

Message from Chairman (GRI 2-22)

Dear stakeholders,

In 2023, despite overcoming the challenges posed by the COVID-19 pandemic, the global environment continued to confront various crises and challenges. Notable among these were extreme weather events across the globe, geopolitical conflicts including the Russia-Ukraine war, the Israel-Hamas conflict, and the crisis in the Red Sea, etc. These factors contributed to ongoing global instability and a downturn in market demand, which particularly affected the chemical industry, weak market demand and a recession further exacerbating operational challenges for businesses.

Everlight Chemical experienced significant impacts on its financial performance, with a 12% decrease in revenue and a 76% reduction in profits compared to the previous year. The revenue stood at NT\$7.861 billion, while post-tax profits totaling NT\$95.07 million.

Despite these challenges, all colleagues remained committed to excellence, achieving significant results across various aspects.

A highlight to share is that Everlight Chemical's sustainable products the Eversorb® AQ series, a waterborne paint stabilizer, received the "Taiwan Excellence Silver Award," marking the first B2B industrial chemical has won this award.



In terms of sustainable environmental efforts

Everlight Chemical's Plant I, Plant II and Plant III obtained ISO 50001 energy management system certification in 2023. Plant IV received the "National Enterprise Environmental Protection Award." Last year, parent company also completed an organizational carbon audit, verified by a third party. The factories collectively saved 1,231 kWh of electricity and reduced about 609 tCO₂e of carbon emissions. The total energy consumption for the group decreased by 21% from the previous year. The greenhouse gas emissions in 2023 were 17% lower than in 2022, and the greenhouse gas emission intensity reaching 8.6 tCO₂e/million NTD in production value, achieving the target (goal 8.7). Regarding water conservation, the total annual water intake and consumption decreased by 18% and 13% respectively, and the water recycling rate of R2 reached 95% (93% in 2022). Last year, the Board of Directors approved a carbon reduction target for 2030, aiming for a 25% reduction from the baseline year of 2021, in alignment with the national goal of achieving carbon neutrality by 2050.

In terms of a diverse, inclusive and friendly workplace

Dr. Huang Hui-Ching, Head of Product Stewardship Division, won the second "Taoyuan City Powerful Women Award." Last year, the proportion of female managers at Everlight Chemical grew by 5%, and women in STEM roles accounted for 30%, notable achievements in the chemical industry. Everlight Chemical continues to invest in talent development. In 2023, the company introduced the eHRD training system, totaling 125,486 hours of internal employee training for the year, averaging 69 hours per person. The company also collaborated with the School of Continuing Education at Taiwan National University

to offer a two-year "Refined Executive and Practical Studies Class" for more than 40 senior executives within the group and introduced management capability evaluation tools from consulting firms to develop personal growth plans and establish a succession planning talent pool. Last year, six employees pursued master's and doctoral degrees while working.

In terms of social engagement

the company continued to advocate for the importance of research and promotion of "Economic Ethics." For the 15th consecutive year, Everlight Chemical sponsored the "Economic Ethics Forum" organized by the Department of International Business at Tamkang University and supported the Jubilee Economy Ethics Research and Education Foundation's "Jubilee Economy Ethics Seminar" for the 23rd consecutive year. Everlight Chemical continues to promote Character First Education. Besides implementing character education for all employees, the company has supported character leadership education courses at Taipei Business University's Department of International Business for 13 consecutive years as part of an industry-academic cooperation. Everlight Chemical has also been committed to education in the communities where its factories are located. Since 2014, responding to the "Sowing the Seeds of Reading: A Big Future for Children" public welfare project by the Common Wealth Magazine Education Foundation, Everlight Chemical has consistently subscribed to "Future Children" and "Future Teen" magazines monthly for each class in nearly 30 underprivileged schools in Taoyuan City and Hsinchu County where Everlight and Trend Tone Imaging facilities are located.

In terms of corporate governance

last year, Everlight Chemical was rated in the top 6-20% in corporate governance assessments; its "Corporate Sustainability Report" won the TCSA Sustainability Report Gold Award for the second consecutive year and was listed among the "Top 100 Carbon Competitive Companies" by Business Weekly in 2023.

This year, we will continue to enhance the disclosure of climate-related financial indicators under the TCFD framework. We will also continue to assess finance related to natural capital, low-carbon transition, and biodiversity, and gradually present the results.

In conclusion, I extend my sincere wishes for the health and well-being of all stakeholders and their families.

Sincerely,

Chen, Chien-Hsin
Chairman of Everlight Chemical

2023 Sustainability Achievements



Governance



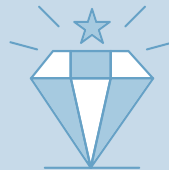
2023 Corporate Governance Evaluation Results is
Top **6%~20%** among listed companies



With a market capitalization over NT\$10 billion
for non-financial electronics companies publicly listed
Top **21%~40%**



All production sites achieved **100%** certification under
ISO 9001
ISO 14001
ISO 45001



Eversorb® AQ series a waterborne paint stabilizer received the
Taiwan Excellence Silver Award
in December 2023



Won the "16th TCSA Taiwan Corporate Sustainability Award"
in the traditional manufacturing category
Gold Award



FTSE Russell ESG rating 3.4



Maintained a rating for **ESG risk of below 30 points**
from international rating agency-Sustainalytics



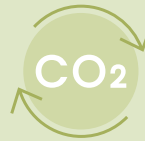
Environment



A carbon reduction target

25% for 2030

net-zero carbon emissions by 2050



Achieved **↓17%**
compared to 2022
in greenhouse gas emissions

met internal control targets
for carbon intensity



Total energy consumption
of Everlight Group

↓ 21%

compared to 2022



Total water consumption
of Everlight Group

↓ 13%

compared to 2022



Achieved a waste recycling
and utilization rate

71%

A hazardous waste recycling
treatment ratio of 10.3%



Listed among the Business
Weekly in 2023

Top 100

Carbon Competitive
Enterprises



Plant IV received the "Green Factory" mark

Passing the Industrial Development Bureau's clean production evaluation
Nominated for the National Enterprise Environmental Protection Award



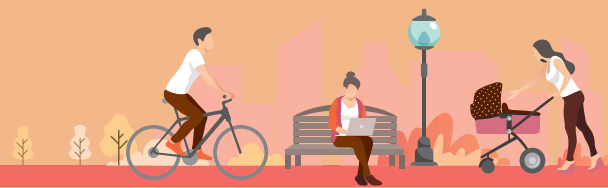
River adoption projects

the Guanyin coast and Dahu River

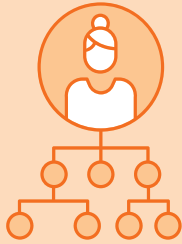


Honored as "Taoyuan
City Flood Prevention
Champion"

for 5 consecutive year



Social



Woman in STEM roles

Comprising **30%** of workforce
Achieved a 5% growth in female managers



The Director of
Product Stewardship Division

won the **Second Annual**

**Taoyuan City Powerful
Women Award** in 2023



Conducted **37** sessions
Sustainable Development
Training for all employees



Everlight Chemical's Plant II
participated in the

**National
Workplace Safety
and Health Week**

campaign organized by
the Ministry of Labor



Beach/dune cleaning activities

Collecting **550kg** of waste
Hosted the first sustainable tourism
combining ecological education



Donated

NT\$5.44 million to charity
representing 6.3% of net profits



Continuously provide 29 schools
in rural areas of Taoyuan City and
Hsinchu County
with "Future Children" and "Future
Youth" magazines

Totaling 24,230 copies
until 2023



**Everlight Chemistry
Thesis Award
in Green Chemistry**

Awarded to **3** distinguished scholars

I. About Everlight Chemical (GRI 2-1)

In 2022, Everlight Chemical celebrated its 50th anniversary, adhering to its brand promise of "Better Chemistry, Better Life.", the company aspires to enhance the quality of life through its products in the specialty chemicals supply chain.

Ever since the founder, Honorary Chairman Chen Ding-Chuan, established our operating philosophy of "pursuing progress and innovation, promoting human dignity, and enhancing human welfare," Everlight Chemical has committed to "Ethical management and compassionate governance" as its core culture. Our mission is sustainable operation, focused on developing and producing high-technology chemicals that provide positive value to mankind and create value with our customers, aiming to contribute significantly to the global community.

Legal Name	Everlight Chemical Industrial Corporation
Established	1972
Stock Market Listing Date	1988
Total Capital	NT\$5.5 billion
Total Capital	NT\$6.1 billion (Individual); NT\$7.86 billion (Group)
Location of the Headquarter	5-6F, No. 77, Section 2, Dunhua South Road, Da'an District, Taipei City.
Number of Employees (GRI 2-7)	The total includes 1,325 employees at Company (including operating headquarter and four factories in Taoyuan). 505 employees at subsidiaries (including Trend Tone Imaging, Everlight (Suzhou), and other overseas subsidiaries). 1,830 employees at the whole group.
Ownership and Legal Form	Everlight Chemical was listed on the stock market in 1988, and the legal form is a "company limited by shares", and the ownership of the company belongs to all shareholders.

Everlight Chemical's production bases include four sites (six production locations) in Taoyuan, Taiwan, as well as Suzhou Everlight in mainland China and the subsidiary Quantec Co., Ltd. Globally, Everlight Chemical has 20 operational locations, with a marketing network spanning five continents and over 100 countries. For the latest updates on operational locations, please visit the Everlight Chemical website.



Sustainable Environment

Workplace Wellbeing

Social Engagement

Appendix

Production bases of Everlight include

4 sites in Taoyuan City (6 production points)
Trend Tone Imaging in Hsinch /
Everlight (Suzhou) Advanced Chemicals

Around the world

20 operational sites

Our sales and marketing network spans across

100 countries
on **5** continents

The addresses and telephone numbers of each production base are as follows : (GRI 2-2)



Everlight Plant I

Mainly produces dye chemicals
📍 No. 271, Zhongshan North Road,
Dayuan District, Taoyuan City
☎ (03)386-8081



Everlight Plant II

Produces dye chemicals, electronic chemicals, and active pharmaceutical ingredients
📍 No. 12, Industrial 3rd Road,
Guanyin District, Taoyuan City
☎ (03)483-8088



Everlight Plant III

Mainly produces specialty chemicals
📍 No. 937, Section 2, Chenggong
Road, Guanyin District, Taoyuan City
☎ (03)483-7682



Everlight Plant IV

Primarily produces electronic chemicals
📍 No. 399, Datan North Road,
Guanyin District, Taoyuan City
☎ (03)473-7366



Active Pharmaceutical Ingredient (API) Factory

Produces active pharmaceutical ingredients
📍 No. 12, Industrial 3rd Road,
Guanyin District, Taoyuan City
☎ (03)483-8088



Electronic Chemicals Factory

Produces electronic chemicals
📍 No. 12, Industrial 3rd Road,
Guanyin District, Taoyuan City
☎ (03)483-8088



Trend Tone Imaging, Inc.

Mainly manufactures and sells toner and cartridges for laser printers, photocopiers, and fax machines.
📍 No. 1-3, Industrial East 1st Road,
East District, Hsinchu City
☎ (03)578-3620



Everlight (Suzhou) Advanced Chemicals Ltd.

Primarily produces and sells toner and high-tech chemicals for electronics.
📍 No. 33, Pingsheng Road,
Suzhou Industrial Park.



II. Operational Performance

In 2023, the global economic situation was impacted by the Russia-Ukraine war, leading to a persistent weak market performance in the first half of the year, which affected Everlight's operations. Everlight Group's total revenue in 2023 was NT\$7.861 billion, a decrease of 11.5% from 2022. Business units experienced fluctuations due to market demand. For example, the performance of dye products and electronic chemicals improved in the second half of the year due to sustainability themes. In the electronic chemicals segment, MiniLED photoresists have been steadily supplied to leading domestic LED manufacturers, with plans to expand into markets in Mainland China and South Korea. IC photoresists continued to be supplied for testing and verification by top-tier brand customers. Looking ahead, Everlight aims to focus on expanding applications in automotive ICs foldable mobile phones for future development.

Revenue and Earnings Per Share from 2021 to 2023, Individual and Consolidated:

Individual

(in thousand NT\$)

Items	2021	2022	2023
Revenue	7,509,370	6,782,782	6,108,600
Operating Costs	5,847,516	5,413,588	5,008,425
Operating Profit	450,009	265,176	115,031
Net Profit after Taxes	472,970	374,432	85,866
Earnings Per Share	0.86	0.68	0.16

Consolidated

(in thousand NT\$)

Items	2021	2022	2023
Revenue	9,200,988	8,891,702	7,861,424
Operating Costs	6,987,506	6,896,531	6,261,590
Operating Profit	552,776	380,756	83,420
Net Profit after Taxes	481,829	392,540	95,077
Earnings Per Share	0.86	0.68	0.16

Sustainable Environment

Workplace Wellbeing

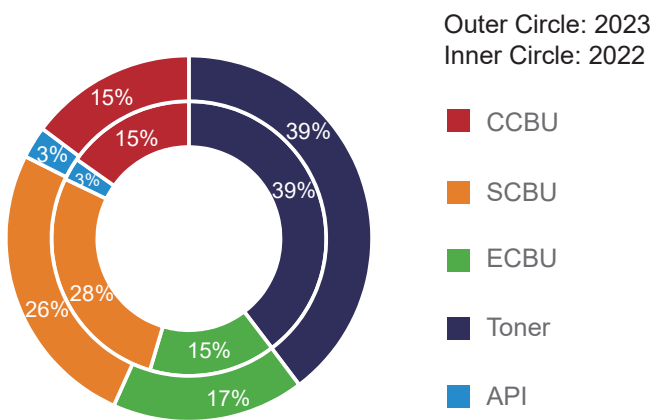
Social Engagement

Appendix

(SASB RT-CH-410.a)

Everlight continues to count the proportion of sustainable products every year. In 2023, the proportion of sustainable products in total turnover also continued to grow steadily, **exceeding the expected target, and the proportion of turnover increased from 58% to 70% in 2022.**

Revenue Share by Business Unit for 2022 and 2023



Product Category	Description
Color Chemicals, CCBU	Textile dyes, leather dyes, high-purity dyes for inkjet applications, high-purity dyes for digital textile printing, digital textile printing inks, metal dyes, paper dyes, functional chemicals for textiles, solar dyes.
Electronic Chemicals, ECBU	Photoresists, developers, polishing liquids, photosensitive polyimides, functional inks, and adhesives.
Specialty Chemicals, SCBU	UV absorbers, Hindered Amine Light Stabilizers (HALS), formulated products, functional masterbatches, antioxidants, polymerizable dyes.
Pharmaceutical Chemicals, API	Prostaglandin, other active pharmaceutical ingredients
Toner	Toners and cartridges used in printers and photocopiers, carriers and developers, ceramic toner.

III. Operational activities and value chain (GRI 2-6)

Everlight belongs to the specialty chemicals industry. The raw materials of our products come from domestic and foreign suppliers. The direct upstream suppliers include basic chemical raw materials and organic chemical intermediates and the more upstream are petrochemistry, coal coke chemistry and natural gas chemistry. The downstream suppliers Customers include textile and leather, plastics/coatings, optoelectronics/semiconductors and health and medical industries.

The performance growth of electronic chemicals in 2023 reflects the increasing demand in application fields such as automotive and green energy. In the future, Everlight will continue to invest in products that meet customer benefits (User-Phase Efficiency, UPE product) and increase the production proportion of sustainable products.

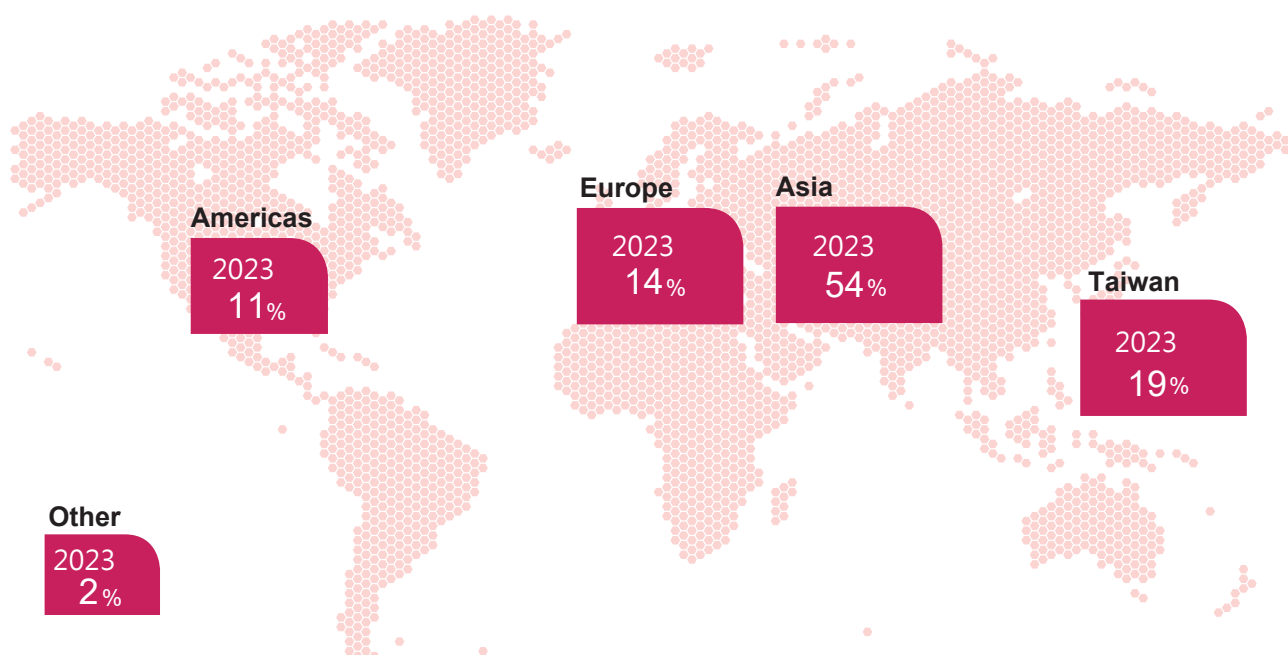


IV. Customers and Markets

Everlight's products are mainly exported, and main customers of the entire group are from Asia, accounting for more than half. The customers from European and American account for about 25%.

2022			2023		
Individual	Sales (in million NT\$)	Proportion	Consolidated	Sales (in million NT\$)	Proportion
Taiwan	1,415,789	23%	Taiwan	1,448	19%
Asia	3,155,052	51%	Asia	4,258	54%
Europe	845,246	14%	Europe	1,101	14%
Americas	522,785	9%	Americas	867	11%
Other	169,728	3%	Other	188	2%
Total	6,108,600	100%	Total	7,861	100%

Everlight Group's Sales Across Various Markets in 2023



Better Chemistry Better Life

Better Chemistry, Better Life sits at the heart of our commitment at Everlight Chemical

We aim to be a powerhouse that facilitates circular economy via our specialty chemical product offerings and solutions

We will continue to fulfill our corporate social responsibilities and enable a sustainable environment and a better future for all human beings

Vision

Become a high-tech specialty chemicals provider that contributes to better life for mankind

We dedicate ourselves to the R&D and production of visionary specialty chemical products, which we believe will contribute to all mankind and help improve the quality of life of all stakeholders. As we deliver on this mission, we are also committed to supporting our employees, raising the bar for the chemical industry, improving the well-being of the society and facilitating a sustainable future.

Unique Positioning

Continue to raise the quality bar of our products and services, and by doing so, further create added value to share with our customers

Our mission is to help every client succeed. By offering high-quality products, services and solutions, we help clients move toward a sustainable future together.

