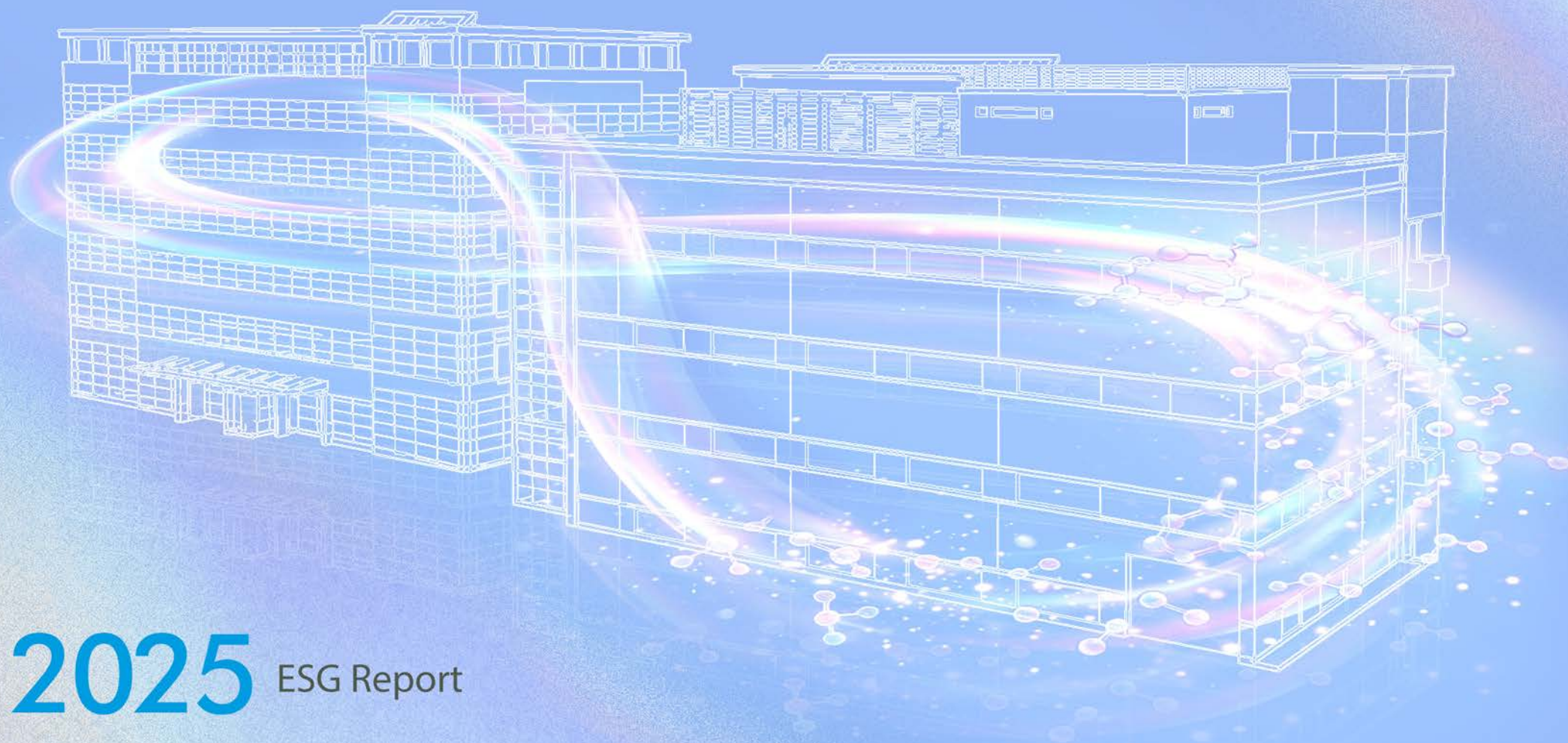


A Materials Design House, and More.



2025 ESG Report

01

Chapter

Sustainability Commitment

1.1 Sustainability Organization & Operations

1.2 Stakeholder Engagement

1.3 Material Topic Analysis

1.1 Sustainability Commitment

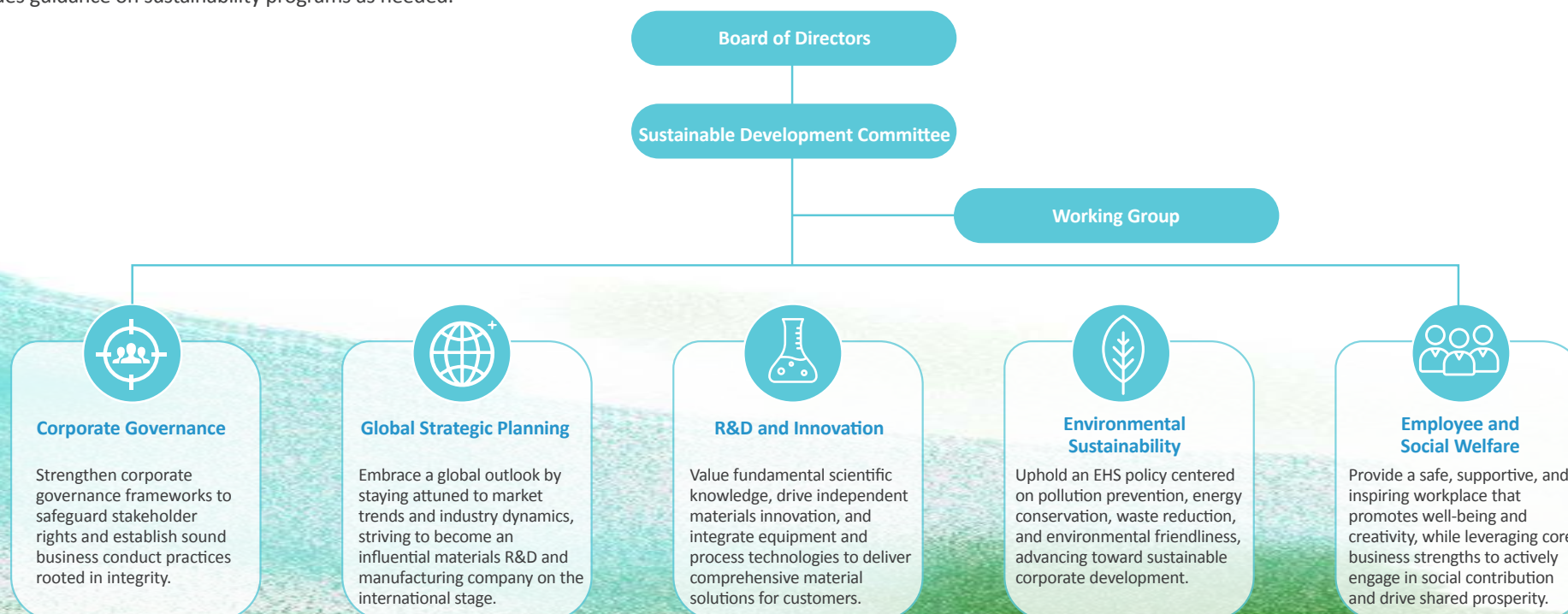
Daxin is guided by its core values of integrity, innovation and adaptability, value chain integration, open communication and collaboration, and respect for individuals, as it strives to become a world-class supplier of chemical materials.

As a responsible corporate citizen, we have embedded sustainable development into our core business strategy. Drawing on the framework of the Responsible Business Alliance (RBA), we have established management mechanisms that are implemented across key areas including R&D innovation, environmental sustainability, employee well-being, corporate governance, and social engagement—demonstrating our long-term commitment to the environment, society, and our employees.

ESG Implementation Framework

Daxin established a cross-departmental Sustainable Development Committee in 2021. On August 11, 2025, the Committee was elevated to report directly to the Board of Directors, taking on responsibility for overseeing sustainability implementation, supervising sustainability disclosures, and reviewing the sustainability report.

The Committee evaluates environmental, social, and governance issues relevant to the Company's operations, referencing international sustainability trends, GRI Standards, and industry benchmarks to identify material sustainability topics. The Committee reports to the Board annually, covering stakeholder engagement, material topics and their management objectives and approaches, and progress on sustainability initiatives. The Board reviews the Company's goal attainment and execution outcomes, assesses the effectiveness of management strategies, and provides guidance on sustainability programs as needed.



1.2 Stakeholder Engagement

In accordance with the AA1000 Stakeholder Engagement Standard (SES) and GRI Standards, the Sustainable Development Committee and department heads identify and categorize key stakeholder groups based on criteria including dependency, responsibility, influence, diversity of perspectives, and urgency. Six key stakeholder groups have been identified: customers, employees, suppliers and contractors, shareholders and investors, government authorities, and academics and research institutions.

Daxin provides diverse communication channels and engagement mechanisms. In addition to routine business interactions, dedicated mailboxes are available on the official Daxin website, with designated personnel responsible for responding to inquiries. By understanding stakeholder expectations and sustainability concerns, the Company translates feedback into meaningful input for its sustainability strategy. To enhance governance transparency, the Sustainable Development Committee reports stakeholder engagement outcomes and corresponding actions to the Board of Directors annually, ensuring that key issues receive attention and follow-through at the highest level.

Category	The Significance to Daxin	Focus Issues	Communication Channels	Frequency	2025 Communication Achievements
 Customer	Customers are essential partners in Daxin's continuous innovation and value creation. We are committed to delivering high value-added products and solutions through close collaboration and ongoing dialogue, meeting customer needs while advancing our shared sustainability objectives.	- Product Quality and Safety - Customer Relationship Management - Ethical Business Conduct	Communication and Discussion Meetings Customer Audits Annual Customer Satisfaction Survey Customer Visits Technical Exchange and Email Communications	Regular Regular Regular Regular Real-time	- All evaluation items in the customer satisfaction survey met the required standards. Customer feedback and improvement suggestions have been incorporated into the internal review mechanism as a basis for enhancing service quality. - Customer annual audits were conducted in accordance with customer requirements.
 Employee	Employees are the driving force behind Daxin's ongoing growth and innovation. We value and respect every team member, and are committed to fostering a safe, well-compensated, collaborative, and learning-oriented workplace that encourages creativity. Together, we strive to become a world-leading innovator in materials.	- Employee Benefits and Compensation - Product Quality and Safety - Labor-Management Communication	Labor-Management Meeting Employee Welfare Committee Business Briefing Official Website Internal Communications Platform Employee Opinion Box Dedicated Appeal Mailbox (Misconduct/Sexual Harassment Reporting Mailbox, Confidential Mailbox, Personal Data Request Mailbox)	Regular Regular Regular Real-time/Irregular Real-time/Irregular Real-time/Irregular Real-time/Irregular	- Quarterly labor-management meetings promote effective communication and collaboration. - The Welfare Committee meets quarterly to discuss employee benefits and manage related expenditures. - The employee suggestion box and multiple grievance channels (including internal online and physical channels, and an external mailbox) received 13 submissions this year, with a 100% response rate. - Monthly occupational medicine physician on-site services, coordinated with plant nurses, provided health management support for at-risk employees — 32 sessions conducted this year. - Personal data protection training was updated in 2025, with all employees completing a total of 437 training hours; new hire training on workplace misconduct prevention and sexual harassment prevention totaled 40 hours. - Compliance training on ethical business conduct totaled 2,374 hours, with an average of 5.4 hours per employee.

Category	The Significance to Daxin	Focus Issues	Communication Channels	Frequency	2025 Communication Achievements
 Supplier/ Contractor	The main suppliers are all large international companies with whom we have maintained long-term cooperation. We have established a stable and positive partnership with these companies, making them important partners in promoting sustainable development.	- Ethical Business Conduct - Occupational Health and Safety - Economic Performance	Review Report or Meeting Conduct written or on-site supplier audits annually Environmental Safety and Health or Corporate Social Responsibility Explanation Irregular meetings/price negotiations Annual Audit	Regular Regular Regular Irregular Regular	- Completed audits and evaluations for the top 20 suppliers and key raw material suppliers, totaling 32 companies, including 28 Grade A suppliers (81%) and 4 Grade B suppliers (19%), with no Grade C suppliers. Five outstanding suppliers were selected and awarded certificates of recognition. - The Supplier Quality Process Audit form includes EHS and corporate social responsibility self-assessments, which are also promoted during on-site audits. All suppliers achieved a score of 80% or above for both evaluation items.
 Shareholder/ Investor	Investors are focused on the company's long-term growth strategy, profitability, and investment value. Daxin is committed to protecting shareholders' equitable rights and sharing economic achievements with them.	- Economic Performance - Employee Benefits and Compensation - Product Quality and Safety	Annual Shareholders' Meeting Investor Conference Market Observation Post System, company website and spokesperson system	Regular Regular Real-time	- Shareholders' Meeting was convened on May 14, 2025. - Investor Conferences were convened on February 26 and August 13, 2025. - Revenue and self-assessed income and loss are announced monthly on the Market Observation Post System and the company website; financial reports are announced quarterly, while the annual report and sustainability report are published annually. - Required disclosures and publication of material information in accordance with regulations.
 Government Authority	The company complies with national regulations and maintains communication with public sectors to ensure processes, products, and services meet environmental, safety, and health standards. We accept inspections and supervision from competent authorities to ensure operational compliance.	- Occupational Health and Safety - Waste Management - Product Quality and Safety	Set up a contact window to maintain good interaction Participate in conferences or seminars Comply with inspections by authorities Reporting Regulatory Information Phone and email communication Meeting	Real-time/ Irregular Irregular Real-time Regular Real-time Irregular	- In cooperation with the Taiwan Stock Exchange, a comprehensive greenhouse gas inventory was conducted for all plant sites, with external verification obtained in March 2026. - A total of 26 unscheduled inspections were conducted in cooperation with competent authorities under occupational safety and health and fire safety guidance programs. - A total of 280 person-hours of staff attendance at government-organized promotional meetings and training courses this year.
 Academics and Research Institutions	Industry-academia collaboration is key to maintaining Daxin's technological edge. Through deep partnerships, we translate frontier research into industrial momentum and build a pipeline of advanced talent.	- Employee Benefits and Compensation - Research and Innovation - Ethical Business Conduct	Industry-Academia Collaboration Project Meetings Daxin Graduate Scholarship Academic Conferences and Thesis Competition Site Visits and Technical Seminars	Regular Regular Regular Irregular	- Executed 4 industry-academia collaboration projects, deepening technical exchange with 4 leading universities. - Sponsored 4 professional annual conferences and thesis competitions, with total campus sponsorship exceeding NT\$ 630,000. - Held the 15th Daxin Graduate Scholarship, recognizing 8 outstanding master's and doctoral students; cumulative scholarship awards have surpassed NT\$ 21 million.

1.3 Material Topic Analysis

Daxin identifies material topics through stakeholder engagement and systematic impact assessment. By analyzing sustainability trends and evaluating potential economic, environmental, and social impacts, the Sustainable Development Committee conducts internal assessments to identify, prioritize, and validate topics most significant to the Company's sustainable operations. These results provide the foundation for selecting material topics and determining disclosures for our 2025 Sustainability Report.

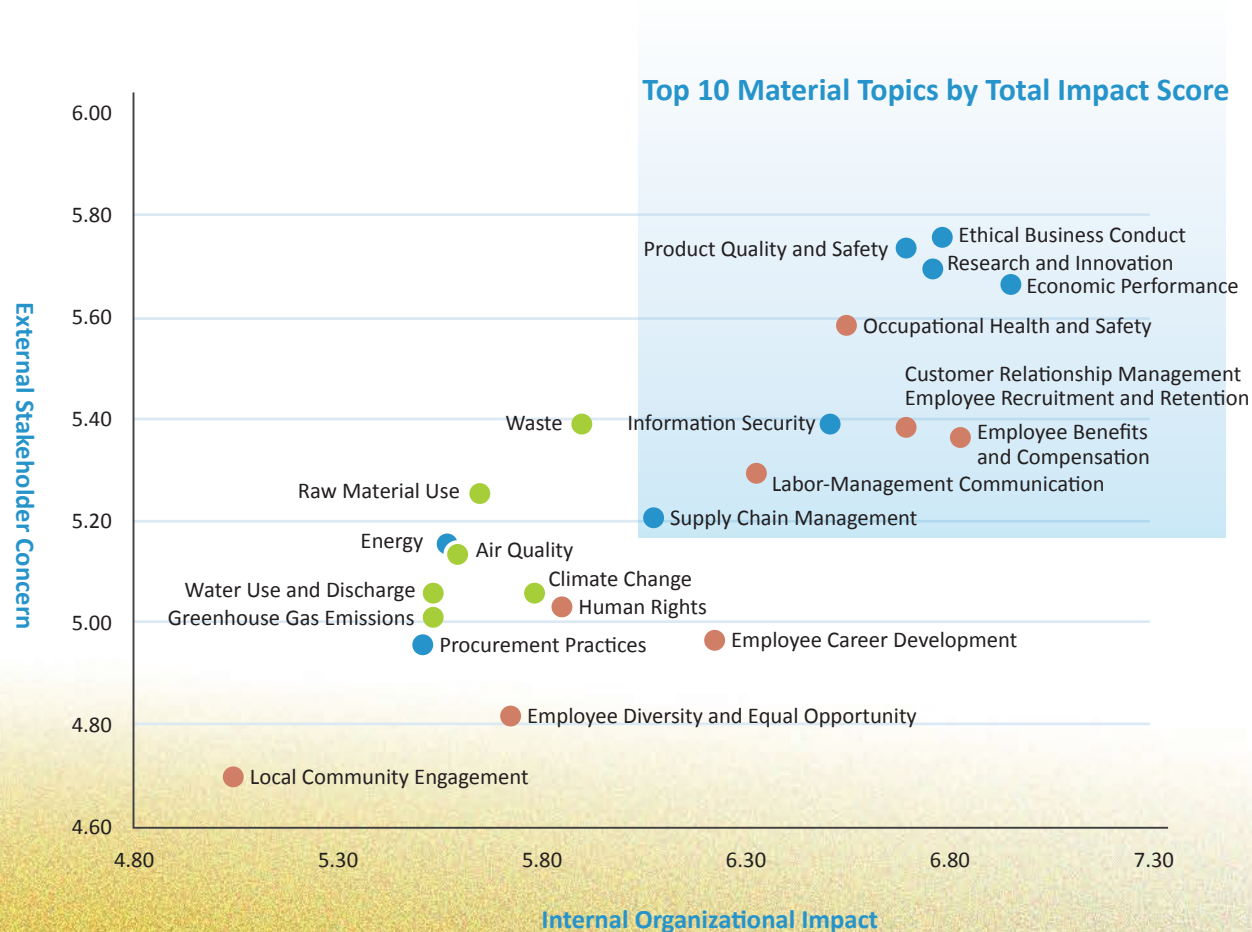
Item	Materiality Assessment Process	
 Understand the organization's context	Identifying stakeholders In alignment with the AA1000 Stakeholder Engagement Standard and GRI Standards, Daxin identified 6 primary stakeholder groups: customers, employees, suppliers and contractors, shareholders and investors, government authorities, and academics and research institutions. Sustainability Trends and Issue Identification Sustainability topics were gathered by referencing global initiatives (SDGs, TCFD, SASB), industry standards, peer benchmarks, and annual sustainability objectives, combined with internal and external stakeholder feedback, resulting in 23 topics for evaluation.	6 Stakeholder Groups 23 Topics
 Identify actual and potential impacts	Stakeholder Concerns To assess stakeholder concerns across sustainability topics, Daxin conducted a questionnaire survey, receiving responses from 336 stakeholders: 20 customers, 246 employees, 40 suppliers/contractors, 5 shareholders/investors, 8 government authorities, and 17 academics and research institutions. Impact on Operations 32 senior management representatives participated in scoring the impact of each topic on company operations based on the Company's development vision and business objectives.	336 Stakeholders 32 Senior Managers
 Assess the significance of the impacts	Impact Analysis Survey results and internal discussion outcomes were synthesized to analyze the actual and potential positive and negative impacts of each sustainability topic across economic, environmental, and social dimensions. Define Material Issues The Sustainable Development Committee convened cross-functional project meetings to assess the materiality of sustainability topics, confirm 8 material topics, and discuss corresponding management strategies for integration into daily operations.	8 Material Topics
 Disclosures on material topics	Information Compilation and Public Disclosure Material topics were analyzed across the value chain — covering upstream procurement, Daxin's operations, and downstream customer use. Relevant disclosures were reviewed by the Sustainable Development Committee Chair, approved by the Board of Directors, and published on the Market Observation Post System and the official Daxin website.	Officially published on the Daxin website ↗

1.3.1 Material Topic Identification Results

Through the materiality assessment process, stakeholder concern, significance of external impacts, and influence on organizational operations were evaluated in an integrated manner. The Sustainable Development Committee applied materiality principles to assess the actual and potential likelihood and positive/negative impact of environmental, social, and governance issues relevant to company operations, quantifying impact scores to produce a prioritized ranking.

Through matrix analysis, the top 10 topics by total impact score were used as the selection threshold, with reference to global initiatives (SDGs, TCFD, SASB), industry standards, and peer benchmarks. Based on balance, consistency, and comparability of sustainability disclosures, the following topics were identified as material: Waste, Supply Chain Management, Greenhouse Gas Emissions, Climate Change, Energy, Employee Career Development, and Social Engagement. Corporate governance indicators including Economic Performance and Ethical Business Conduct, as well as Information Security and Labor-Management Communication, were not classified as material topics but are nonetheless reported.

To better align with sustainability development priorities, the Sustainable Development Committee resolved through project meetings to merge "Friendly Workplace" and "Inclusive Development" into "Talent Sustainability," finalizing 8 material sustainability topics. The material topics were confirmed by all Sustainable Development Committee members, with risk assessments and management strategies subsequently developed and integrated into daily operations.



1.3.2 Material Topics and Value Chain

Daxin has established management approaches and implementation plans for each material sustainability topic, with goals and indicators formulated based on strategic direction and outcomes monitored regularly. In addition to the 8 material topics identified in this assessment, other topics not classified as material are appropriately disclosed in this report to provide stakeholders with a comprehensive understanding of Daxin's overall sustainability performance.

Material Topics	Sustainability Issue	GRI Standard	SASB Standard	Value Chain Impact Scope			Response Section
				Supply Chain	Daxin Operation	Customer Use	
Customer Service	Customer Relationship Management	Custom Topic	—		V	V	2.5 Customer Service
Supply Chain Management	Supply Chain Management	Supplier Environmental Assessment, Supplier Social Assessment	TC-HW-430a.1 、TC-HW-430a.2	V	V	V	2.6 Supply Chain Management
	Procurement Practices	Procurement Practices		V	V		
Product Quality and Safety	Product Quality and Safety	Custom Topic	—	V	V		2.7 Product Quality and Safety
Research and Innovation	Research and Innovation	Custom Topic	TC-HW-410a.3 、TC-HW-410a.4 RT-CH-410a.1 RT-CH-410c.1		V		3 Research and Innovation
Green Manufacturing	Waste	Waste	RT-CH-150a.1	V	V		4 Green Manufacturing
	Greenhouse Gas Emissions	Emissions	RT-CH-110a.1 、RT-CH-110a.2		V		
	Climate Change	Economic Performance	—	V	V		
	Energy	Energy	RT-CH-130a.1	V	V	V	
Talent Sustainability	Employee Benefits and Compensation	Economic Performance, Market Presence, Employment, Labor-Management Relations, Employee Diversity and Equal Opportunity	—		V		5.1 Talent Sustainability
	Employee Recruitment and Retention	Market Presence, Employment	—		V		
	Employee Career Development	Training and Education	—		V		
Social Engagement	Local Community Engagement	Local Communities	RT-CH-210a.1		V		5.2 Social Engagement
Occupational Health Safety	Occupational Health and Safety	Occupational Health and Safety	RT-CH-320a.1 、RT-CH-320a.2 RT-CH-540a.1 、RT-CH-540a.2	V	V		5.3 Health and Safety

Note: V indicates that the topic has a material impact at the respective value chain stage, or represents a key ESG focus area for Daxin.

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