

Operational Highlights

I. Contents of Business

(I) Scope of Business

1. Everlight Chemical is engaged in the research, development, manufacturing, and sales of specialty chemicals. Its products are applied in industries such as textiles, electronics, optoelectronics, automotive, consumer goods, and pharmaceuticals. The Company's products are categorized into five major groups, with Taiwan serving as the primary base for R&D and production, and are marketed worldwide.

2. Business percentages in 2025 :

Business Segments and Products		Sales volume	Sales amount (TWD thousand)	Percentage
Color chemicals		13,370 tons	2,756,093	36.4%
Specialty chemicals		3,293 tons	1,813,821	24.0%
Toner		3,920 tons	973,998	12.9%
Electronic chemicals	Photoresist	572 tons	530,036	24.0%
	Others	13,254 tons	1,290,507	
Pharmaceuticals	Prostaglandin	364,146 g	163,312	2.7%
	Other material medicines	490kg	40,807	
Total			7,568,574	100.0%

3. Current Product Portfolio and Planned New Product Development:

Product Category	Current Products	New Products under Development
Color Chemicals	● Textile Dye ● Leather Dye ● High-Purity Dyes for Inkjet ● High-Purity Dyes for Digital Textile Printing ● Digital Textile Printing Inks ● Metal Dye ● Paper Dye ● Moisture-curing laminating adhesive ● Functional Dyes ● Solar Dye and Encapsulant	● Expansion of Product Portfolio across Existing Categories
Specialty Chemicals	● UV-Absorber ● Hindered Amine Light Stabilizer, HALS ● Formulated Product ● Functional Masterbatches	● Expansion of Product Portfolio across Existing Categories

Product Category	Current Products	New Products under Development
	● Antioxidants ● Polymeric / Polymerizable Dyes	
Toner	● Colored Toner ● Black Toner ● Finished Toner Products: Cartridges, Bottled & Bagged ● Carriers and Developers ● Ceramic Toner	● Expansion of Product Portfolio across Existing Categories ● Enhancement of Application Scope for Existing Products ● Flexible Conductive Materials / Functional powder materials
Electronic Chemicals	Use in IC, LCD, LED and TP industry ● Photoresists ● Developers ● Polishing Slurries ● Wet Process Chemicals ● Thermosetting & UV-Curable Functional Inks ● Electronic Functional Chemicals ● Photosensitive polyimide, PSPI	● Expansion of Product Portfolio across Existing Categories
Pharmaceuticals	● Prostaglandin APIs ● Other Active Pharmaceutical Ingredients, APIs	● Expansion of Prostaglandin API Portfolio ● APIs for Geriatric, Ophthalmic, Radiopharmaceuticals, and Other Therapeutic Applications

(II) Industry overview

1. The current condition and development of the industry

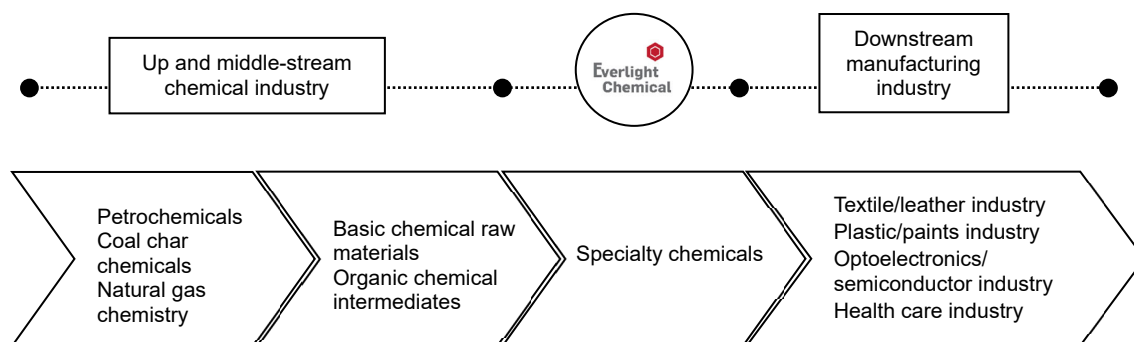
Chemicals can be broadly classified into three categories: bulk chemicals, fine chemicals and specialty chemicals. Specialty chemicals are mainly used in processes or final products for the purpose of improving product characteristics, and are mostly high value-added products. The products of Everlight Chemical are all specialty chemicals. The demand for global specialty chemicals is growing steadily.

High value is the development direction of Taiwan's chemical industry. The so-called high value development includes the development of existing chemical products in the direction of high value, the development of high-priced or high value-added products, or the development of advanced materials, etc. The key to high value development is to master the core technology, key materials and intellectual property rights, as well as the ability to continuously innovate.

2. Relevance between the up, middle and downstream of industry

The direct upstream of the specialty chemicals industry is basic chemical raw material and organic chemical intermediate, and the next upstream is petrochemical, coal char chemical and natural gas chemistry. The specialty chemicals industry is the most technical and innovative

field in the chemical industry, and is also a key industry directly supporting the manufacturing of electronics, optoelectronics, pharmaceuticals, and textile, etc., in the chemical industry. The development of specialty chemicals industry not only requires the strengthening of the upstream chemical industry supply chain and the effective grasping the source of key raw materials, but also needs the crossing of the gap between downstream and other industries and the development of application technology, in order to establish a bridge of technical communication with customers.



3. Product development trends and competition situations

All the products of the Company belong to the "specialty chemicals" with the characteristics of small amount, various type and high value-added, which are generally in a fully-competitive market with many manufacturers. The followings are the development trends of the products in the top four business divisions with the highest operating revenue:

Color Chemicals business, the dye industry continues to develop steadily toward the long-term trends of environmental protection, energy conservation and emission reduction, driven by the increasing demand for green dyeing and finishing solutions. In addition to fluctuations in dye prices caused by the supply–demand dynamics of key raw materials, evolving factors such as war-related disruptions and market inflation may alter or impact the growth momentum of downstream textile markets. In response to these industry dynamics, our colorant product development focuses on meeting customer demand for special fastness performance and differentiated products, while continuously providing comprehensive total solutions. We have launched a series of Everzol ERC Dyes, and continue to expand our portfolio with a broader color gamut. These products can be applied in the Everzol ERC Solution, an efficient, environmentally friendly, and energy-saving washing process that helps dye-houses reduce resource consumption and operating costs. Through these solutions, we aim to support customers in achieving advanced green dyeing and finishing processes, while strengthening our commitment to sustainable operations and circular economy objectives. In the dyeing of cotton knitted fabrics, Cold Pad Batch (CPB) dyeing and continuous processing technologies remain key areas of focus in the textile market. The Everzol CS dyes, specifically designed for cotton fiber CPB dyeing applications, have gained further market recognition following the receipt of the Taiwan Excellence Gold Award, creating additional opportunities to accelerate market adoption and sales growth in this segment. For nylon fabric dyeing, we continue to develop high-fastness, vivid-shade acid dyes, including the Everset PA and Everacid S series.

We have also prepared marketing materials for metal-free acid dyes, and have officially commercialized the Everacid X series metal-complex dyes, which feature low wastewater discharge and high fastness performance. In line with the increasing emphasis on environmental sustainability, we have further developed Black S-MF, a metal-free acid black dye with excellent depth of shade, as well as a bisphenol-free acid dye fixing agent. In the digital textile printing segment, we continue to address market demand for environmentally friendly and energy-saving solutions through the launch of high-purity dye products such as Everplus and ink products such as Everjet. In addition, the Everclear salt-free and low-alkali dyeing solution can effectively reduce water consumption by 40%, electricity consumption by 35%, and wastewater COD by 80%, representing a highly effective pathway toward the industry's 2050 net-zero emissions goal. In the PUR (polyurethane reactive) adhesive business, we offer high peel-strength adhesives for both textile apparel and industrial applications. Our product portfolio includes low-temperature, low-viscosity grades specifically designed for fabric lamination. Recently, we have also developed PUR adhesives suitable for fine-denier nylon lamination, as well as PUR products with yellowing resistance and fluorescent effects. These innovations enable the Evereco PUR series to be widely applied across textile apparel and industrial products, further enhancing the completeness of our overall product chain.

Specialty Chemicals business, the application areas with the greatest growth potential include the automotive component-related industry, green energy, the optoelectronics industry, biomedicine, composite materials, cosmetics and skincare products, etc.

Electronic Chemicals business, focuses on the development of key process materials for the semiconductor industry and the flat panel display industry. With the continuous advancement of the semiconductor sector, 5G applications are driving the integration of AI, IoT, wearable devices, automotive electronics, and smart home technologies. The Company has placed particular emphasis on the development of thick-film photoresists for integrated circuit packaging processes, as well as photosensitive polyimide materials for critical processes in power semiconductor manufacturing. These materials are widely applied in the production of power control devices, sensing components, and MEMS. In terms of optoelectronic industry development, high-end smartphone displays are primarily evolving toward AMOLED integrated with touch technologies. The Company is currently developing photoresists for low-temperature curing processes used in flexible displays, aiming to promote energy-efficient, low-temperature manufacturing processes and enhance the competitiveness of the panel system industry. Emerging Micro/Mini LED display technologies require high resolution and high-temperature processing capabilities. The Company has launched advanced positive-tone and negative-tone photoresists to meet industry requirements, creating commercialization opportunities for the Electrochemical Business Division.

Toner business, With the increasing popularity of color printers, color toner will become the market mainstream. Currently, color toner is still a specialty product, and capital investment, technological innovation, and upstream-downstream integration to differentiate products are key to staying ahead of competitors. Black toner is mostly a commodity product, so continuous process management, streamlining workflows, and strict cost control are maintained to preserve product competitiveness in the market. Ceramic toner has achieved breakthroughs in product

application technology and has been commercialized with small-volume shipments.

(III) Overview of technology and R&D

The R&D expenses devoted and successfully developed technology or products in 2025 and up to the publication date of the annual report:

Unit: NT\$ thousands

Year		2025	The current year until March 31, 2026
Item			
R&D expense devoted		374,966	87,545
R&D results:			
Patent	Patents granted	4 items	1 item
	Accumulated patents	211 items	212 items
New products developed		90 items	14 items

(IV) Long- and Short-Term Business Development Plans

1. Long-Term Development Strategies:

Everlight Chemical's vision is to become a high-tech chemical industrial group that contributes to human well-being. To enhance the quality of life and health of people, we remain committed to the research and development of forward-looking chemical products and the production of high-tech solutions. We aim to bring positive impact to human life through innovative chemistry—benefiting our employees' quality of life, enhancing industrial competitiveness, advancing social welfare, and promoting a sustainable future. Through these efforts, we are dedicated to fulfilling our brand promise: **“Better Chemistry, Better Life.”**

2. Short-Term Development Plans

- (1) Digital Transformation Initiative
- (2) Global Manufacturing Partner Network Program
- (3) Talent Development and Leadership Excellence Project
- (4) IFRS Sustainability Disclosure Standards Implementation Project

II. Market and Production Profile

(I) Market analysis

1. Sales areas of major products:

Unit: NT\$ thousands

Sales areas	2025		2024	
	Dollar amount	Percentage (%)	Dollar amount	Percentage (%)
Taiwan	1,868,208	25	1,876,408	23
Americas	692,993	9	957,103	12
Asia	2,202,923	29	2,269,144	28
Mainland	1,781,859	23	1,858,032	23

Europe	968,347	13	1,085,074	13
Other areas	54,244	1	122,459	1
Total	7,568,574	100	8,168,220	100

2. Market share and supply and demand and growth of the market in the future:

Color Chemicals business:In 2025, the total global dye market volume continued to decline to 1.35 million tons due to negative factors such as global inflation, the Russia-Ukraine war, and heightened tensions in the Middle East. Our company's market share is approximately 1.0%. If inflationary pressures ease and the wars gradually subside, global dye demand is expected to gradually return to normal in the second half of this year and show a 3.5% compound annual growth rate by 2027. Over the past decade, Indian and mainland China dye industry peers have rapidly expanded their production capacity, leading to ample supply. Although the expansion speed has begun to slow down, the fundamental market situation remains one of oversupply. However, due to work safety accidents in the mainland China dye and intermediate industry, which have led to increased enforcement of chemical safety and stringent environmental compliance requirements. Meanwhile, in India, rising environmental awareness and increasing demands from international brand owners have also driven higher environmental standards. As a result, the market supply-demand structure is expected to gradually move toward a more balanced state. With the transformation of the textile industry and the need to gradually move towards green sustainability goals, future dye products, driven by rising environmental awareness, will focus on research and development in the direction of high exhaustion, high fixation, water saving, and non-toxicity to build competitiveness in the net-zero carbon emissions.

Specialty Chemicals business:In 2025, the global market for UV absorbers and light stabilizers totaled approximately TWD 50.4 billion, and the market share of Everlight Chemical was approximately 4%. The global compound annual growth rate is estimated to be 6.8% in the next five years. The main growth momentum comes from the demand for various types of plastics, including packaging materials, automotive plastics and agricultural films. The second largest growth momentum comes from the coatings industry, such as industrial coatings and construction coatings. Due to the high technical threshold, additive manufacturers are concentrated in a few developed industrial countries. Emerging markets and new application areas have become the most important growth opportunities.

Electronic Chemicals business: In 2025, the global market for semiconductor photoresists and process chemicals is being strongly driven by the rapid growth in demand from the AI and high-performance computing (HPC) sectors, resulting in a significant acceleration of market momentum. The market size is expected to exceed NTD 200 billion, and the electronic chemical materials market across Taiwan and Mainland China continues to exhibit strong long-term growth potential. With the continuous advancement of leading-edge semiconductor processes and ongoing capacity expansions by wafer fabs and panel manufacturers, demand for

photoresists and process chemicals is expected to remain on a growth trajectory, with an estimated annual growth rate of approximately 5–6% over the next three years. At present, the Company's market share remains below 1%. Looking ahead, the semiconductor market is expected to be further stimulated by AI-driven applications, emerging information services, energy and environmental technologies, and system-level technology integration. Advanced packaging technologies—such as CoWoS, CoPoS, and FOPLP—are becoming mainstream in back-end packaging processes, thereby driving demand growth for thick-film photoresists and photosensitive polyimide materials. In addition, the panel system industry is focusing on the development of flexible, low-temperature process advanced materials and high-end photoresists for Mini/Micro LED applications, which are expected to serve as key growth drivers for future market expansion.

Toner business: In 2025, affected by the U.S.-China tariff trade war and the slow recovery of the Chinese economy, the total market production volume for toner was 74,000 tons, with our company's market share at approximately 5.3%. China continues to face intense internal competition and the constant addition of toner production lines, resulting in an oversupply and the spillover of low-priced toner into global markets. Meanwhile, the European market has seen no significant growth in overall orders due to persistent severe inflation and continued global economic sanctions against Russia. To ensure stable profitability, the company is striving to focus on the sales of new products and color toner while strengthening market development in neighboring China and Southeast Asia. Key future tasks will focus on improving production equipment, enhancing production efficiency, continuing the R&D of new products, and strengthening sales promotion to direct customers to achieve sales targets.

3. Niche for competition:

- (1) Trustworthy corporate brand image and loyal customer base gain comparative advantages in a highly competitive market.
- (2) Short-term focus on OEM partnerships with leading international manufacturers to strengthen revenue contribution, while simultaneously deepening the development of proprietary core technologies. The medium- to long-term objective is to achieve a balanced revenue structure between OEM manufacturing and proprietary products.
- (3) Through the promotion of corporate brand and brand management, the Company's market competitiveness will be strengthened.
- (4) The global logistic, marketing channel and technical service network have been established to provide fast and immediate service and increase customer satisfaction, in order to build long-term and stable partnerships.
- (5) Technological innovation, competitiveness enhancement and profitability:
 - ① Differentiating products and technologies to increase the market share of products.
 - ② Promoting niche and superior products to increase added value.
- (6) Promote full range of online services including online streaming seminars and International Technology Forum, product marketing and promotion.

4. Favorable and unfavorable factors of development vision and responding measures:

- (1) Favorable factors:

- ① Regional and national chemical-related regulations have been promulgated. Governments such as China have greatly improved the implementation of environmental protection regulations, resulting in higher environmental protection costs, rising entry thresholds and operating costs of the chemical industry. The survival space of low-cost competitors in developing countries will be compressed.
- ② Governments around the globe pay attention to the development of high-tech chemical materials that are environmentally sustainable.
- ③ The growth momentum of polymer materials driven by the application of innovation industries: for example, materials needed for smart cars, green electricity and other industries.
- ④ With the decrease in prices of color office machines, the market is showing steady growth, and the color toner market is becoming more widespread.

(2) Unfavorable factors:

- ① Global inflation has hit the economy, protectionism has risen, and market uncertainty has increased.
- ② The tightening of Chinese environmental protection policies, imposing limitation on chemical industrial park, and forcing factory relocation and close-down, give rise to uncertainty in raw material supply and price increase. The management of supply chain is made more difficult and the control of costs become harder as well.
- ③ Taiwan's major trade competition countries have actively negotiated regional and bilateral free-trade agreements, which has certain degree of influence on Taiwan's export competitiveness.
- ④ Large-scale international chemical counterparts continue to conduct M&As, and the Chinese counterparts are actively expanding capacity to occupy market share with low prices.
- ⑤ Affected by factors such as geopolitics, trade conflicts, and monetary policies, exchange rates change relatively drastically, and exchange gains and losses fluctuate greatly.
- ⑥ Some emerging and developing countries are economically and financially unstable, or even bankrupt, resulting in a significant increase trade and payment risks.

(3) Response measures:

- ① Developing towards "high-tech knowledge industry" and "green economy industry," we will promote high-tech chemicals of environmental green energy with the core of R&D advantage, technology application and manufacturing capabilities.
- ② We will grasp the opportunity of global supply chain transfer due to China-US trade war and regionally politically conflicts, progressively developing the potential market.
- ③ Accelerating the expansion of service energy, extending to the upstream and downstream of the value chain, and becoming a multi-dimensional chemical company with equal emphasis on production and service.
- ④ Pay keen attention to market changes, flexibly adjust product structure, and provide diversified products to meet the needs of different customers in the market.
- ⑤ Integrate AI into every stage of the sales process to enhance operational efficiency, while identifying untapped niche markets or high-growth regions.
- ⑥ Effectively grasp the current situation of trading countries and customers and adequately adjust trading terms and credit facilities to further reduce account risks.

⑦ Integrating the R&D, sales and production resources of the cross-strait toner business.

(II) Important uses of main products and their production process:

1. Important uses of main products:

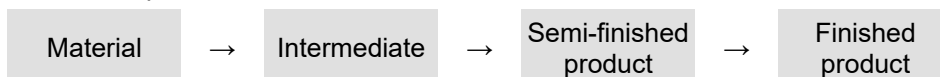
Product type	Product name	Purposes
Color chemicals	Textile dye	For cotton, hemp, rayon, wool, silk and nylon
	Leather dye	For leather and fur
	High-purity dye used in ink jet printing	For office supplies, advertisement printing, labeling, and packaging materials
	High-purity dye used in digital textile printing	For textile printing, leather printing, wallpaper, and outdoor advertising
	Digital textile printing Printing ink	
	Metal dye	For aluminum metal, 3C housing, bicycle, and screw
	Paper dye	Used in the paper industry
	Moisture-curing laminating adhesive	Used in industries such as textiles, flooring, footwear, and sporting goods.
	Functional chemicals used in textile	Used in the textile/leather industry
	Solar energy dye and Encapsulant	For solar sensitized dye batteries and modules
Specialty chemicals	UV-absorber	For coatings, adhesives, plastics, polyurethanes, elastomers and cosmetics
	Hindered amine light stabilizer	
	Functional Masterbatches	
	Antioxidants	
	Formulated product	
	High-molecular polymerizable dye	For polyurethane foams, adhesives and elastomers
Toner	Colored toner	For color laser printers, color printers and multifunction printers
	Black toner	For black laser printers, black printers and multifunction printers
	Toner finished cartridges	For color / black printers and multifunction printers
	Carrier and developer	For color / black laser printers, color printers and multifunction printers
	Ceramic toners	Used for coloring ceramic ware
Electronic chemicals	Photoresist	Used in yellow lithography process such as IC, LCD, LED, TP and IC assembly
	Developer	For rinsing imaging process
	Slurry	For substrate flattening process
	Wet chemicals	Used in semiconductor and substrate surface cleaning, and process such as electroplating
	Functional ink of thermosetting and UV curing	Used in surface coating for substrates such as metals and glass
	Electronic functional chemicals	Functional chemicals for the electronic assembly industry
	Photosensitive polyimide, PSPI	Used in yellow lithography process such as IC, LCD, LED, TP and IC assembly
Pharmaceuticals	Material medicine for Prostaglandin	Treatment of gastric ulcer, glaucoma, pulmonary hypertension, induction of labor, sexual dysfunction, chronic idiopathic constipation, improvement of local ischemic symptoms of

Product type	Product name	Purposes
		tissues, animal reproductive management, etc.
	Other material medicines	Treatment of high blood pressure, glaucoma, lowering intraocular pressure, actinic keratosis, Parkinson's disease, cancer, central nervous system and radiopharmaceuticals, etc.

2. Production process:

The production process of the Group's main products can be roughly divided into the following three categories:

(1) Production process based on chemical reaction:



Step 1: the basic raw material is formed into an intermediate through one or more chemical reactions.

Step 2: the intermediate is then converted into a semi-finished product by chemical changes.

Step 3: the semi-finished product is made into a product through different processes, such as refining, purification, drying, crushing, and batching, etc.

Products that fall into this type of production process include: various type of dyes, light stabilizers, yellowing resistance agents, and pharmaceuticals, etc.

(2) Production process based on formula mixing:



Step 1: precisely putting in the required raw materials.

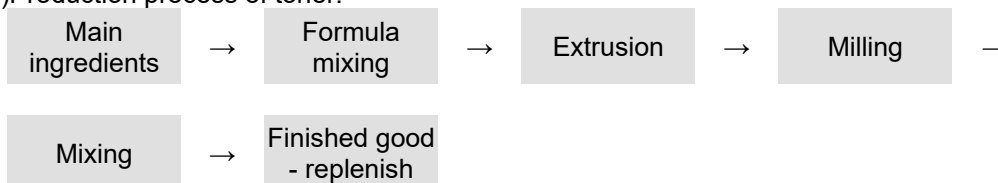
Step 2: mixing and performing a process inspection.

Step 3: conducting precision filtering through the various stages and performing a process inspection.

Step 4: the finished product is replenished and packaged, and then inspected.

Products that fall into this type of production process include: electronic chemicals, inkjet ink dyes, etc.

(3) Production process of toner:



Step 1: precisely putting in the required raw materials.

Step 2: mixing the raw materials with a mixer.

Step 3: the mixing of raw material is carried out by the extruder, so that the raw materials are uniformly dispersed, and then a process inspection is performed.

Step 4: grinding toner to the required particle size and a process inspection is performed.

Step 5: mixing toner and external additives into the mixer, and performing a process inspection.

Step 6: the finished product is replenished and packaged, and then inspected.

Products that fall into this type of production process include: colored toner, black toner, and ceramic toners, etc.

(III) Main Raw Materials and Supply Chain Risks

The Company's main raw materials for various specialty chemicals are organic chemical intermediates (benzene-based, naphthalene-based, etc.) and basic chemicals (acids, alkalis, salts, solvents, etc.), primarily sourced from Mainland China, India, and Taiwan. The supply capacity and pricing of raw materials fluctuate due to the following factors: stricter environmental and occupational safety inspections in China and India, as well as industrial safety incidents, which constrain manufacturers' production capacity and increase both production costs and supply risks. Following the pandemic, overall market demand declined, leading to a decrease in raw material prices and transportation costs. However, the Russia–Ukraine war continued in 2022, triggering a global energy crisis, inflation, and reduced consumer purchasing power. In October 2023, the outbreak of the Israel–Palestine conflict resulted in the Red Sea crisis, forcing vessels to take longer routes and increasing production and transportation costs, thereby heightening supply chain risks. In 2024, several labor strikes occurred at U.S. ports, adversely affecting operational efficiency on both the East and West Coasts. Freight rates on U.S. shipping routes surged, while sea freight costs between Europe and Asia also increased.

In 2025, the United States implemented tariff barriers and “Made in America” policies, impacting the global economy. Apart from the continued growth of AI-related industries, most other sectors experienced downward revisions in their operating performance. In response, the Company has implemented strategies including continuous monitoring of suppliers' delivery and logistics conditions, adjustments to raw material inventory levels, demand-based procurement, and the development of alternative sourcing channels.

The primary raw materials for toner include polymer materials such as styrene-acrylic and polyester resins, along with magnetic iron oxide, carbon black, and color pigments, which are predominantly sourced from Japan, Europe, and the United States. In response to the significant price hikes in raw materials driven by rising crude oil prices and shipping costs, we have progressively introduced resins and magnetic iron oxide manufactured in China to mitigate cost pressures. Looking ahead, we plan to collaborate with Taiwanese suppliers for joint development to resolve the issues associated with extended supply chains.

(IV) The name of the customer who has once accounted for more than 10% of the total purchase (sales) of goods in any of the year within the most recent two (2) years, the amount and proportion of the purchase (sales), and the reasons for the increase or decrease:

1. Suppliers accounting for ten percent or more of the total purchases in the most recent two fiscal years: None.
2. Information on customers accounting for ten percent or more of the total sales revenue in the most recent two fiscal years.

Unit: NT\$ thousands

Year	2025				2024			
Item	Name	Amount	Percentage of Net Sales for the Year (%)	Relationship with the Issuer	Name	Amount	Percentage of Net Sales for the Year (%)	Relationship with the Issuer

I	Company A	889,396	11.8%	None	Company A	856,450	10.5%	None
	Other	6,679,178	88.2%	-	Other	7,311,770	89.5%	-
	Net Sales	7,568,574	100%	-	Net Sales	8,168,220	100%	-
Reason for Change		Due to increased customer demand						

Note: If a customer name cannot be disclosed due to contractual agreements, or if the transaction counterparty is an individual and not a related party, a code may be used.

III.Information of the employees of the Company and affiliates

Year		2025	2024	The current year as of March 31, 2026
Employee number	Company	322	3037	320
	Factory	1,496	1,519	1,489
	Total	1,818	1,822	1,809
Average age		41.7	41.4	42.0
Average service years		12.3	12.0	12.5
Percentages distribution of education (%)	PhD	2	2	2
	Master	21	20	22
	College	54	55	52
	Below (and include) high school	23	23	25

IV. Information of Environmental Protection Expenditure

(I)In the most recent year, up to the publication date of the annual report, losses incurred due to pollution: None.

(II) Estimated amount of current and future possible losses and countermeasures :

Plant III was announced as a 'Soil and Groundwater Pollution Remediation Site' on December 9, 2016 , and the remediation plan was approved by the Taoyuan City Government on January 16, 2020, with a planned annual investment of over 30 million NTD for remediation work. In 2022 , due to a fire accident, approximately 35 million NTD in remediation expenses was added to enhance the remediation of certain areas, and an application to modify the remediation plan was submitted and subsequently approved. According to the revised remediation schedule, cleanup operations are currently ongoing. Our primary objective is to submit the application for site delisting by January 2027.

V.Labor Relations

(I)Employee welfare measures, on-the-job further study, training, retirement system, working environment of the Company and personal safety protection of employees and its implementation, as well as the agreement between labor and employer and the maintenance measures of various employees' rights and interests

1. Welfare measures

The Company focuses on the care of employees, and provides employees with complete salary, reward, bonus and welfare system, so that employees can contribute their efforts in the workplace. Meanwhile, in order to honor the long-term contribution of senior staff and excellent employees to the Company, they will be given commemorative gold coins and awarded trophies respectively. General health checkups for employees and physical examinations for senior staff will be conducted regularly every year. Relevant welfare measures include the followings:

- (1) Rewards: year-end bonus / holiday gift / Labor Day bonus / birthday gift
- (2) Subsidies: wedding gift / maternity allowance / child education award and subsidy / travel subsidy / injury relief payment / death subsidy
- (3) Insurance: labor insurance / health insurance / employee group insurance / voluntary group insurance / business travel insurance
- (4) Systems: factory uniform / food stipend / performance bonus / proposal bonus / club activity/ death benefit
- (5) Equipment: nursing room / staff dorms / staff transportation vehicle / staff restaurant / gym / basketball court / library / special store / e-magazine
- (6) System of day-offs (vacations): pre-borrowed annual leave / paternity leave / family care leave / menstrual leave / nursing leave
- (7) Physical and Mental Health: Employee Assistance Program (EAP) / On-site Medical Care / Health Education Seminars / Weight Loss Activities / Chronic Disease Prevention

2. Educational training

The company has been promoting character education for employees for a long time, and based on character education, it has created a platform for lifelong learning and growth. In management, the supervisors embrace the service spirit of "servant," educate the staff full-heartedly and practice what they preach, in order to deepen the integration and cooperation of employees into the Company's business philosophy and corporate culture. Based on job functional structure, Everlight Chemical conducts talent selection, talents education, talents exertion and performance management. According to the annual training plan, the Company compares the structure with the education and training system (including inspiration training, orientation education, class training, professional training, and project training). The Company provides education and training for employees, in the hope of balancing the sustainable development of talents in the fields of production, R&D, marketing, and management; and provide employees with a digital learning environment to accelerate the development of knowledge, skills, and attitudes required for employees' positions. In addition, employees may be designated by the Company to study domestically or abroad (including retrieving master's degree or PhD degree or professional technical study) if necessary for their work or tasks.

3. Retirement system

The Company established the "Labor Pension Reserve Supervision Committee" in accordance with the Labor Standards Act, which monthly appropriates pension reserve into the account in Taiwan Bank; employees who meet retirement criteria may be distributed with pension fund, of

which the pension base is calculated according to the service years. The Company will reimburse the pension fund by 6% in accordance with laws and remit it into the personal account of an employee who satisfies the new system of retirement. In addition, the Company has also formulated the "Application Rules for Early Retirement of Employees". Any qualified employees can be retired early if approved by the Company.

4. gender equality

In accordance with the spirit of the Gender Equality in Employment Act, the company promulgated the "Regulations on Sexual Harassment Complaints and Punishment in the Workplace" and set up a "Sexual Harassment Complaint Handling Committee". Each factory also set up a complaint hotline and e-mail, and held regular monthly meetings every year to promote harassment prevention and treatment. Grievance Provisions.

5. collective bargaining agreement

The company has established a corporate trade union and formulated labor-management meeting procedures in accordance with labor standards. Regular labor-management meetings are held every quarter to discuss labor-management issues, strengthen labor-employer relations, and protect labor rights and interests. With the consent of the trade union, the "Work Rules" will be submitted to the North City Government for approval.

Although our company has established a corporate labor union, it has not signed a group agreement because the labor union has not requested the company to negotiate a group agreement.

6. Working environment and employee personal safety protection and its implementation

The Company adheres to an occupational safety and health policy of "respect for life, pursue zero disasters," and has been certified pursuant to laws, and implements an Occupational Health and Safety Management System (ISO 45001:2018 and TOSHMS, valid until October 24, 2028), to ensure employee safety and safeguard company assets through a management spirit that subscribes to the Plan-Do-Check-Action (PDCA) cycle.

In accordance with clauses in ISO 45001:2018-6.1 regarding addressing risks and opportunities, we have established control procedures for hazard identification, risk and opportunity evaluation, which are carried out on a regular basis or implemented when there are any changes. Each hazard operational activity is identified step by step by all workers through work arrangement means, social factors, organizational leadership and culture, routine and non-routine activities, past events, potential emergencies, personnel, and changes using the job safety analysis (Job Safety Analysis, JSA) method. Afterwards, risks are classified and combined with 5 major control levels, including elimination, substitution, engineering control, administrative control, and personal protective equipment. By taking this approach, high-risk matters can be focused in order to propose improvement measures to eliminate hazards and reduce occupational safety and health risks. For example, implementing process safety management for high-hazard processes and evaluating the adoption of intelligent disaster prevention technologies, etc.

In order to provide a safe and healthy workplace, the Company adopts personal safety protection measures for employees, including formulating work safety regulations and training methods, implementing health protection and promotion measures (For example, an annual employee health examination is performed and managed by level. Health care professionals are hired or contracted to perform services on site, hazard prevention programs for material,

human factors, workplace abuse, abnormal workloads are implemented. As well as these, we also facilitate occupational safety protection on night workers, senior and middle-aged workers, and have introduced the GreenScreen® for Safer Chemicals evaluation method to help identify chemicals of high concern to further select safer alternatives, while also adopting respiratory protection programs, and organizing physical and mental health activities, and providing fitness equipment), organizing regular emergency response drills, rewarding health and safety proposals, implementing environmental satisfaction surveys, promoting 5S and zero-disaster activities, safety inspections by senior managers, among other things, to prevent accidents and reduce occupational injuries.

In addition to the occupational safety and health committee's quarterly meeting, each plant discusses various safety and health issues, and also implements safety and health promotion at the plant's monthly meeting. The scope includes changes in regulations, defects of self-management, internal and external occupational safety accident cases, safety and health management plans and other matters.

(1) Zero-disaster exercise

Introducing zero-disaster activities. Every day before the start of work, the operation site supervisor will lead colleagues to carry out health confirmation, operational hazards and countermeasures, pointing and calling for single focus, to increase the alertness of employees during operations and reduce mistakes in the work.

(2) Emergency response

Self-defense firefighting drills, poison disaster drills and specific chemical substance disaster drills are held regularly every year, or irregular drills for high-risk projects continue to be operated by the company. Reviews and continuous improvements are conducted after the drills to ensure that disaster losses can be reduced in emergencies. Reduce it to a minimum so that the company's operations will not be affected.

(3) Monitoring of operation environment

The Company improves the working environment based on the characteristics of the job site, in order to provide a safe and comfortable working environment. To prevent occupational hazards and protect employees' health, the Company teaches and requires workers to properly wear and use personal protective equipment to reduce the exposed harm to an acceptable level.

The Company entrusts qualified institutions to carry out regular operation environment monitoring in accordance with the "Measures for Implementing Labor Operation Environmental Monitoring". The monitoring contents are all in accordance with statutory requirements (about chemical and physical factors). The unit may also propose an assessment for operations with concern of hazards. If there is any abnormality in the monitoring result, we will improve and correct it immediately to protect the safety of employees.

(4) External training

In accordance with the "Occupational Safety and Health Education and Training Rules," the personnel for special operations of the Company have completed safety and health education and training for special operations, and obtained operational qualification certificates/licenses. The Company also actively dispatches staff to participate in seminars related to occupational safety and health affairs, and strengthens and cultivates the safety and health awareness of personnel, The Company also actively participates in the operations of the Industrial Zone Safety and Health Promotion Association, to learn from the safety management experience of other factories. In the regards to managing

contractors, the workers of contractors entering the Company's plants require safety and health training, and they are required to observe the Company's safety and health regulations, to ensure the safety of contracted work. Under the continuous deepening of various business concepts, the Company's corporate value has been significantly improved, which has also been positively recognized by all the staff and customers.

(II) In the most recent year and up to the publication date of the annual report, losses due to labor-employer disputes (including violation of Labor Standard Act found in labor inspection, should have details of date of penalty, serial number of penalty, article of statute violated, content of article of statute violated and content of wrongdoings documented), estimated amount of current and future possible losses and response measures:

1. Losses suffered: In 2025, due to administrative negligence, our company failed to report to the competent authority regarding the layoff of employees 10 days in advance, violating Article 33, Paragraph 1 of the Employment Service Act, and was fined NT\$30,000. (Document No. 1140086879 from the Ministry of Labor dated 2025/04/11)
2. Countermeasures: To prevent this situation from happening again, the HR department has strengthened the promotion of relevant laws and the inspection mechanisms to ensure that all layoff procedures comply with both the Labor Standards Act and the Employment Service Act.

VI. Cyber Security Management

In an attempt to implement the protection management of information security and personal data, we formed an Information Safety and Personal Information Management Committee in 2016. Each year, an information security management review meeting is held with the General Manager acting as the management representative responsible for the effectiveness of the information security management system. The Committee is made up of first-level managers of each business division, functional unit, plant and audit unit with the top manager of the Information Division serving as the executive secretary to assist the management representative in the planning, management and execution of the information security management system. In doing this, the management system is in line with the requirements of international standards listed in external reference documents, and regularly report information security implementation to the Board Of Directors every year.

At Everlight Chemical, we understand that information security is an important issue for the sustainability of a company. To ensure the confidentiality, integrity and availability of information, we have formulated an information security management policy as "implementation of protective measures to ensure information security". In August 2024, we passed ISO 27001:2022 (valid from Aug. 21, 2024 to Aug. 20, 2027) Information Security Management System certification, and it passed the DNV external audit on August 13 in 2025. Through the introduction of ISO27001 management system, we continue to reinforce our response in the event of an emergency, regulatory compliance while also strengthening risk evaluation and management of information assets.

In an effort to strengthen our information security protection capabilities, we have performed the following information security management programs and investment of resources:

1. Each year, an external professional information security vendor is entrusted to perform vulnerability scanning and conduct risk analysis and vulnerability repair.
2. Perform network protection equipment replacement and social engineering attack drills to reduce

the risk of network attacks.

3. Plan and build an IDC computer room to improve remote support capabilities.
4. Strengthen user and privileged account management by regularly reviewing accounts, changing passwords and account password error alerts.
5. Regularly perform information security-related disaster drills to improve response capabilities.
6. Manage flash drive use to reduce the risk of computer virus and data leakage.
7. Plan computer replacement and install protection programs for operating systems that are no longer supported.
8. Join the information security joint defense organization, provide information security incident consulting and coordination services, and effectively receive and transmit information security information.

The resources invested by our company in cybersecurity management

1. Dedicated personnel: Chief Information Security Officer (CISO) and one cybersecurity specialist are responsible for the company's information security operation in order to maintain and continue to enhance cybersecurity.
2. Training & education: The Company conducted one "Information Security and Personal Data Protection" training session for all employees through the eHRD system, achieving a 100% completion rate in 2025. To enhance awareness in cybersecurity, a total of two simulated phishing email and social engineering attacks and advocacy of information security to new hires were conducted in 2025. Colleagues of Information Division receives at least three hours of cybersecurity training per year.
3. Cybersecurity related meetings: Information security management review meetings are convened at least once each year. Information Division meetings are held once a month.

For 2025 and as of the publication date of the annual report, no major information security incidents occurred.

VII.Important Contracts

The contracts that are still valid and will expire in the most recent year as of the date of publication of the annual report are as follows:

Contract characteristics	Litigant	Begin and End Date of contract	Main content	Restrictive covenant
Engineering contrac	Sinotech Environmental Technology Ltd.	April 2020- July 2025	Soil remediation at Plant III	None
Procurement contracts	IBM Taiwan Corporation	December 2022 - December 2025	Implementation of SAP application system.	None
Procurement contracts	Hua Ya Automobile Co., Ltd	April 2016 – April 2026	Procurement of steam at Plant III	None
Engineering contrac	Grand Chateau Engineering Co., Ltd	March 2025 - June 2026	Plant IV Phase II Construction Project	None
Equipment contract	Chemineer International Corp.	November 2024 - July 2025	Nanofiltration Unit for the New RO Production Line	None
Equipment contract	Kangchun Technology Co., Ltd.	November 2024 - July 2025	Pure Water Unit for the New RO Production Line	None
Engineering contrac	By Shen Jia Mechanical Engineering Co., Ltd.	Septmber 2024 - March 2025	Plant III, Building L Piping Project	None

Engineering contrac	Advanced Automation Co., Ltd.	November 2024 February 2025	Plant III, Building L Instrumentation and Control Wiring Project	None
Engineering contrac	Pu Gang Engineering Co., Ltd.	October 2024 February 2025	Plant III, Building L Electrical Power Distribution Project	None

VIII. Intellectual Property Management

The Company is committed to the development of the high-technology knowledge-based industry and the green economy. Leveraging its strengths in research and development, technology application, and manufacturing capabilities, the Company promotes environmentally friendly, green-energy, high-technology chemical products. Recognizing intellectual property as a key driver of corporate competitiveness, the Company has established its **Intellectual Property Management Policy**—“Compliance with intellectual property laws and protection of intellectual property rights”—to ensure compliance with applicable regulations, respect for third-party rights, and protection of its proprietary and core technologies.

1. Strategies

- (1) Establish and continuously improve the IP management system.
- (2) Integrate IP resources to seize business opportunities.
- (3) Strengthen training and communication to raise IP awareness.

2. Management System

Through an E-management platform and intellectual property rights management manual, the Company conducts daily management and continuous improvement activities, including internal and external audits and management reviews. Relevant procedures and operational details are periodically reviewed and revised to ensure the effectiveness of the management system, thereby enhancing the company's intellectual property management capabilities.

3. Patent Protection Measures

By implementing an evaluation mechanism, incentive programs and training, we encourage employees to participate in innovation and take action to protect the Company's R&D accomplishments. The committee regularly reviews and maintains the Company's patents to ensure that the Company's intellectual property is properly managed and protected.

4. Trade Secret Protection

Based on the trade secret management system we have established per TIPS standards, and combined with our information security management system (ISMS), we protect the confidentiality, integrity, and availability of trade secrets in our operation, further safeguarding the Company's core competitiveness.

5. Execution Results and Specific Actions

The Patent Management Committee presented its intellectual property management and implementation report to the board on August 14, 2025, and proposed improvement measures based on the board's recommendations.

Key measures implemented in recent years include the following:

- 2018: Obtained the Level A certification of Taiwan Intellectual Property Management System (TIPS)
- 2020: Passed reaccreditation to the Level A certification of Taiwan Intellectual Property Management System (TIPS)
- 2022: Passed reaccreditation to the Level A certification of Taiwan Intellectual Property Management System (TIPS)
- 2024: The “Patent Management Committee” reviewed 3 new patent applications,

published 8 journal articles or conference papers, and conducted 6 intellectual property-related training sessions.

2024 :Passed reaccreditation to the Level A certification of Taiwan Intellectual Property Management System (TIPS)

2025: Obtained the TIPS Level A Certification (Taiwan Intellectual Property Management System)

As of December 2025, the company has obtained a total of 211 invention patents and 203 domestic and foreign trademarks.