand carts, and jigs for component replacement.

We review the use of fully automated and semi-automated auxiliary equipment to reduce workplace hazards for personnel. Regarding work scheduling, we have implemented MES Kanban systems to assign tasks and ensure that employees performing physically demanding work are rotated on a regular basis.

For personnel required to use microscopes for visual inspections over extended periods, we are progressively introducing image-assisted inspection equipment to reduce the duration of close-up work. We have also installed adjustable lighting and monitor the visual health of these employees through annual health checkups.

To prevent musculoskeletal disorders caused by repetitive tasks, occupational health personnel will conduct annual questionnaire assessments in conjunction with the annual health check-up to evaluate body pain and its impact on work performance among all employees.to identify high-risk groups. Factory nurses and occupational physicians affiliated with the company provide health guidance and recommendations for adjustments. In addition to implementing case management measures, the company periodically distributes leaflets or videos on ergonomic hazard prevention in the "Health Promotion" section of the internal website, conducts ergonomic risk assessments, and develops improvement plans.

Maternal Health Protection and Management

In addition to providing seven days of prenatal examination leave, eight weeks of maternity leave, and seven days of paternity leave for spouses as required by the "Gender Equality in Employment Act," both male and female employees may apply for unpaid childcare leave if needed to care for an infant; Additionally, the company has established breastfeeding rooms to facilitate female employees returning to work after childbirth to breastfeed in accordance with the law. These rooms are equipped with refrigerators to store breast milk, allowing employees to take it home after work, thereby increasing the convenience of breastfeeding for female employees post-childbirth.

To prevent female employees from being exposed to workplaces that pose risks to maternal health, the Health Center has established procedures for the protection and management of maternal health. In addition to conducting qualitative and quantitative risk assessments for operations that may pose risks to maternal health, the center takes individual differences into account. Following a comprehensive evaluation by a contracted occupational medicine specialist, measures such as tiered management and on-site improvements are implemented to ensure the maternal health of female employees. In addition to distributing self-assessment questionnaires, conducting environmental hazard assessments, and arranging medical consultations, TURVO also provides information on pregnancy, prenatal care, postpartum care, and other parenting-related topics.

TURVO Plant 1 Lactation Room

TURVO Plant 2 Lactation Room

Prevention of Illnesses Triggered by Abnormal Workload

When planning annual health checkups, occupational health service personnel provide employees with a questionnaire to assess abnormal work overload. They conduct comprehensive evaluations using monthly overtime data provided by the HR Department and 10-year cardiovascular risk assessments from health checkup reports. For shift workers and night workers, the importance of timely health checkups and disease monitoring is emphasized. Employees identified as medium- or high-risk are interviewed by medical staff, who provide health guidance and adjust work assignments as appropriate.

The Occupational Safety and Health Office also periodically posts information on bulletin boards and the internal website’s “Health Promotion” section to educate employees on how to recognize and prevent overwork, ensuring they maintain good physical fitness and health and achieve a work-life balance.

Procedures for Handling Illegal Assaults During the Performance of Duties

To prevent employees from suffering physical or mental harm caused by others while performing their duties, the company has properly planned and implemented necessary occupational safety and health measures to prevent and address workplace violence incidents, thereby ensuring the physical and mental well-being of employees; This includes prevention of workplace violence, workplace bullying, sexual harassment, and employment discrimination. In addition to publicly issuing written statements condemning violence, we have established a complaint mechanism, formed investigation teams, and engaged external professionals to conduct investigations. When necessary, we may adjust an employee’s duties or department based on the circumstances of the incident or the individual’s needs.

The company regularly hosts seminars on mental health and unlawful harm, providing employees with training on hazard prevention—including workplace violence and conflict management skills—to enhance health awareness and foster team cohesion, thereby advancing toward the goal of creating a high-quality work environment.

Creating a Safe Work Environment for Middle-Aged and Older Workers

In light of the current aging society, we not only ensure the safety and health of middle-aged and older workers but also increase labor participation among middle-aged individuals and promote re-employment for older adults. We encourage intergenerational collaboration and the transfer of experience, safeguard the employment rights of middle-aged and older workers, and thereby build a friendly employment environment.

From workplace risk assessments and individual health risk evaluations to assessments of musculoskeletal and cardiovascular disease risks, occupational health professionals evaluate various indicators to provide work suitability assessments and recommendations. This includes eliminating hazardous work environments, adjusting job duties, and providing skills training to enhance work performance.

Additionally, the frequency of inspections and updates for workplace hardware and equipment will be increased to ensure adequate lighting in the facility and to keep workplace passageways, floors, and stairs dry, clean, and unobstructed. Personal protective equipment (PPE), such as earplugs and safety footwear, will be provided to personnel in hazardous work areas, along with ergonomic machinery, equipment, or devices designed to prevent musculoskeletal injuries, thereby creating a safe and secure work environment for middle-aged and older workers.

06 Sustainable Environment

6.1 Environmental Policy and

6.2 GHG Inventory

6.3 Energy Management

6.4 Water Resources Management

6.5 Waste Management

6.6 Air Pollution Prevention

6.7 Environmental Greening

6.8 Climate Change Strategy and Management

6.9 Climate change risks

OVERVIEW

In response to climate change, TURVO's short-term, medium-term, and long-term environmental management targets are as follows:

2025–2030

Material Topic	Target Metric	Short-term (2025-2026)	Medium-term (2027-2029)	Long-term (After 2030)
Energy conservation and carbon reduction	Electricity savings (per million NT$ revenue)	1% reduction annually	1% reduction annually	1% reduction annually
	Greenhouse gas emissions reduction (per million NT$ revenue)	1% reduction annually	1% reduction annually	0.5% reduction annually
	Environmental regulation violations	0 items	0 items	0 items
Waste Management	Compliant waste disposal	100% through licensed vendors	100% through licensed vendors	100% through licensed vendors
	Waste regulation violations	0 cases	0 cases	0 cases
Air Pollution	Air pollution regulation violations	0 cases	0 cases	0 cases
Water resources	Water savings (per million NT$ revenue)	1% reduction annually	0.5% reduction annually	0.5% reduction annually
	Wastewater discharge regulation violations	0 cases	0 cases	0 cases

Material Topic Goals and Performance

TURVO is committed to fulfilling its corporate social responsibility and environmental stewardship, advancing toward corporate sustainability. The company has established short-term, medium-term, and long-term energy conservation and carbon reduction targets with associated implementation plans to minimize potential societal and environmental impacts. Goals and achievement levels for the past two years are shown in the following tables.

Energy conservation and carbon reduction

2026 Target	2025 Target	2025 Performance
1% electricity savings (per million NT$ revenue)	1% electricity savings (per million NT$ revenue)	3.61% reduction in electricity consumption – Target Achieved
1% GHG emissions reduction (per million NT$ revenue)	1% GHG emissions reduction (per million NT$ revenue)	Emission Reduction Target Not Achieved ➢ In 2025, the Company expanded the Scope 3 inventory boundary to include additional emissions data from the supply chain and value chain. As a result, the overall greenhouse gas (GHG) emissions increased, leading to the emission reduction target not being achieved. Going forward, the Company will continue to implement supply chain decarbonization initiatives, increase the use of renewable energy, and enhance equipment energy-efficiency measures to gradually reduce its emission intensity.
Environmental regulation violations: 0	Environmental regulation violations: 0	Environmental regulation violations: 0 → Achieved

Waste Management

2026 Target	2025 Target	2025 Performance
Compliant waste disposal: 100% through licensed vendors	Compliant waste disposal: 100% through licensed vendors	100% handled by licensed vendors → Achieved
Waste regulation violations: 0	Waste regulation violations: 0	Waste regulation violations: 0 → Achieved

Air pollution

2026 Target	2025 Target	2025 Performance
Air pollution regulation violations: 0	Air pollution regulation violations: 0	Air pollution regulation violations: 0 → Achieved

Water Resource Management

2026 Target	2025 Target	2025 Performance
Water savings: 1% (per million NT$ revenue)	Water savings: 1% (per million NT$ revenue)	Water Conservation Target Not Achieved ➢ Due to production capacity expansion and increased water demand from manufacturing processes, the Company's annual water withdrawal increased compared to the previous year, resulting in the water conservation target not being achieved. ➢ To enhance water resource efficiency, the Company will continue to implement water-saving initiatives, including rainwater harvesting, optimization of cooling tower management, and the introduction of water-efficient equipment. These measures are expected to reduce water consumption intensity per unit of production value and strengthen sustainable water resource management.
Wastewater discharge regulation violations: 0	Wastewater discharge regulation violations: 0	Wastewater discharge regulation violations: 0 → Achieved

6.1 Environmental Policy and Commitment

To comply with international environmental regulations and national environmental laws, Turvo International has established an ISO 14001 Environmental Management System to ensure environmental quality and fulfill environmental protection standards. The Company is committed to environmental protection, energy conservation, and carbon reduction. It actively promotes industrial waste reduction, resource recycling, and continuous improvement, while encouraging the participation of all employees in green initiatives. In addition, the Company advocates correct environmental practices among suppliers and the public to protect the natural ecosystem and achieve sustainable green operations.

TURVO 's Environmental Policy

- **Regulatory Compliance:** Adhere to international conventions and national environmental laws, establish robust environmental management systems, and ensure environmental quality.
- **Resource Efficiency:** Commit to environmental protection, energy conservation, industrial waste reduction, and resource recycling.
- **Employee Engagement:** Promote proper environmental protection practices, cultivate pollution prevention and waste reduction habits, and encourage full employee participation in green environmental initiatives.
- **Continuous Improvement:** Regularly audit and review implementation effectiveness, pursue continuous improvement, and strive for sustainable operations.
- **Corporate Transparency:** Provide environmental information and facilitate experience exchange to enable the public, customers, and suppliers to understand the company's environmental policies.
- **Corporate Responsibility:** Disclose environmental policies and implementation status, contributing to harmonious coexistence with nature on Earth.

To achieve these commitments, all employees must continuously improve performance through systematic, well-trained implementation of the environmental management system requirements.

Environmental Management System

Regarding environmental protection, Turvo International Co., Ltd. strives to comply with relevant domestic laws and regulations while aligning with international standards. We have implemented an ISO 14001 environmental management system and established documented environmental management procedures. All relevant departments must implement these requirements.

To maintain effective operation of the environmental management system and continuously improve environmental work effectiveness, the responsible units maintain environmental management oversight through internal management mechanisms, continuously improving environmental systems and reducing negative environmental impacts.

In 2025, TURVO incurred no fines from regulatory authorities for environmental regulation violations.

Appointment of Environmental Personnel

In response to rapid environmental changes and the need for effective environmental pollution prevention and control, TURVO has appointed a Class A Wastewater Treatment Specialist to minimize the environmental and human health impacts of incidents. Personnel have participated in external training organized by government environmental protection agencies and have developed strong capabilities in pollution prevention and equipment management.

Category	Required Personnel	Actual Personnel	Compliance Status
Waste water	1 (Class A wastewater treatment specialist)	1	Compliant

Environmental Management Policy

Material Issues: Resource Management and Energy Conservation and Carbon Reduction	
Policy	Energy conservation and effective management and low-carbon manufacturing
Objective	In response to global environmental trends and in line with national strategies for reducing greenhouse gases, we will monitor the company's greenhouse gas emissions and formulate preventative measures against climate change.
Commitment	4Utilizing due diligence and early warning communication methods, we are committed to conducting greenhouse gas emissions inventory and, based on the inventory results, developing voluntary greenhouse gas reduction plans.

Management Measures

- Effective energy conservation, with a target of 1% annual savings in oil, electricity, and water.
- Conduct greenhouse gas inventory checks to understand the overall emissions situation.
- A Greenhouse Gas Inventory Promotion Team was established to implement the objectives and related improvement plans

In recent years, rising environmental awareness and increasingly stringent pollutant emission standards have driven the company to continuously invest in pollutant testing and treatment to fully implement pollution prevention, control, and energy conservation and carbon reduction initiatives. Through continuous implementation and verification of management systems, the company promotes environmental sustainability.

Environmental-related expenses and benefits for 2025 are as follows:

Item	2025 (NT$)	Benefits
Environmental inspection fees	307,765	1. Testing of raw wastewater and effluent to ensure compliance with Water Pollution Control Act and industrial park standards. 2. Air: Flue gas testing including perimeter odor, VOCs, and particulate matter to ensure emissions meet standards. 3. Occupational Environment: Scheduled inspections based on factory raw materials to ensure working environment does not cause significant physical, mental, or health impacts on employees. 4. Drinking water: Ensure daily drinking water, E. coli, and total colony counts meet drinking water standards.
Industrial waste disposal fees	451,928	Regulatory Compliance: Properly handle and dispose of waste generated during production processes and employee activities.
Air pollution fees	212,940	Implement the "polluter pays" principle to improve air quality and protect public health .
Soil and groundwater remediation fees	225,550	Implementing "polluter pays" principle, contributions to Water Pollution Control Fund dedicated to pollution remediation, water quality monitoring, treatment facility construction, R&D, and public sewage system construction to maintain clean water resources, improve environment, and enhance public health.
Wastewater treatment plant setup	600,934	Regulatory Compliance: Reduce pollution to soil and groundwater.
Wastewater treatment plant O&M costs	237,893	Ensure the normal operation of wastewater treatment plants to meet discharge standards and maintain public environmental health
Management costs (Environmental verification and document fees)	7,600	Achieve environmental sustainability KPIs through management system verification (e.g., ISO 14001, GHG Protocal).
Total Environmental Expenditure	2,044,610	Foundation for future planning of voluntary greenhouse gas reduction initiatives.

6.2 Greenhouse Gas Inventory

Given extreme global climate changes, with frequent droughts and floods in both hemispheres significantly impacting regional economic development, climate change has become an issue governments and businesses worldwide must address. With the United Nations' adoption of the Paris Climate Agreement, global carbon reduction targets have been established. The agreement aims to limit global temperature rise to well below 2°C, with efforts to restrict warming to 1.5°C, effectively reducing climate change risks and impacts. To achieve this "climate goal," countries must implement specific greenhouse gas emission reduction measures, and businesses, as key economic actors, must shoulder corresponding responsibilities.

As a committed global citizen, TURVO has formulated preventative measures to address potential economic and social impacts of climate change. The company has conducted greenhouse gas inventories in accordance with GHG Protocal to understand carbon emissions, identify key emission sources, and develop effective reduction strategies. This represents both a contribution to and support of the Paris Agreement, as well as a crucial step in promoting sustainable development and enhancing market competitiveness.

Greenhouse Gas Policy and Emissions

TURVO commenced greenhouse gas emissions audits in 2023 and conducted annual audits in 2025 in accordance with GHG Protocal. The company obtained third-party verification for 2023. In the future, the company will actively plan to include certain Scope 3 categories in third-party verifications to better understand overall greenhouse gas emissions, serving as direction and goals for emissions reduction improvements.

TURVO Greenhouse Gas Policy

To fulfill corporate environmental protection responsibilities and reduce greenhouse gas emission impacts on the environment and climate caused by global warming, our company commits to:

- Full employee participation in energy conservation and carbon reduction activities
- Continuous promotion of energy conservation and carbon reduction measures
- Compliance with international conventions, relevant national laws and regulations, and customer requirements

In 2025, Turvo International Co., Ltd. conducted an independent greenhouse gas inventory using the Dingxin Carbon Steward system, integrating it with other management systems to prevent data omissions. Inventory boundaries are primarily based on operational locations, with 100% operational control as the organizational boundary. The verification scope covers TURVO's Taiwan factory. Due to organizational boundary adjustments, 2023 is currently established as the base year. Greenhouse gas types included in calculations are carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3). Fuels used in Scopes 1 and 2 do not contain biomass components.

Greenhouse Gas Emissions by Category (Past Two Years)

TURVO conducted 2025 greenhouse gas inventory through an internal management system. The inventory results presented below are preliminary quantified data and have not yet undergone third-party verification. Details of the inventory results are provided in the following table.

Unit：Tons CO_2e

GHG Emissions Category	2024	2025
Scope 1 (metric tons CO_2e)	167.7976	166.6522
Scope 2 (metric tons CO_2e)	4,135.2734	3,373.0229
Scope 3 (metric tons CO_2e)	96.3302	4,864.465
Total Emissions (metric tons CO_2e)	4,399.401	8,404.14
Emission Intensity (metric tons CO_2e/million NT$)	4,399.401/1,802 =2.4413	8,404.14/1,942 =4.3276

❶ Reduce Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 23.29% in 2025 compared with the 2024 baseline.
❷ In accordance with the 2027 law, greenhouse gas inventories and disclosures will be expanded to include subsidiaries in the consolidated financial statements.
❸ Reduce Scope 1 and Scope 2 GHG emissions by 42% by 2030 compared with the 2023 baseline year, while collaborating with value chain partners to drive emissions reductions.

TURVO's Scope 1 GHG emissions primarily originate from liquefied petroleum gas (LPG) consumed by transportation vehicles owned or controlled by the Company. Scope 2 emissions mainly result from purchased electricity. For Scope 3 emissions, material categories have been identified based on the significance criteria of each operating site, including employee commuting, business travel, upstream and downstream transportation and distribution, capital goods, and waste treatment.

Through comprehensive Scope 3 inventories, the Company aims to gain a more accurate understanding of carbon emission sources across the value chain, identify opportunities for emissions reduction, and further assess the carbon footprint of its products and supply chain in support of its carbon management strategy.

As TURVO continues to expand its business operations, increase production capacity, and bring new facilities into operation, overall GHG emissions are expected to rise. To address this challenge, the Company will continue implementing energy-efficiency improvement projects, upgrading and replacing equipment with more energy-efficient alternatives, and strengthening carbon reduction initiatives. TURVO remains committed to fulfilling its corporate responsibility for climate action and proactively responding to the expectations of both internal and external stakeholders regarding greenhouse gas reduction and sustainable development.

6.3 Energy Management

In view of the increasing global warming and climate change in recent years, which have caused varying degrees of environmental disasters worldwide, Turvo International recognizes the profound impacts on economic and social development as well as on industrial supply chains and production planning. To address these challenges, the Company actively monitors its energy consumption, enhances energy efficiency, and promotes the implementation of energy-saving and carbon-reduction measures. These initiatives not only help reduce operational costs but also reflect TURVO's strong commitment to environmental protection and the realization of sustainable development.

In alignment with government energy conservation regulations, the Company has set an annual electricity reduction target of 1%. To ensure the effective utilization of energy resources and prevent unnecessary waste, TURVO Technology has established the "Energy Resource Utilization Management Procedure," which provides clear guidelines for the management of production equipment, power systems, water systems, and other resources. The Company is committed to conserving natural resources and continuously seeks to improve efficiency through proper planning and management.

Energy Usage Status

Energy type/year	Unit	2024	2025
Purchased Electricity (General)	kWh	8,415,248	7,123,000
Thermal Energy	Gigajoules	30,294.8928	25,642.8000
Energy Intensity	GJ/million NT$ revenue	30,294.4098/1,802 =16.8118	25,642.8000/1,942 =13.2043

Renewable Energy Development

Recognizing electricity as the primary energy source in production and responding to renewable energy trends, Turvo International Co., Ltd. is actively planning renewable energy (solar power generation) equipment construction, aiming to reduce indirect emissions from electricity use through renewable energy adoption, thereby reducing carbon dioxide emissions and achieving an environmentally sustainable future.

Solar Energy Installation and Power Generation

The first phase of the solar photovoltaic (PV) power generation system at the Company's Second Plant was completed in 2024 and officially commenced operation in 2025. The system adopts a self-generation and self-consumption model with an installed capacity of 499.05 kW.

In 2025, the system generated approximately 653,000 kWh of electricity, effectively reducing electricity costs and greenhouse gas emissions. This achievement demonstrates the Company's commitment to promoting renewable energy adoption and advancing energy conservation and carbon reduction initiatives.

In addition, the Company is planning the second phase of its solar PV project, with an expected installed capacity of 76.05 kW. Through continued investment in renewable energy infrastructure, the Company aims to increase the proportion of green energy usage and further support its sustainable development goals.

Environmental Sustainability Initiatives

We regularly identify and evaluate equipment and process steps, propose projects to improve energy efficiency and reduce carbon emissions, and implement initiatives after developing plans and evaluating effectiveness. We continuously implement energy-saving and carbon-reduction measures, including replacing lighting with high-efficiency LED lights, installing motion-sensor lighting, adding variable frequency drive equipment, and installing solar power systems in new factories as effective electricity conservation methods.

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Energy Conservation and Carbon Reduction in Factory

Project	LED Lamp Replacement
Description	All factory lighting uses LED
Photos	 
Project	Main Entrance and ATM Motion-Sensor Lights
Description	Total of 5 motion-sensor lights installed
Photos	  

6.4 Water Resources Management

In recent years, due to global climate change impacts, water resource development and allocation have become critical issues for all countries. Water resource management, water conservation, and water shortage emergency response have become crucial components of corporate risk management and disaster adaptation. Recognizing the finite nature of water resources, water conservation has always been a top resource management priority for TURVO. Beyond improving facilities and equipment, the company promotes changes in water usage practices to improve water conservation efficiency.

TURVO is located in the Taichung Harbor Science and Technology Industrial Park under the Ministry of Economic Affairs. Both domestic and process water are sourced from municipal water supply; no other sources such as surface water, groundwater, or seawater are used. Wastewater generated by production processes is treated at the facility's wastewater treatment plant to meet district collection and disposal standards, exceeding Ministry of Environment discharge standards before release to the sewage system at the discharge outlet. After treatment at the park's wastewater treatment plant, effluent is ultimately discharged into Anliang Harbor (Taichung Harbor's Inner Harbor). Turvo International Co., Ltd. is committed to minimizing environmental impacts of wastewater discharge operations; no significant water source impacts have been identified. In 2025, total facility water intake was 34,067 metric tons, with average daily water consumption of 93.33 metric tons.

TURVO Water Resources Utilization Analysis

Unit: Metric ton

Metric \ Years	2024	2025
Water Intake (Municipal Water)	26,443	34,067
Average Daily Consumption, m^3/day	72.44	93.33
Carbon Emissions ($kgCO_2e$)	4,125.108	5,110.05
Water Intensity, ML/NT$ million revenue	26,443*0.001/1,802 =0.0147	34,067*0.001/1,942 =0.0175

Note 1: CO_2 equivalent per ton of water used ≒ 0.150 $kgCO_2$/ton. (Based on the 2013 announcement by the Taiwan Water Corporation, Ministry of Economic Affairs)

Wastewater management measures

To ensure wastewater discharge compliance with water pollution prevention and control regulations, TURVO has established a "Wastewater Treatment Management Procedure" regulating treatment, discharge standards, control measures, monitoring and measurement, and incident handling. We regularly monitor wastewater at facilities and continuously implement requirements of domestic environmental protection laws and regulations to respond to and align with environmental protection standards and trends.

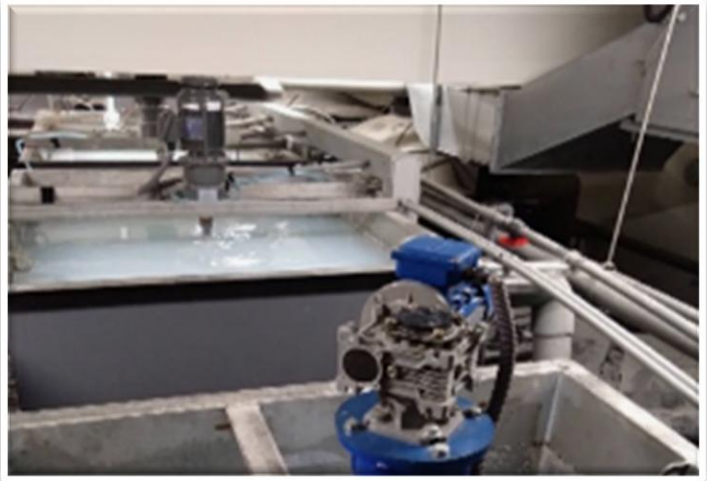
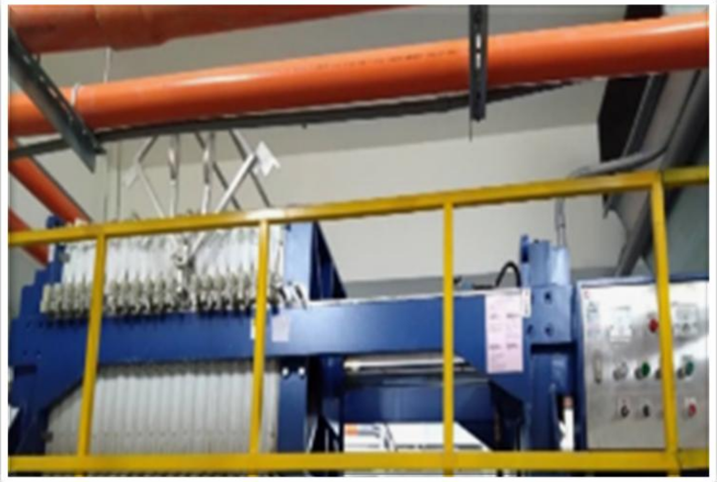
All personnel responsible for wastewater treatment operations at TURVO must undergo education and training on industrial wastewater equipment. Untrained personnel are not authorized to operate wastewater treatment systems, ensuring operational procedure accuracy and data correctness.

In accordance with the Water Pollution Control Act, process wastewater is sampled and analyzed semi-annually by qualified testing agencies approved by the Ministry of Environment. Wastewater testing reports must be submitted online and in writing to local environmental protection authorities for review.

Water pollution prevention measures

Measure	Description
Domestic Sewage	1. Kitchen cleaning water is equipped with grease trap to intercept grease; lower liquid layer discharges directly to facility discharge outlet then to district sewage system 2. Bathroom domestic water connects to facility septic tank. After sedimentation, upper liquid discharges directly to facility discharge outlet, connecting to district sewage system; lower sludge is regularly entrusted to treatment plants approved by Taichung Municipal Government Environmental Protection Bureau.
Industrial wastewater	1. Wastewater treatment equipment installed in facility treats industrial wastewater. After treatment to district pipe standards per regulations, wastewater connects to park wastewater treatment plant through district sewage system and is treated to meet discharge standards before discharge. 2. Wastewater treatment facilities have approved water pollution prevention and control measures plans and undergo regular testing and reporting per regulations to ensure compliance with management standards. District wastewater operators conduct random water quality inspections at outlets at least monthly. Double control measures monitor effluent water quality.
Rain, sewage	Factory separates and manages stormwater and sewage to reduce water pollution. Storage tank installed in factory parking lot collects rainwater for daily irrigation use.

Photos of In-Plant Wastewater Treatment Facilities and Water Quality

Wastewater Quality Testing Data

	Parameter (units)	Regulatory Limit	year	First half of the year	Second half of the year
Process and Domestic Wastewater Testing Results	PH value	5-9	2024	8.5	7.3
			2025	7.7	7.6
	Suspended solids PM (mg/L)	250	2024	76	38.8
			2025	44.5	39.6
	Chemical oxygen demand (COD)(mg/L)	450	2024	303	118
			2025	573	482

In 2025, adjustments to certain manufacturing processes and an increase in the concentration of organic substances in wastewater resulted in a higher Chemical Oxygen Demand (COD) level compared to the previous year.

The Company has reviewed and optimized the operating parameters of its wastewater treatment system, strengthened chemical dosing management, and enhanced equipment maintenance practices. These improvement measures are intended to continuously enhance effluent quality and ensure ongoing compliance with applicable environmental regulations and industrial park wastewater discharge standards.

Water Conservation Measures

TURVO continuously innovates, prioritizing continuous improvement. Water-saving measures increase revenue while reducing expenditures, constantly seeking new water-saving opportunities.

1. **Rainwater Recycling System:** Establish rainwater collection system to collect rainwater for watering grass and plants in factory area.
2. **Cooling Tower Management:** Increase water concentration multiples and reduce discharge volume. Monitor water quality and evaluate chemicals. Clean water towers quarterly to ensure no overflow due to blockage. Perform regular maintenance to ensure proper water tower function and leak prevention
3. **Periodic Water Conservation Awareness for Employees:** Daily awareness campaigns - Establish water resource usage guidelines, regularly maintain water-using equipment, and periodically educate employees on water conservation. Water conservation signage posted at water usage locations to foster water-saving habits.
4. **Sensor-Adjusted Equipment:** Tea rooms and restrooms in all company facilities use atomizing sensor faucets and sensor-type water-saving urinals to conserve water and automatically adjust daily water output, avoiding water resource waste due to human negligence.



6.5 Waste Management

To prevent pollution from factory waste, proactively prevent incidents, and create safe, clean factory environments, thereby achieving industrial waste reduction and resource reuse and recycling, Turvo International Co., Ltd. has established an internal "Waste Management Procedure" standardizing classification, recycling, storage, and disposal of waste, including scrap, generated by company operations and activities. With continued production capacity increases, we aim to utilize management measures to eliminate waste, improve environmental hygiene, and prevent increased waste output from threatening the environment.

Industrial waste classification

General waste	General business waste	Recyclable waste
H-0002 Domestic waste (office-generated waste)	D-1801 General waste from business activities	R-0601 Waste paper
H-1002 Food Waste	D-1703 Waste lubricating oil	R-1306 Scrap iron containersr
H-1001 water and fertilizer	D-0902 Inorganic sludge	R-1301 Scrap iron
		R-1304 Scrap aluminum
		R-0204 Waste plastic containers (PE)

List of Industrial Waste Disposal Status

Category	Waste disposal status	Contracted Vendors	Treatment Method
General waste	H-0002 Domestic waste (office-generated waste)	✓	incineration
	H-1002 Food Waste	✓	Biological
	H-1001 water and fertilizer	✓	Physical
General business waste	D-1801 General waste from business activities	✓	incineration
	D-1703 Waste lubricating oil	✓	Physical/Chemical
	D-0902 Inorganic sludge	✓	Physical
Recyclable waste	R-0601 Waste paper	✓	Designated recycling
	R-1306 Scrap iron containers	✓	Designated recycling
	R-1301 scrap iron	✓	Designated reuse
	R-1304 scrap aluminum	✓	Designated reuse
	R-0204 Waste plastic containers (PE)	✓	Designated recycling

Company Waste Generation and Recycling Volume (Past Two Years)

Category	Year	2024	2025
	Metric	**Output**	**Output**
General Domestic Waste	Refuse	293.92	112.21
General business waste	Lubricants	44.35	32.19
	sludge	4.56	8.31
Waste Intensity (excluding recycling)	Tons/million NT$ revenue	(293.92+44.35+4.56)/1,802 =0.1902	(112.21+32.19+8.31)/1,942 =0.0786
Recyclable waste	Stainless steel filings	106.611	118.057
	General iron filings	143.645	125.277
	aluminum chips	216.438	251.684
	waste paper	9.36	9.36
	waste plastic	1.2	1.2
Total		820.084	658.288
Total Recycling Volume		477.254	505.578
Waste Recycling Rate (%)		58.20%	76.8%

Note 1: Sludge refers to sludge generated in wastewater treatment facilities.
Note 2: Refuse includes household waste, wood, and other non-sortable items.

6.6 Air Pollution Prevention

Air pollution management

In recent years, governments worldwide have increasingly prioritized air quality improvement, and air pollutants have become a major global environmental concern.

Responding to global trends, TURVO has planned and implemented air pollution prevention measures since factory establishment. Through internal audits and self-examination, proper preventive maintenance, training, and operations, we effectively prevent pollution and commit to continuous improvement of pollution and hazard prevention.

In 2025, no penalties were incurred for violations of the Air Pollution Control Act.

Air Pollution Control Equipment Optimization

Turvo International Co., Ltd.'s main production area is located in Wuqi District Industrial Park. The company has obtained fixed pollution source emission permits to ensure exhaust gas emissions comply with environmental protection laws and regulations. Exhaust emission pipes and sampling ports are installed; pollutant discharge is regularly monitored to ensure factory emissions remain within regulatory limits. The company also regularly reports air pollution fees quarterly.

Photos of exhaust gas emission pipes and sampling ports

2025 Sampling Results at Sampling Points

Sampling Location	Parameter	Monitoring Result	Emission Standard	Compliance Status
P001 (Rooftop Stack)	Particulate Matter (PM)	2 mg/Nm³	100 mg/Nm³	Compliant
P001 (Rooftop Stack)	Stack Odor Concentration	550	2,000	Compliant
Upwind Boundary (Sampling Day)	Boundary Odor Concentration	30	30	Compliant
Downwind Boundary (Sampling Day)	Boundary Odor Concentration	30	30	Compliant
Downwind Boundary (Sampling Day)	Boundary Odor Concentration	21	30	Compliant

6.7 Environmental Greening

Turvo International Co., Ltd. constructed its first green building in Taichung Harbor Science Park in 2024 and has proactively committed to implementing green building principles in all future factories and offices. The company achieved LEED Silver certification in 2025. To enhance environmental beautification, purify air, and reduce factory emissions while promoting health, the company has increased tree planting at factory entrances and around buildings. This not only improves air quality but also enhances employee mood and well-being, minimizing operational, product, and service impacts on biodiversity. This exemplifies Turvo International Co., Ltd.'s environmental greening planning and implementation.

6.8 Climate Change Strategy and Management

In recent years, climate change impacts have been evident worldwide. Abnormal weather phenomena such as storms, droughts, and global warming have significantly impacted the global economy and posed threats to business operations and production. Faced with increasingly severe climate challenges, governments, societies, and industries actively discuss climate solutions. For businesses, acknowledging climate change risks and potential opportunities, enhancing climate risk resilience, and mitigating climate change impacts and losses is crucial.

TURVO recognizes the need to confront climate change and actively enhances climate resilience. Beyond environmental protection commitments and implementation of energy conservation and carbon reduction strategies, we have established our own climate risk management framework based on the Task Force on Climate-related Financial Disclosures (TCFD) framework. Through four core elements—governance, strategy, risk management, and metrics and targets—we identify potential climate-related risks and opportunities, assess potential impacts, and mitigate resulting damage through proactive risk management.

TCFD Core Framework

Core Element	TURVO's response measures
Governance	The Sustainability Committee identifies climate-related risks and opportunities, assesses impacts, and formulates responses. The company regularly reports to the board of directors and senior management to review risk control effectiveness and climate-related risks and opportunities through regular reporting. Understand climate-related risks and opportunities facing the company and provide decision-making guidance.
Strategy	Establish response measures and contingency strategies based on climate change risk and opportunity assessment results to reduce damage when risks occur, enhance corporate climate resilience, and seize climate-related opportunities. The company has not yet implemented climate scenario simulation programs but has conducted relevant preliminary assessments and information disclosure, formulating response measures for initially identified climate change risks. Gradually introduce TCFD as appropriate and incorporate into corporate sustainable development policy.Gradually introduce TCFD as appropriate and incorporate it into the company's sustainable development policy.
Risk Management	Based on TCFD framework and referencing international organization reports, industry analysis, and relevant regulations, conduct climate change risk and opportunity inventory, identify and assess specific climate change risk issues, and use financial or strategic impact intensity and likelihood to determine risk and opportunity magnitude, considering impact scope and status. Perform materiality assessment of physical and transition risks and develop risk management mechanisms.
Metrics and Targets	To enhance corporate resilience and effectiveness in responding to climate change, reduce operational climate impacts, and respond to related climate risks, Turvo International Co., Ltd. has established measurement indicators and targets for several climate management initiatives. • Target -Reduce emissions by 1% annually from 2026 to 2029 - After 2030, reduce emissions by 0.5% annually • Management indicators - Renewable Energy Usage (Solar Power) - Greenhouse Gas Emissions - Water Resource Usage and Recycling - Energy Management - Waste Reduction

6.9 Climate change risks

TURVO’S Sustainability Committee references international organization reports, industry analyses, and relevant regulations to identify climate-related risks. Using financial or strategic impact intensity and likelihood to determine risk magnitude, the committee establishes climate change risk lists, distinguishing between physical risks and transition risks to assess potential operational impacts and formulate risk management mechanisms.

To respond to climate change and energy supply risks, TURVO actively identifies risks, regularly monitors operational impacts and damage from extreme weather, and actively implements relevant measures based on climate risk adaptation policies and solutions.

Climate Change Risk Types, Potential Operational Impacts, and Adaptation/Response Methods:

Risk Type		Potential operational impact	Adaptation and Coping
Physical Risks	Earthquakes, floods, typhoons, sewage discharge	• Impact on production capacity, increased operating costs, decreased revenue • Failure to deliver on schedule or delivery interruption; customer payment deductions due to delayed delivery • Regulatory violation fines • Supply chain disruptions impacting production capacity reductions	• Establish and improve water resource regulation • Inspection of process equipment in facilities • Wastewater management policy complying with environmental regulations
	Drought or drought disaster, power outage, water outage, power outage		• IT equipped with uninterruptible power supply (UPS) • Generators automatically activated for emergency power needs including fire protection • Solar power provides emergency lectricity
	Rising temperatures	Increased electricity consumption and GHG emissions	Energy-saving concepts and measures; switch to LED energy-saving lights and motion-sensor lighting
Transformation risks	Emissions Control	• Increased operating costs: Carbon taxes required for companies exceeding international carbon emission • Increased emissions	• Replace old and high-energy-consuming equipment • Control gas emissions during production processes
	Green products and processes	• Green product R&D • Green product process equipment improvement collaboration	• Corporate Sustainability Committee manages and improves relevant measures • Strengthen implementation of green processes for energy-saving and water-saving facilities

Key Climate Change Risk Management Methods

	Energy conservation and carbon reduction	Water resources	Waste Management
Control methods	Save 1% electricity annually and achieve energy conservation and carbon reduction goals through factory greening and equipment improvements. Bring reusable tableware to reduce disposable item usage Replace outdated equipment and plan to purchase energy-efficient equipment and various improvement projects.	Save 1% water annually by recycling rainwater and installing water-saving equipment to conserve water resources.	Standardize procedures for industrial waste classification, collection, storage, and treatment. Increase recyclable waste proportion and reduce non-recyclable waste incineration volume.

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Appendix

Appendix 1

Cross-Reference Table of GRI Standards (2021) and ESG Sustainability Report (2025)

Appendix 2

SASB Cross-Reference Table SASB Index

Appendix 3

Implementation of Climate-Related Information

Statement of Use: Turvo International Co., Ltd. reports in accordance with GRI Standards (Reporting Period: January 1, 2025, through December 31, 2025)
GRI Version: Foundation 2021
Applicable GRI Sector Standards: None

Appendix 1. Cross-Reference Table of GRI Standards (2021) and ESG Sustainability Report (2025)

GRI Indicators		Corresponding Section in 2025 ESG Report	Page	Notes
General Disclosures (2-1 ~ 2-30)				
Organization and Reporting Practices	2-1 Organizational Details	1.1 Company Profile	P9	
	2-2 Entities Included in the Organization's Sustainability Report	About This Report / Scope and Boundaries	P5	
	2-3 Reporting Period, Frequency, and Contact Information	About This Report / Data Period, Reporting Frequency and Contact Information	P5	
	2-4 Data Restatement	About This Report / Scope and Boundaries	P5	
	2-5 External Assurance	About This Report / Ensuring the Accuracy of Disclosed Information / External Confirmation	P5	
Activities and Personnel	2-6 Activities, Value Chains, and Other Business Relationships	1.2 Business Activities 4.4 Supply Chain Sustainability Management	P12 P64	
	2-7 Employees a. Total number of employees, and total numbers by gender and region b. Total number of employees by category	a. 5.2 Cultivating Talent / Workforce Structure	P74–P75	Focusing on Taiwan
	2–8 Non-employee Workers	5.2 Cultivating Talent / Information on Non-Employees	P75	No temporary, contract, or outsourced non-employees
Management Governance	2-9 Governance Structure and Composition	3.1 Corporate Governance / Board of Directors	P30–P32	
	2-10 Nomination and Selection of the Highest Governance Body	3.1 Corporate Governance / Board of Directors	P31–P32	Director elections are conducted using a system of nominated candidates.
	2-11 Chair of the Highest Governance Body	3.1 Corporate Governance / Board of Directors	P31	Chair of the Board of Directors: Chairman

GRI Indicators		Corresponding Section in 2025 ESG Report	Page	Notes
Management Governance	2-12 Role of the Highest Governance Body in Overseeing Impact Management a. The role of the highest governance body and senior management in relation to the organization’s mission, values or vision, and strategy b. The role of the highest governance body in overseeing the organization’s due diligence, and its review of the effectiveness of organizational procedures	3.1 Corporate Governance / Audit Committee 2.1 Organization and Identification of Stakeholders 3.2 Corporate Integrity 3.3 Business Philosophy and Ethical Conduct 3.5 Internal Audit and Management Systems	P42 P17–P20 P44–P45 P46 P48–P49	
	2-13 Responsible Party for Impact Management a. How the highest governance body assigns responsibility for managing the organization’s economic, environmental, and social impacts b. How senior management or other employees report to the highest governance body regarding economic, environmental, and social impact management procedures	2.1 Organization and Identification of Stakeholders 3.1 Corporate Governance 3.7 Risk Management	P17–P20 P30–P43 P52–P53	The Chairman of the Sustainability Committee is appointed by the Chairman of the Board and serves as the General Manager
	2-14 Role of the Highest Governance Body in Sustainability Reporting a. The highest governance body shall be responsible for reviewing and approving the information in the report b. If the highest governance body does not have the responsibility to review and approve the report (including the organization’s material topics), explain why	3.1 Corporate Governance / Duties and Authorities of the Board of Directors 2.1 Organization and Identification of Stakeholders	P31 P17–P20	The Company’s Board of Directors serves as the strategic planning body for ESG matters, while the [Sustainability Committee] acts as the supervisory and executive body
	2-15 Conflicts of Interest a. Describe the highest governance body’s process for ensuring the avoidance and mitigation of conflicts of interest b. Report on whether conflicts of interest are disclosed to stakeholders b. Report on whether conflicts of interest are disclosed to stakeholders	3.2 Corporate Integrity / Integrity Reporting and Complaint Mechanism	P44–P45	
	2-16 Communication of Material Events a. How to Communicate Key Material Events to the Highest Governance Body	2.4 Communication Analysis and the Process of Identifying Stakeholder Concerns / Duties and Authorities of the Board of Directors	P22–P24 / P31	(6) Regularly report the results of corporate sustainability implementation to the Board of Directors
	2-17 Collective Knowledge of the Highest Governance Body a. Collective knowledge, skills, and experience of the highest governance body regarding sustainability	Educational Background and Professional Experience of Board Members Continuing Education of Board Members Board Diversity and Independence	P32 P33–P34 P35	
	2-18 Performance Evaluation of the Highest Governing Body a. The highest governing body shall establish procedures for evaluating the performance of the organization in managing its economic, environmental, and social impacts	3.1 Corporate Governance / Board Operations / Performance Evaluation 2.1 Organization and Identification of Stakeholders	P38–P41 P17–P20	(6) Regularly report the results of corporate sustainability initiatives to the Board of Directors
	2-19 Compensation Policy	Directors’ Remuneration Remuneration Committee 5.4 Compensation and Benefits	P37 P43 P78–P80	

GRI Indicators		Corresponding Section in 2025 ESG Report	Page	Notes
Management Governance	2-20 Compensation Determination Process a. The organization designs its compensation policies and compensation decision-making process	Directors' Remuneration Remuneration Committee 5.4 Compensation and Benefits	P37 P43 P78–P80	
	Total Compensation Ratio for FY 2020–2021	5.4 Compensation and Benefits / Ratio of Frontline Staff Salaries to Statutory Minimum Wage	P78–P80	
Strategy, Policies and Practices	**2-22 Statement on Sustainability Strategy** a. A statement from the highest governance body or top management regarding their relationship with sustainable development and their commitment to sustainable development strategies.	Management Statement / Sustainability Strategy	P3–P4	
	2-23 Policy Commitments a. Description of policy commitments regarding responsible business conduct b. Describe specific policy commitments regarding respect for human rights	5.1 Talent Policy and Commitment 5.5 Respect for Human Rights	P73 P81	Commitment to Implementing 12 Policies and Management Guidelines on Key Issues
	2-24 Incorporation of Policy Commitments a. How to ensure that each policy commitment regarding responsible business conduct is into its operations and business relationships	2.7 Response to Material Topics	P27–P28	
	2-25 Procedures for addressing adverse impacts a. Adverse impacts identified by the organization as caused or contributed to by it b. Description of methods for identifying and addressing complaints	5.5 Respect for Human Rights 5.6 Care and Communication – Human Rights Protection	P81 P82–P83	
	2-26 Mechanisms for Seeking Advice and Raising Concerns	2.2 Identification of Material Stakeholders / Stakeholder Communication Channels	P21	
	2-27 Regulatory Compliance a. Total number of significant regulatory violations occurring during the reporting period	3.4 Regulatory Compliance	P47	
	2-28 Membership in Professional Associations	1.4 Membership in Associations	P15	
Stakeholder Engagement	**2-29 Stakeholder Engagement Policy** a. Description of the Policy on Stakeholder Engagement	2.2 Identification of Material Stakeholders 2.3 Material Stakeholder Communication Channels 2.4 Communication Analysis	P21–P24	
	2-30 Collective Bargaining Agreements a. Percentage of total employees covered by collective bargaining agreements	5.5 Respect for Human Rights 5.6 Care and Communication – Human Rights Protection	P81 P82–P83	No collective bargaining agreement, but labor-management meetings are held

GRI Indicators		Corresponding Section in 2025 ESG Report	Page	Notes
Material Topics (3-1~3-3)				
Material Topics	Guidelines for Determining Major Issues 3-1 Process for Determining Material Issues	2.2 Identification of Material Stakeholders 2.4 Communication Analysis and the Process of Identifying Stakeholder Concerns 2.5 Results of Analysis on Material Topics	P21–P25	
	3-2 a. List of Material Topics b. **Changes to the List of Material Topics**	2.5 Results of Analysis on Material Topics 2.6 Stakeholders and Material Topics 2.7 Response to Material Topics	P25–P28	
	3-3 Management of Key Issues	2.7 Response to Material Topics	P27–P28	**Appendix 2-1**

List and Management of 12 Material Issues and ESG Response Section

NO	Provision	Key Points of GRI Provisions	Corresponding ESG Section	Page	Remarks
1. Operational Performance	201	Topic-Based Management Disclosures 3-3	1.3 Business Overview and Financial Information	P13–P14	TURVO’s Vision and Operational Strategy
	201-1	Direct Economic Value Generated by the Organization	1.3 Business Overview and Financial Information / Economic Value Creation and Distribution	P14	Percentage of revenue attributable to units produced by product category
	201-2	Financial Impacts and Risks of Climate Change	6.8 Climate Change Strategy and Management 6.9 Climate Change Risks	P103–P105	Climate Change Governance, Strategies, Risks, and Targets
	201-3	Defining the Duty of Care and Retirement Plans	5.4 Compensation and Benefits / Retirement Security and Employee Benefits	P78–P80	
	201-4	Government Financial Subsidies	1.3 Business Overview and Financial Information	P13–P14	No government financial assistance
2. Ethical Business Practices	2-15	Conflict of Interest	3.2 Corporate Integrity / Integrity Reporting and Complaint Mechanism	P44–P45	Integrity in Business Operations Policies and Systems
3. Risk Management	3-3	Thematic Management Disclosure	3.7 Risk Management	P52–P53	
	2-25	Procedures for Mitigating Adverse Impacts	5.5 Respect for Human Rights 5.6 Care and Communication – Human Rights Protection	P81–P83	
	TCFD	Financial Impacts and Risks of Climate Change	6.8 Climate Change Strategy and Management 6.9 Climate Change Risks	P103–P105	Climate Change Governance, Strategy, Risks, and Targets
4. Regulations Compliance	3-3	Topic Management Disclosure	3.4 Regulatory Compliance	P47	
	2-27	Compliance	3.4 Regulatory Compliance	P47	
5. Product Quality	417	Topic Management Disclosure 3-3	4.2 Product Quality and Safety	P58–P59	
	417-1	Requirements for Product and Service Information and Labeling	4.2 Product Quality and Safety / Quality Management System / 2025 Major Product Yield	P58–P59	
6. Product Safety	416	Customer Health and Safety: Topic Management Disclosure	4.2 Product Quality and Safety / Hazardous Substance Management	P58–P59	
	416-1	Assessing the Impact of Product and Service Categories on Health and Safety	4.2 Product Quality and Safety	P58–P59	
	416-2	Incidents of non-compliance with health and safety regulations for products and services	4.2 Product Quality and Safety / No Non-compliance Incidents in 2025	P58–P59	

List and Management of 12 Material Issues and ESG Response Section

NO	Provision	Key Points of GRI Provisions	Corresponding ESG Section	Page	Remarks
7. Innovation and R&D	3-3	Theme Management Disclosure	4.3 Innovation & R&D 4.3.1 Product R&D and Innovation	P60–P61	Including Cumulative R&D Achievements, Including Patents
			4.3.1 Product R&D and Innovation / R&D Innovation Management Process 4.3.2 Intellectual Property Management Measures	P60–P62	
8. Sustainable Products Services	3-3	Topic Management Disclosure	4.3.3 R&D and Services for Green and Sustainable Products	P63	
			4.3.2 Intellectual Property Management Measures 4.3.3 R&D and Services for Green and Sustainable Products 4.3.4 Future Innovation and R&D Strategy	P62–P64	
9. Customer Relationship Management	416	Thematic Management Disclosure	4.1 Customer Relations & Service / Customer Privacy / 4.4.6 Ethical Procurement	P56–P58 / P70	
	416-1 416-2	Impact of Products and Services on Health and Safety Incidents of Non-compliance with Health and Safety Regulations for Products and Services	4.2 Product Quality and Safety / No Non-compliance Incidents in 2025	P58–P59	
	418	Disclosure of Customer Privacy Management	4.1 Customer Relations & Service / Customer Privacy	P56–P58	
	418-1	Complaints regarding confirmed breaches of customer privacy or loss of customer data	Customer Privacy / No Customer Privacy Breaches in 2025	P58	
10. Supplier Sustainability Management	308	Disclosure of Topic Management Policies 3-3	4.4 Supply Chain Sustainability Management / 4.4.1 Supplier Management Policy and Commitment	P64–P66	
	308-1	Screening New Suppliers Using Environmental Standards	4.4.5 Supplier Social Responsibility Implementation	P69	
	414	Disclosure of Management Policies 3-3	4.4.1 Supplier Management Policy and Commitment / 4.4.5 Supplier Social Responsibility Implementation	P66 / P69	
	414-1 414-2	Screening New Suppliers Using Social Standards Negative Social Impacts in the Supply Chain and Actions Taken	4.4.5 Supplier Social Responsibility Implementation	P69	
	204-1	Percentage of procurement spending from local suppliers	4.4.4 Local Procurement	P68	

List and Management of 12 Material Issues and ESG Response Section

NO	Provision	Key Points of GRI Provisions	Corresponding ESG Section	Page	Remarks
11. Energy Conservation and Carbon Reduction	302	Energy: Topic Management Disclosure 3-3	6.1 Environmental Policy and Commitment 6.3 Energy Management / Solar Energy Installation and Power Generation	P94–P96 P98	
	302-1 302-2 302-5	Energy consumption within the organization External energy consumption Reducing the energy requirements of products and services	6.3 Energy Management	P98	
	305	Emissions: Topic-based management disclosures	6.2 GHG Inventory	P97	
	305-1 305-2	Direct Greenhouse Gas Emissions (Scope 1) Indirect Greenhouse Gas Emissions (Scope 2)	6.2 GHG Inventory / Greenhouse Gas Emissions by Category	P97	
12. Occupation Occupational and Health	403	Occupational Health and Safety: Topic Management Disclosure:	5.7 Occupational Safety and Health / Occupational Safety and Health Management System / Occupational Safety and Health Training 5.8 Health Promotion	P84–P91	• Certificate of Accreditation (as shown in the photo) Includes hazard identification, risk assessment, and accident investigation • 2025 Statistics on Occupational Safety and Health Training for Employees at Each Plant
	403-1 403-2 403-3 403-4 403-5 403-6 403-7	Occupational Safety and Health Management System Hazard Identification, Risk Assessment, and Accident Investigation Occupational Health Services Participation, Consultation, and Communication of OSH Personnel Training of Occupational Safety and Health Personnel Worker Health Promotion Mitigating or Reducing the Direct Impact of Occupational Safety and Health	5.7 Occupational Safety and Health / Occupational Safety and Health System, Risk Assessment, Training, Emergency Response and Accident Management 5.8 Health Promotion	P84–P91	
	403-8 403-9 403-10	Workers in the Occupational Safety and Health Management System Statistics on Occupational Injuries and Accidents Occupational Diseases	5.7 Occupational Safety and Health / Occupational Accident Management and Statistics	P84–P87	• Number of Occupational Health and Safety Certificates • Work-Related Accident Statistics for the Past Two Years • No Statutory Occupational Diseases Occurred at Our Company in 2025

Appendix 2. SASB Cross-Reference Table SASB Index

Transportation - Automotive Parts: Sustainability Topics, Accounting Metrics, and ESG Chapter Cross-Reference Table

Sustainability Themes (SASB)	Summary of Accounting Metrics	Corresponding ESG Section	Indicator Number
Greenhouse Gas Emissions Management (GHG Emissions)	Scope 1 and 2 Emissions, Carbon Reduction Strategies, and Risk Disclosure	6.2 Greenhouse Gas Inventory	TR-AP-110a.1 / 110a.2
Energy Management	Total Energy Consumption, Renewable Energy Share, Energy Conservation Measures	6.3 Energy Management	TR-AP-130a.1
Material Procurement and Efficiency	Key Material Sources, Recycling and Reuse	4.4.1 Supplier Management Policy and Commitment 4.4.4 Local Procurement	TR-AP-440a.1
Product Life Cycle Management	Recyclability and compliance (e.g., REACH, ELV) in product design	4.3.3 R&D and Services for Green and Sustainable Products	TR-AP-410a.1 / 410a.2
Supply Chain Management	Supplier ESG assessment and audit, conflict minerals due diligence	4.4.2 Industrial Supply Chain 4.4.5 Supplier Social Responsibility Implementation 4.4.6 Ethical Procurement	TR-AP-430a.1
Worker Health and Safety	Employee injury rate, corrective actions	5.7 Occupational Safety and Health 5.8 Health Promotion	TR-AP-320a.1
Business Ethics	Anti-Corruption Policy, Whistleblowing	3.2 Corporate Integrity 3.3 Business Philosophy and Ethical Conduct	TR-AP-510a.1
Product Quality and Safety	Number of Recalls, Quality Management Systems (e.g., IATF 16949)	4.2 Product Quality and Safety	TR-AP-250a.1 / 250a.2

Appendix 3. Implementation of Climate-Related Information

Item	Implementation
1. Describe the Board of Directors' and management's risks and opportunities.	The Company's Board of Directors is responsible for overseeing management's promotion of sustainable development in accordance with the law. In accordance with the "Sustainability Roadmap for Listed Companies" issued by the Financial Supervisory Commission in March 2022,the Company submitted a timeline plan for implementing greenhouse gas inventories for the parent and subsidiary companies to the Board of Directors by the end of the first quarter of 2023. Additionally, by the end of 2023, the Company established the "Greenhouse Gas Inventory Operational Management Procedures," which clearly define the relevant procedures for greenhouse gas inventories, the coordination and implementation by each department, and provide for regular annual reporting to the Board of Directors.
2. Describe how the identified climate risks and opportunities impact on the company's business, strategy, and finances (short-term, medium-term, and long term). 3. Describe the impact of extreme weather events and transition actions on financial .	To respond to and effectively implement carbon reduction measures, the Company's factory located in the Taichung Port Science Park is the first green building in the park and obtained LEED Silver certification in January 2025.In addition, the Company's production machinery, hardware facilities, and various index monitoring equipment have been progressively replaced to comply with environmental regulations; all of the above represent the achievement of short-term tasks in the transformation of corporate hardware facilities driven by actions to mitigate climate risks. In May 2024, the Company obtained ISO 14064-1 greenhouse gas inventory certification from EFA, and plans to adopt the Science Based Targets initiative (SBTi) by the end of 2025. Continuously advancing relevant initiatives is a key mid-term objective for the Company, as we strive to contribute to the environmental sustainability of our operations. To strengthen corporate governance and promote sustainable development, starting in 2024, the design of senior management KPIs has included the achievement of financial performance indicators (30%);and sustainability-related metrics (8% weighting), which include passing external verification of greenhouse gas inventories, reducing carbon emissions in manufacturing processes, participating in SBTi-aligned science-based reduction targets, and pursuing ISO 27001 certification; we aim to continue using the SBTi methodology to set carbon reduction targets and implement various ESG indicators by 2025, thereby enhancing the Company's financial performance and implementing our sustainability policy.
4. Describe how the identification, assessment, and management processes for climate risks into the overall risk management system.	The Company has established the "EP-22 Issue Identification and Risk Management Procedure." Through analysis of current internal and external environmental issues and stakeholder concerns, the Company understands its operating environment and formulates business strategies to address risks and opportunities arising from changing circumstances, thereby ensuring the effective operation of the environmental management system, effectively promote environmental protection principles, communicate to internal and external stakeholders the severe ecological damage caused by environmental pollution, and provide a safe and healthy workplace. This ensures compliance with relevant laws and other requirements, minimizes environmental impacts, and ultimately improves operational performance, builds corporate reputation, and achieves the goal of sustainable development.
5. If a scenario analysis is used to assess the company's, the scenarios, parameters, assumptions, analysis factors, and the primary financial impacts.	The Company has not yet adopted scenario analysis to assess climate change.
6. If there is a transition plan to manage climate-related risks, describe the plan's content, as well as the indicators and targets used to identify and manage entity risks and transition risks.	The Company has not yet formulated a climate-related risk transition plan, but will promote the Science Based Targets initiative (SBTi) by the end of 2025.

Appendix 3. Implementation of Climate-Related Information

Item	Implementation
8. If climate-related targets have been set, the Company should describe activities covered, greenhouse gas emission scopes, the planning timeframe, and annual progress toward achieving them; If carbon offsets or Renewable Energy Certificates (RECs) to achieve relevant targets, the Company should discloser the quantity of renewable energy certificates (RECs).	The Company will implement the Science Based Targets initiative (SBTi) by the end of 2025.
9. Greenhouse gas inventory and verification status, as well as reduction targets, strategies, and specific action plans.	TURVO adopted the ISO 14064-1 greenhouse gas inventory standard in 2023 and currently discloses data for the production scope of its Taiwanese facilities. As the Company’s business scale and development continue to expand, greenhouse gas emissions have risen year by year; however, operational sites have successively implemented improvements and replacements of energy-saving and carbon-reduction equipment, striving to reduce greenhouse gas emissions. Greenhouse Gas Emissions

Greenhouse Gas Emissions	2024	2025
Scope 1 (metric tons of CO_2e)	167.7976 CO_2e	166.6522 CO_2e
Scope 2 (metric tons of CO_2e)	4,135.2734 CO_2e	3,373.0229 CO_2e
Scope 3 (metric tons of CO_2e)	96.3302 CO_2e	4,864.465 CO_2e
Total Emissions (metric tons of CO_2e)	4,399.401 CO_2e	8,404.14 CO_2e
Emissions intensity (metric tons of CO_2e per million New Taiwan dollars)	4,399.401/1,802=2.4413	8,404.14/1,942=4.3276