



SUSTAINABILITY REPORT 2024

BoReTech



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About The Report

About The Report

BORETECH Resource Recovery Engineering Co., Ltd (BORETECH) is issuing a Sustainability Report for the first time this year to help all stakeholders understand how we are committed to corporate sustainability. This report provides detailed information on our actions and performance on various key topics such as corporate governance, environmental sustainability and social responsibility.

Publication Date and Period

This report discloses information for the period from 01 January 2024 to 31 December 2024, with some information backdated to before 01 January 2024 and after 2025 in terms of content and performance. The Company's reporting cycle is annual.

Current release: August 2025

Next release: August 2026

Scope and Boundaries

The scope of this report is based on BORETECH Resource Recovery Engineering Co., Ltd and its subsidiaries, which include: ZHEJIANG BORETECH ENVIRONMENTAL ENGINEERING CO.,LTD and ZHEJIANG ANSHUN PETTECHS FIBER CO.,LTD and BORETECH RESOURCE RECOVERY TECHNOLOGY CO., LTD with the disclosing entity accounting for 100% of the overall revenue of the consolidated financial statements. The financial information in this report is consistent with the data in the financial statements certified by the accountants, and the information in this report will be explained in the notes to the report if there are specific areas of disclosure.

Description

For ease of presentation and reading, the terms "BORETECH", "we", "us" and "the Company" in this report refer to BORETECH Resource Recovery Engineering Co., Ltd and its three subsidiaries. The terms "Zhejiang BORETECH" refer to our subsidiary, ZHEJIANG BORETECH ENVIRONMENTAL ENGINEERING CO., LTD, the terms "Taiwan BORETECH" refer to our subsidiary, BORETECH RESOURCE RECOVERY TECHNOLOGY CO., LTD, and the terms "Zhejiang Anshun" and "Anshun" refer to our subsidiary, ZHEJIANG ANSHUN PETTECHS FIBER CO., LTD.

Basis of Preparation

This report has been compiled with reference to the 2021 edition of the GRI Guidelines published by the Global Reporting Initiative (GRI). The information in this report also complies with the "Regulations on the Preparation and Filing of Sustainability Reports by Listed Companies" of the Taiwan Stock Exchange, the United Nations Sustainable Development Goals (SDGs), the Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB) and other domestic and international standards.

Data Collection and Calculation

Some of the statistics and calculations in the financial information in this report are quoted from financial reports, government agencies and relevant websites, and if there are any special calculations or sources of information, they are presented in the report in the form of notes.

The data and information disclosed in this report are compiled and provided by the relevant authorities. The collection, measurement and calculation methods of the disclosed data and information are based on compliance with the requirements of international or local laws and regulations, and if there is no corresponding international standard applicable, then reference is made to industry standards or industry practices.

Report Acquisition and Contact

You are welcome to download the electronic version of the BORETECH Sustainability Report 2024 in English and Chinese from the BORETECH website at <https://bo-re-tech.group/>. In order to continuously improve the quality and content of BORETECH's Sustainability Report, and to facilitate communication with stakeholders, please feel free to contact us for any suggestions or guidance.

Head Office Address: No. 888, Jiuliting Avenue, Pinghu City, Jiaxing City, Zhejiang Province, China.

Contact Person: LIN YU JUN (Leader of the Sustainability Report Working Group)

Telephone: +886-6-6233-306

Mailbox: investor@bo-re-tech.com

Chairman's Statement

Dear employees, customers, partners and friends from all walks of life:

It is my great honour to present to you the Sustainability Report of BORETECH Resource Recovery Engineering Co., Ltd for the year 2024. As Chairman of the Board of Directors, I am proud to share with you the company's achievements in the area of sustainability over the past year, and at the same time take this opportunity to look forward to the future and clarify the direction in which we will continue to move forward.

In today's ever-changing and increasingly sustainable business environment, enterprises are no longer just economic entities with the sole goal of pursuing profits, but have become a key force in promoting social progress, protecting the natural ecology, and leading innovation and change. Since its establishment, BORETECH has deeply engraved "Green, Recycling and Innovation" in its corporate DNA, and has been unwaveringly committed to the recycling business, contributing to the construction of a cleaner, more efficient and more sustainable future.

Looking back at 2024, we have made steady and fruitful progress on our journey towards sustainable development. On the environmental front, we have optimised our production processes to achieve a record high resource recycling rate, while significantly reducing carbon emissions in the course of our operations, with a number of environmental indicators above the industry average, thanks to our continuous investment in research and development and technological innovation; on the social front, we have been actively engaged in community building, and at the same time, we have provided our employees with more room for development and a better working environment, and employee satisfaction has continued to rise; In terms of corporate governance, we have further improved our internal management system, strengthened our risk control mechanism, and ensured the scientificity and transparency of our decision-making, thus laying a solid foundation for the stable development of the Company.

Looking ahead, despite the many challenges, we remain confident and determined. We will continue to deepen our core competitiveness in the recycling field and explore more sustainable business models and co-operation opportunities. At the same time, we will further strengthen our communication and cooperation with all stakeholders, listen to market voices, gather the wisdom of all parties, and work together to meet global challenges and achieve harmonious coexistence and long-term development of the enterprise, society and the environment.

Every bit of progress of BORETECH Resource Recovery Engineering Co., Ltd is inseparable from the hard work of every employee, the trust and support of our customers, the cooperation of our partners, and the care and concern of the community. On behalf of the management of the company, I would like to express my sincerest gratitude to all of you, and I look forward to continuing to work together to write a new chapter of sustainable development in the new year, and to contribute more to the sustainable future of the Earth.

Finally, let's look forward to the arrival of 2025, BORETECH will continue to uphold the original heart, hard work, with actions to interpret the true meaning of sustainable development, to create a more brilliant tomorrow!

BORETECH Resource Recovery Engineering Co., Ltd

Chairman



Promoting global resource recycling and environmental protection in the plastics industry.

A vertically integrated group of companies in the recycling industry chain, committed to becoming the global pioneer in plastic recycling ingenuity.

01

About BORETECH
1.1 Company Profile

About BORETECH

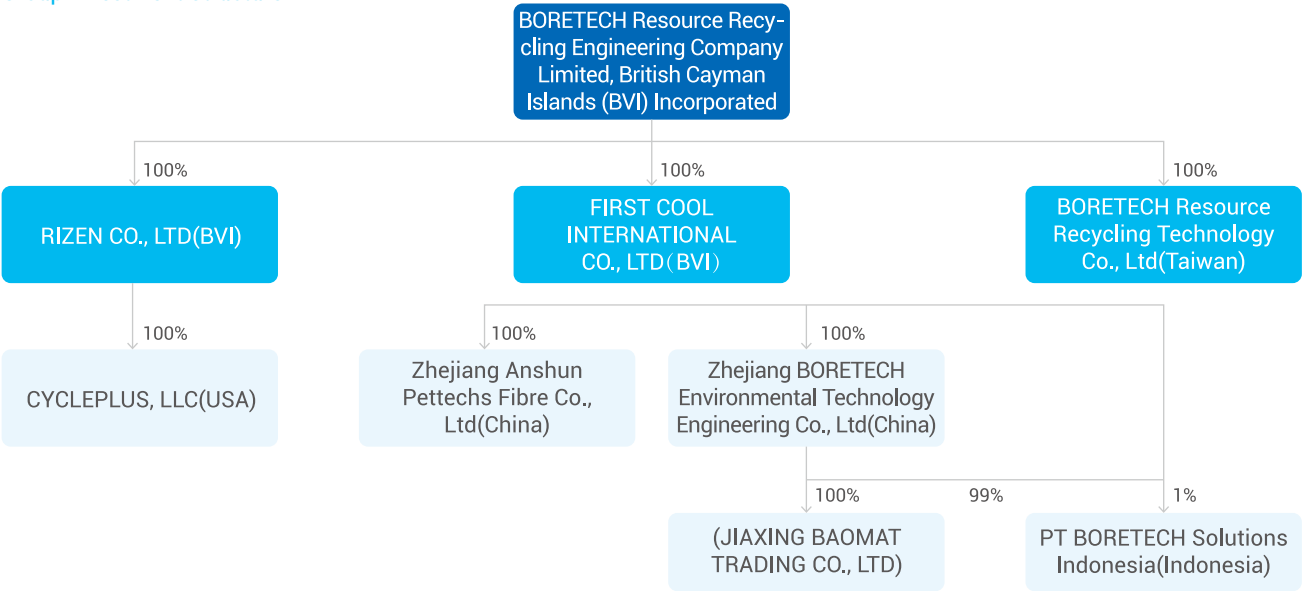
1.1 Company Profile

1.1.1 BORETECH Businesses

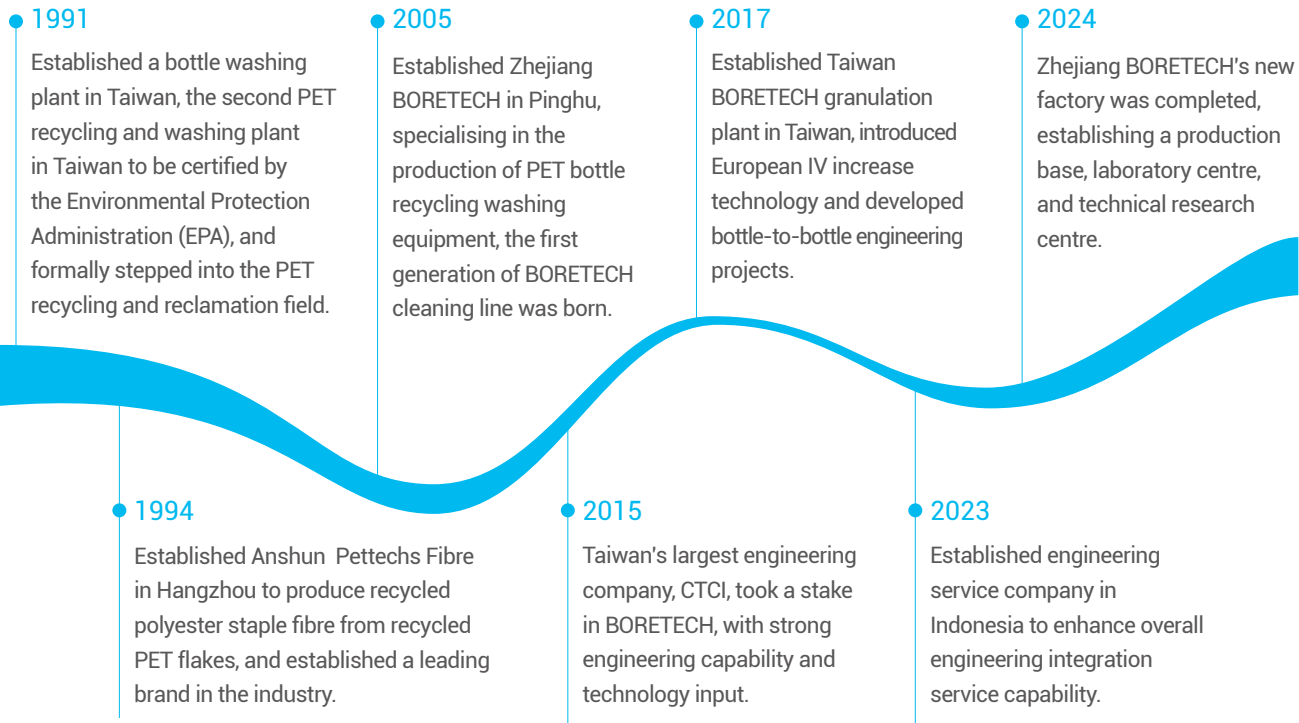
Since 1991, we have been engaged in PET bottle recycling and washing business in Taiwan (the second PET bottle washing plant in Taiwan); in 1994, we invested in ZHEJIANG ANSHUN PETTECHS FIBER CO., LTD in Fuyang, Zhejiang Province, China, to produce polyester staple fibre using recycled raw materials; in 2005, we set up ZHEJIANG BORETECH ENVIRONMENTAL ENGINEERING CO., LTD in Pinghu, Zhejiang Province, China, to design, manufacture and engineer recycling line equipment; and in 2017, we set up BORETECH RESOURCE RECOVERY TECHNOLOGY CO., LTD in Tainan, Taiwan, to be responsible for the production of plastic recycled raw materials. Ltd. With 30 years of experience in the production of recycled PET bottles and recycled polyester staple fibre, and over 15 years of experience in equipment manufacturing, the BORETECH Group has a wide range of activities in the plastics recycling industry, from equipment design and manufacturing, to the production of recycled flakes/chips, to the spinning of chemical fibre filaments, and so on.

Company Name	BORETECH Resource Recovery Engineering Co., Ltd
Date of Establishment	8 April 2013 (date of incorporation of Cayman Holdings)
Paid-up capital	651,995,120
Stock code (listed)	6887
Chairman	OU CHE WEN
Head Office Address	No. 888, Jiuliting Avenue, Pinghu City, Jiaxing City, Zhejiang Province, China
Main Business	Production and sales of recycled polyester production equipment, recycled polyester pellets and polyester fibres.
Production Locations	Zhejiang BORETECH (Pinghu, Zhejiang), Anshun Pettechs Fibre (Fuyang, Zhejiang), Taiwan BORETECH (Tainan, Taiwan).

Group Investment Structure



Milestones



Main business

ZHEJIANG BORETECH ENVIRONMENTAL ENGINEERING CO.,LTD	ZHEJIANG ANSHUN PETTECHS FIBER CO.,LTD	BORETECH RESOURCE RECOVERY TECHNOLOGY CO., LTD
<p>R&D, Systems, and Integrated Engineering Services Division</p> <ul style="list-style-type: none"> One-stop plastic (PET, rigid plastic, film plastic) recycling and cleaning solutions, equipment, and engineering. Recycled Polyester Fibre and Downstream Equipment Manufacturer and Technical Service Provider. Food-grade bottle-to-bottle project design, manufacturing and engineering services. Chemical recycling technology and equipment. 	<p>Recycled and Composite Fiber Production & Technology Division</p> <ul style="list-style-type: none"> 1.0D-60D Polyester Staple Fibre Flame Retardant Fibre, Functional Fibre GRSTC Fibre. Hygiene Composite Fibre. Biodegradable Fibre, Marine Fibre. Customised directional development, fibre R&D centre to ensure that the fibre research and development, improvement, technology enhancement. 	<p>Food-Grade PET/PP Resin Production & Technology Division</p> <ul style="list-style-type: none"> Recycled Polyester Flakes. Recycled Polyester Ester Pellets (Application: Food Packaging, Ultra Fine Denier Filament, Sheet, Injection Moulding). Recycled Polypropylene Pellets.

Products of ZHEJIANG BORETECH ENVIRONMENTAL ENGINEERING CO.,LTD

① Plastic recycling and washing solutions and engineering

Provide a full set of PET bottle to bottle EPIC engineering services (washing, granulation,viscosity)



PET bottle recycling and washing: the latest ES process has a large input capacity, small footprint, flexible process configuration, modular unit, high degree of automation, and high cleanliness of flakes.



Mixed hard plastics recycling and washing: High-value utilisation of HDPE bottles, PP/PE materials, PP lunch box recycling solution.



Supporting auxiliary systems (intelligent control, sewage, water saving system): powder cleaning system, IAS system, online water recycling system, sewage treatment system.




Partial depolymerisation process for PET bottles: EG deep cleaning technology; MEG washing, alcoholysis, and decontamination; rBHET oligomer powder blended with PTA and MEG in a virgin PET production unit.



② Recycled Polyester Fibre & Downstream Production Equipment & Technologies


ES Dual Component (PP/PE(ES), PET/PE (ET), PET/PA, PET/LOWMELT PET)




Staple Fiber Production Line Solutions & Engineering (3D, PF, Colour Yarn, Flex)



Filament production solution and engineering POY, DTY, FDY



Non-woven Equipment



Products of ZHEJIANG ANSHUN PETTECHS FIBER CO.,LTD

Anshun has a wide range of functional chemical fibre products, and through the configuration of production technology, we can provide products that meet the needs of our customers.

Product Category

ECOAN®-Biodegradable Fibre Series (CiCLO® Technology)

Elion®-Spandex Fibre Series

TECS®-High Performance Flame Retardant Fibre Series

JOULELON®-Polyester Phase Change Composite Fibre Series





ELECTRON®-Electret Fibre Series

Low melting point PET fibre

Other Functional Fibres

Applications

Polyester fibre products can be widely used in automotive interiors, acoustic insulation materials, shoe materials, building materials, filtration materials, apparel, home textiles (e.g. curtains, etc.) and sanitary materials (e.g. nappies, etc.).




Products of BORETECH RESOURCE RECOVERY TECHNOLOGY CO.,LTD


Taiwan BORETECH has a complete one-stop process for washing, pelletising and solid state polymerisation.

Product Categories

Recycled Polyester Flakes



Recycled Polyester Pellets (rPET)



Applications

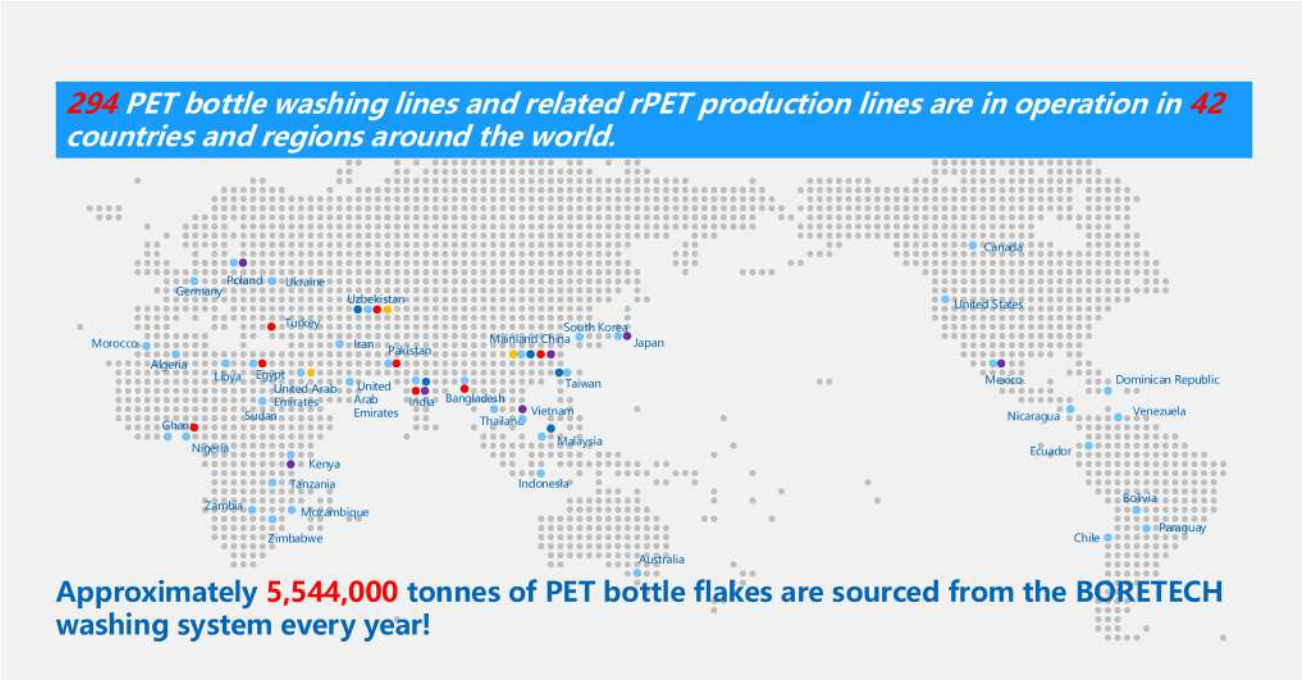
Renewable, green, economic, sustainable, environmentally friendly and economical plastics.

Used in bottles and containers, textiles and apparel, film and sheet, injection moulded products, automotive parts.

Global Operations Map

Sales Network	
Asia	Bangladesh, China, India, Indonesia, Japan, Malaysia, Myanmar, Philippines, Russia, Thailand
Europe	Germany, Poland, Slovenia, Spain, Sweden, Ukraine, UK
North America	Canada, Honduras, Jamaica, Mexico, Nicaragua, USA
South America	Argentina, Bolivia, Brazil, Chile, Ecuador, Paraguay, Peru, Venezuela
Middle East	Armenia, Egypt, Iran, Pakistan, Qatar, Saudi Arabia, Sudan, United Arab Emirates
Africa	Algeria, Kenya, Morocco, Niger, Nigeria, South Africa, Tanzania

By the end of 2024, BORETECH has 294 PET bottle washing lines and related rPET production lines operating in 42 countries and regions around the world, with approximately 5,544,000 tonnes of recycled PET flakes sourced from BORETECH's washing systems annually. According to calculations based on the 'EPA WARM v16' model, compared to the full life cycle carbon footprint of virgin PET flakes, the recycled PET flakes produced by BORETECH can help reduce greenhouse gas emissions by 13,917,456.23 tonnes of carbon dioxide equivalent annually.



1.1.2 Corporate Culture and Core Values

BORETECH upholds the core values of Professional, Innovative, Reliable and Cooperative, and in the face of the ever-changing business environment is still continue to strive to enhance the company's product innovation, process innovation and quality assurance capabilities, and is committed to creating a win-win sustainable development for the future of the company, the community and the environment.

- Core Values
Professional/Innovative/Reliable/Cooperative.
- Vision
The global pioneer in plastic recycling ingenuity.
- Mission
Improve engineering proficiency, Develop environmental protection industry, Enhance economic benefit, Advance Earth's regeneration.

1.1.3 Honours and Certificates

System Certification

Zhejiang BORETECH

ISO 14001:2015

ISO 45001:2018

ISO 9001:2015

Zhejiang Anshun

ISO 14001:2015

ISO 45001:2018

ISO 9001:2015


Taiwan BORETECH

ISO 9001:2015




Taiwan BORETECH

GRS Certification




Marine Waste Recycling Product Certification




Product Certificates

Zhejiang Anshun


Recycled Fibre
OEKO-TEX Certificate




Polyester Staple Fibre
OBP Trend Plastics Certificate




OEKO-TEX STANDARD 100
Certificate for Polyester Fibre



Bi-Component Fibres
OBP Trend Plastics Certification



GRS Scope
Certificate



Certificate of Honour

Zhejiang BORETECH

Science and Technology Progress
Award of Zhejiang Province in 2018



2023 Zhejiang Provincial Enterprise
Research Institute



2024 China Environmental Protection
Federation "Waste-free Enterprise"
Construction Cases



2019 National Patent Demonstration
Enterprise



2023 R&D Centre of Zhejiang
Province



2024 High-tech Enterprises



2019 National High-tech Enterprise
Award



2023 Small Giant Enterprises of Science
and Technology in Zhejiang Province



2024 Small Giants of Specialised
Expertise and Specialised New
Technologies



Zhejiang BORETECH		
2024 Outstanding Contribution Unit	Low Carbon Recycling Processes 2025 Pioneer Award	Zhejiang Export Famous Brand
		
2023 Pinghu Clean Production Enterprise	2023 Waste-free Factory in Pinghu City	The first batch in 2024 Pinghu Green Factory

Zhejiang Anshun	
2022 China Manufacturing Network Certified Supplier	2023 Third-grade enterprise of safety production standardisation
	
2022 Hangzhou Water-saving Enterprise	2022 Hangzhou Clean Production Enterprise

Participation in Public Associations

By joining the association, we are able to communicate with the industry to understand the latest trends and developments in the industry.

Association Name	Position
China Circular Economy Association	Zhejiang BORETECH as a director unit 

Association Name	Position
China Synthetic Resin Association Plastic Recycling Sub-committee	Zhejiang BORETECH as the vice-chairman unit 
The Seventh Council of China Material Recycling Association	Zhejiang BORETECH as a member unit 
Pinghu Low Carbon Environmental Protection Industry Association	Zhejiang BORETECH as a member unit 
Zhejiang Foreign Contractors Association	Zhejiang BORETECH as a member unit 
Zhejiang Hygiene Products Chamber of Commerce	Anshun as a member unit



02

Sustainability BORETECH

- 2.1 Sustainability Management Committee
- 2.2 Stakeholder Identification and Communication Channels
- 2.3 Identification and Analysis of Major Themes
- 2.4 Contribution to The UN Sustainable Development Goals (SDGs)

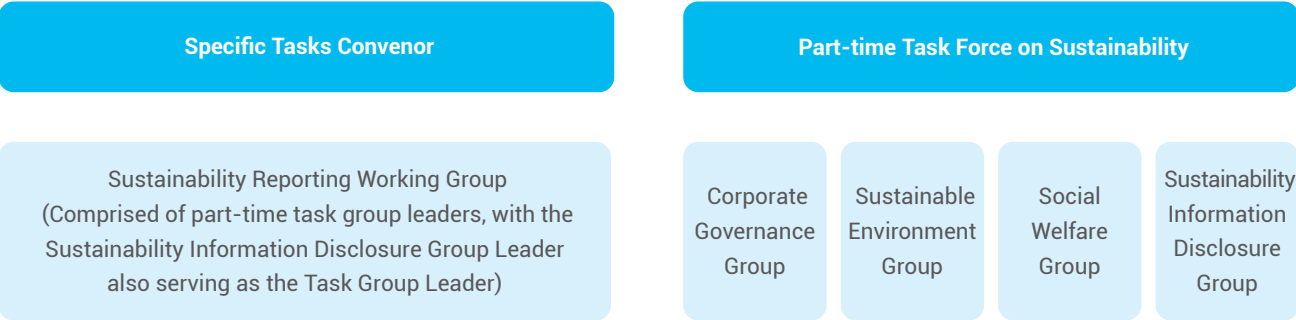





Sustainability BORETECH

2.1 Sustainability Management Committee

BORETECH adopted the "Organizational Procedures of the Sustainable Development Management Committee" by the Board of Directors in December 2024 and established the "Sustainable Development Management Committee" by the Board of Directors on 13 March 2025, which is responsible for fulfilling the Company's sustainable development objectives, strengthening sustainable governance, perfecting the structure of corporate governance, regulating the development of the Company's sustainable environment, safeguarding the public welfare and implementing the work of corporate governance, as well as enhancing the disclosure of information on the sustainable development of the enterprise. At the same time, the "Sustainable Development Management Committee" has set up a task force for specific implementation of tasks and part-time task forces on sustainable development (including the Sustainable Information Disclosure Group, the Corporate Governance Group, the Sustainable Environment Group, and the Social Welfare Group), which are responsible for the implementation of tasks related to sustainable development.

Overview of Sustainability Management Committee Members		
LIN HUI PING	OU CHE WEN	OU PO HAO
Convener (Independent Director)	Member (Director)	Member (Director)



Division of Responsibilities of the relevant organisations in the Polymath Sustainability Management Framework		
 Sustainability Management Committee		(a) To formulate, promote and strengthen the company's sustainable development policies, annual plans and strategies. (b) Reviewing, tracking and revising the implementation and effectiveness of sustainable development. (c) To supervise the disclosure of sustainability information and review the sustainability report. (d) To supervise the implementation of the business of the Company's Code of Conduct for Sustainable Development or other sustainability-related tasks resolved by the Board of Directors.
 Sustainability Reporting Working Group		Acting as the convening unit for specific tasks, the Sustainability Task Force is responsible for convening the relevant personnel of the Sustainability Task Force to carry out tasks related to sustainability, reviewing the final version of the annual sustainability report and submitting it to the Sustainability Management Committee for review, and regularly reporting to the Sustainability Management Committee on the progress of the annual implementation of sustainability tasks.
 Part-time Task Force on Sustainable Development	Corporate Governance Group	The Corporate Governance Team is responsible for compliance with corporate governance laws and regulations, formulating reasonable compensation policies and employee performance appraisal systems, education and training, and stakeholder communication mechanisms in order to achieve the Company's goal of sustainable development.
	Sustainable Environment Group	Responsible for the environmental management system, compliance with environmental laws and regulations and international standards, evaluation of sustainable transformation, enhancement of resource utilisation, climate change response mechanisms, and establishment of a dedicated environmental management unit or staff in order to achieve the goal of environmental sustainability.
	Public Welfare Group	Responsible for human rights management policies and procedures, compliance with human rights related laws and regulations and international standards, establishment of internal and external communication among all members of the organisation (e.g., employees, subsidiaries, joint ventures, etc.) and key members of the value chain, evaluation of related risks and management mechanisms, and promotion of community development and cultural development to achieve the goal of sustainable management.
	Sustainability Information Disclosure Group	Responsible for sustainability information management policy, compliance with relevant regulations and international standards on sustainability information disclosure, and full disclosure of relevant and reliable sustainability information to enhance sustainability information transparency.



2.2 Stakeholder Identification and Communication Channels

Based on the five principles of the AA1000SES Stakeholder Engagement Standard (SES): Dependence, Accountability, Influence, Tension, and Multiple Perspectives, BORETECH has identified seven major stakeholders: customers, employees, shareholders, suppliers, industry associations, government agencies, and local communities. The forms and channels of communication between the Company and its stakeholders are shown below.

Stakeholders	Significance to BORETECH	Issues of concern	Communication Channels	Frequency of Communication
 Customers	BORETECH is committed to providing quality products and services to meet our customers' needs and expectations and to maximise customer value.	<ul style="list-style-type: none">• Response to Climate Change• Product design and lifecycle management• Product Quality• Occupational Health and Safety• Innovation and R&D• Business ethics• Information security and privacy protection	Domestic and International Exhibitions	Irregularly
			Customer Satisfaction Survey	Regularly
			Company Website	Irregularly
 Employees	We value the relationship with our employees and regard them as the keystone of our sustainable development.	<ul style="list-style-type: none">• Employee Career Development• Occupational Health and Safety• Human Rights Management• Labour Benefits• Chemical safety• Information security and privacy protection	Labour meetings	Regularly
			Suggestion Box	Irregularly
			Company Website	Irregularly
 Suppliers	As the front-end of the product lifecycle, suppliers have a direct impact on the future of BORETECH 's operations. The company has adopted a stringent supplier management system to reduce operational risks and costs.	<ul style="list-style-type: none">• Supply Chain Management• Business Ethics• Information security and privacy protection	Supplier Evaluation	Regularly
			Company Website	Irregularly

Stakeholders	Significance to BORETECH	Issues of concern	Communication Channels	Frequency of Communication
 Shareholders	Shareholders and investors are the strongest backing of BORETECH. We maximise the benefits of our shareholders and investors through sound and transparent management strategies.	<ul style="list-style-type: none">• Corporate Governance	General Meetings	Regularly
			Corporate Presentation Meeting	Regularly
			Company website	Irregularly
 Industry associations	By participating in the activities organised by the association and displaying the corporate image on the association's publicity platform, the company's own visibility and reputation can be enhanced, thus occupying a more favourable position in the market competition.	<ul style="list-style-type: none">• Innovative R&D• Clean Technology	Participate in technical forums and seminars	Irregularly
 Governmental Organisations	Comply with the relevant laws and regulations of the government and competent authorities, and proactively cooperate with the publicity of the government, to create a law-abiding culture in the company, and to fulfil our social responsibility as a good citizen.	<ul style="list-style-type: none">• Response to Climate Change• Waste Management• Raw material and packaging management• Environmental Management• Water Resource Management• Energy Management• Clean Technology• Product design and lifecycle management• Human Rights Management• Labour Benefits• Community Contribution	Participate in seminars organised by the authorities.	Irregularly
			Receive letters from competent authorities to assist in the promotion of various policies.	Irregularly
 Local Community	By taking the initiative to fulfil our social responsibility obligations, BORETECH hope to bring positive influence to the community and help achieve a happy society in the future.	<ul style="list-style-type: none">• Community Contribution	Setting up windows to communicate with neighbours in the community	Irregularly

2.3 Identification and Analysis of Major Themes

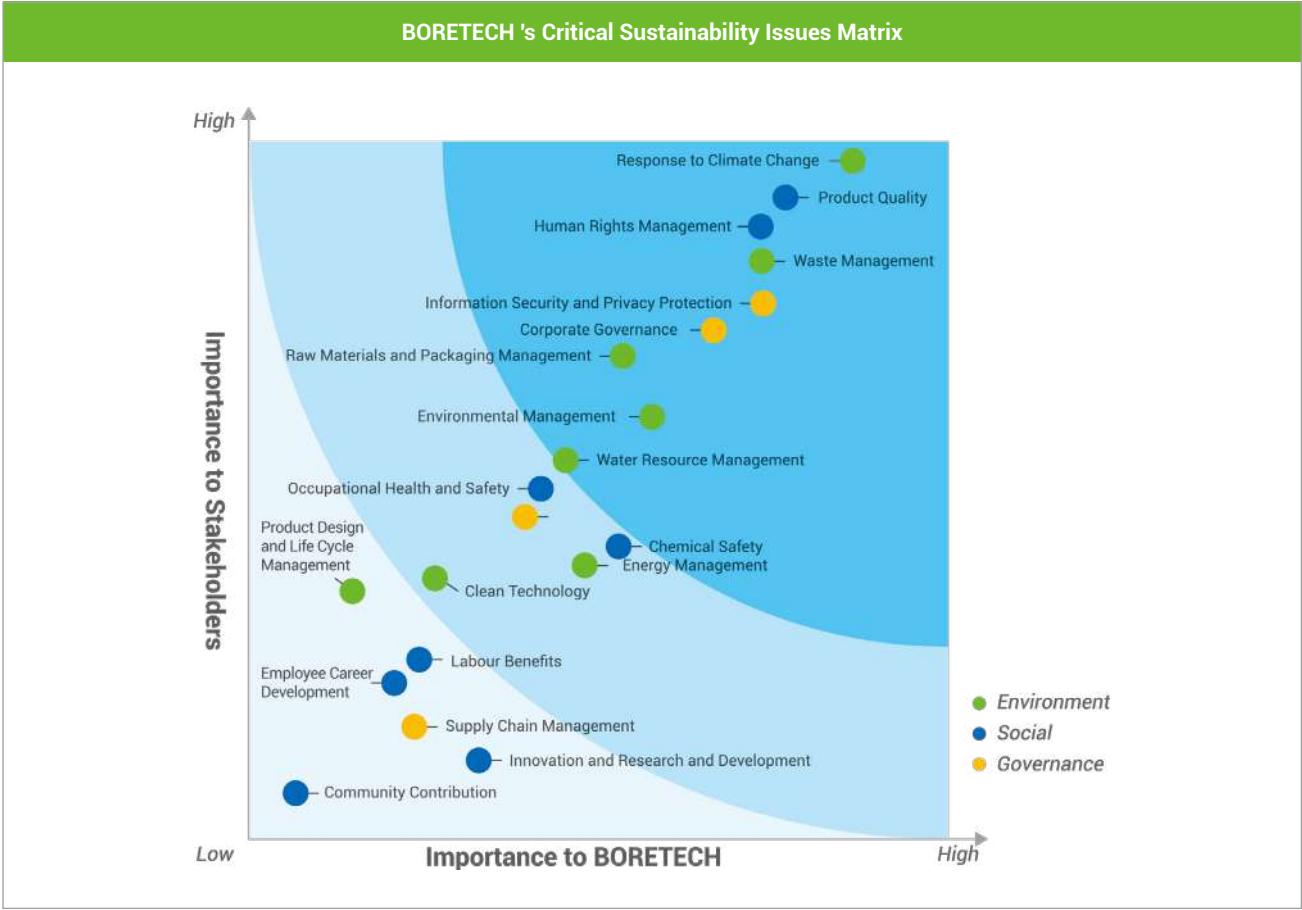
Identification of Major Sustainability Issues

Based on the GRI criteria, the United Nations' Sustainable Development Goals (SDGs), the organisation's internal development goals and industry-specific issues, the company identified internal and external factors that may affect the company's sustainable operations, and through on-site interviews and feedback from external experts, we considered issues of concern to our stakeholders, and finally compiled a list of 20 major sustainability issues.

Orientation	Key Sustainability Issues	Significance to BORETECH
<div><div></div><div>Environment</div></div>	Response to Climate Change	Continuing to develop low carbon recycling technologies, we are committed to creating an environmentally sustainable future for human life by improving our energy and greenhouse gas management, waste management, water resources management and environmental management, as well as identifying climate change risks and opportunities.
	Waste Management	
	Raw Material and Packaging Management	
	Environmental Management	
	Water Management	
	Energy Management	
	Clean Technology	
<div><div></div><div>Social</div></div>	Product Design and Lifecycle Management	Talent is one of the most important factors in enhancing the core competitiveness of an enterprise. The company is committed to providing employees with better treatment than their counterparts, which in turn will continue to inject vitality into the enterprise.
	Employee Career Development	
	Occupational Health and Safety	
	Human Rights Management	
	Labour Benefits	
	Product Quality	
	Chemical Safety	
<div><div></div><div>Governance</div></div>	Innovative Research and Development	Ensure the health of all employees and create a safe workplace environment, towards the goal of a safe and secure working environment.
	Community Contribution	
	Corporate Governance	
	Business Ethics	
	Supply Chain Management	
	Information Security and Privacy Protection	
	Water Resource Management	

Analysis of Key Sustainability Issues

In 2024, BORETECH considers the two dimensions of "importance to stakeholders" and "importance to BORETECH ", which are then scored and multiplied by an external consultant based on the "degree of positive and negative impact" and "likelihood of occurrence" of each issue in each dimension to obtain the single-axis upward value of the matrix. By combining the values of the two dimensions of each issue, the following "Major Sustainability Issues Matrix" is obtained, with 5 highly important issues, 10 moderately important issues and 5 less important issues.



Ranking of Critical Sustainability Issues		
Highly Important Issues	Moderately Important Issues	Less Important Issues
1. Response to Climate Change	6. Corporate Governance	16. Labour Benefits
2. Product Quality	7. Raw Materials and Packaging Management	17. Employee Career Development
3. Human Rights Management	8. Environmental Management	18. Supply Chain Management
4. Waste Management	9. Water Resource Management	19. Innovation and Research and Development
5. Information Security and Privacy Protection	10. Occupational Health and Safety	20. Community Contribution
	11. Business Ethics	
	12. Chemical Safety	
	13. Energy Management	
	14. Clean Technology	
	15. Product Design and Life Cycle Management	

2.4 Contribution to The UN Sustainable Development Goals (SDGs)

BORETECH echoes the UN SDGs as the direction for future corporate sustainability. The 20 key sustainability issues for 2024 echo the SDGs as shown below.

SDGs Goals	BORETECH ' Responses to the SDGs	Response Section
<div>3GOOD HEALTH AND WELL-BEING</div> <div></div>	Occupational Health and Safety Product Quality Chemical Safety	6.5 Focus on occupational health 5.2 Deep Ploughing Product Quality
<div>4QUALITY EDUCATION</div> <div></div>	Employee Career Development	6.2 Leading career development
<div>5GENDER EQUALITY</div> <div></div>	Human Rights Management Labour Benefits	6.3 Protecting Employee Rights and Interests
<div>6CLEAN WATER AND SANITATION</div> <div></div>	Water Resources Management	4.3 Low Carbon Circular Economy
<div>7AFFORDABLE AND CLEAN ENERGY</div> <div></div>	Energy Management	4.3 Low Carbon Circular Economy
<div>8DECENT WORK AND ECONOMIC GROWTH</div> <div></div>	Labour Benefits	6.3 Protecting Employee Rights and Benefits

SDGs Goals	BORETECH ' Responses to the SDGs	Response Section
<div>9INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div></div>	Supply Chain Management Innovative R&D	5.4 Partnering for a win-win situation 5.1 Continuous Innovation And R&D
<div>10REDUCED INEQUALITIES</div> <div></div>	Human Rights Management Labour Benefits Information security and privacy protection	6.3 Protecting Employee Rights and Benefits
<div>11SUSTAINABLE CITIES AND COMMUNITIES</div> <div></div>	Community Contribution	7.1 Fulfilment Of Responsibilities And Promotion Of Social Harmony
<div>12RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div></div>	Supply Chain Management Waste Management Raw Material and Packaging Management Environmental Management Product Design and Lifecycle Management	5.4 Partnering for Win-Win 4.3 Low Carbon Circular Economy
<div>13CLIMATE ACTION</div> <div></div>	Response to Climate Change Energy Management Clean Technology Product Design and Lifecycle Management	4.3 Low Carbon Circular Economy
<div>16PEACE, JUSTICE AND STRONG INSTITUTIONS</div> <div></div>	Corporate Governance Business Ethics Information Security and Privacy	3.1 Robust Corporate Governance
<div>17PARTNERSHIPS FOR THE GOALS</div> <div></div>	Supply Chain Management Information Security and Privacy Protection	5.4 Partnering For Win-Win



03

Steadfast Corporate Governance Practices

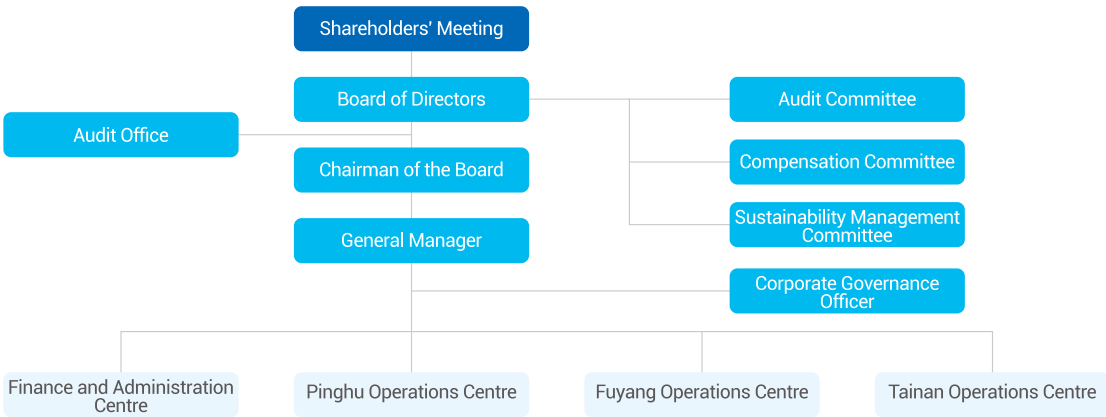
- 3.1 Robust Corporate Governance
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Steadfast Corporate Governance Practices

3.1 Robust Corporate Governance

3.1.1 Board Operations

Governance Organisation Structure



Operation of the Board of Directors

The Company's Board of Directors operates in accordance with the laws and regulations, the Articles of Incorporation of the Company's "Code of Conduct for Meetings of the Board of Directors," the "Procedures for the Election of Directors," and the resolutions of the shareholders' meeting, and meets at least quarterly, as stipulated in the Code of Conduct. Currently, the Board of Directors of the Company consists of 8 members with a term of office of 3 years, all of whom are executive directors and none of whom are non-executive directors. The election of directors is based on a candidate nomination system, whereby shareholders elect the directors from a list of candidates.

A director who has an interest in a matter before the board of directors in which he or she or the legal entity he or she represents has an interest shall state the material contents of his or her interest at the board of directors' meeting, and shall not participate in the discussion or vote on any matter which is harmful to the interests of the Company, shall abstain from the discussion or vote, and shall not exercise his or her voting rights on behalf of any other director. If a director's spouse, consanguineous relative, or a company in which the director has a controlling relationship of subordination has an interest in an item of business at the preceding meeting, the director shall be deemed to have his or her own interest in the item of business.



Attendance Profile of Directors in 2024					
Title	Name of Director	Term of office	Number of meetings actually attended (listed)	Attendance by proxy Number of times	Actual Attendance (%)
Chairman	OU CHE WEN	2024/01/16~2027/01/15	8	0	100.0
Director	TIAO HSIU HUA	2024/01/16~2027/01/15	7	1	87.5
Director	KO YUNG CHUN	2024/01/16~2027/01/15	7	1	87.5
Director	OU PO HAO	2024/01/16~2027/01/15	8	0	100.0
Independent Directors	HSU WEN KUAN	2024/01/16~2027/01/15	7	1	87.5
Independent Directors	TSAO MIHN	2024/01/16~2027/01/15	7	1	87.5
Independent Directors	LIN HUI PING	2024/01/16~2027/01/15	8	0	100.0
Independent Directors	HUANG KUO MING	2024/01/16~2027/01/15	7	1	87.5

Remuneration and Performance Evaluation of Board Members

The Company has formulated the "Board of Directors' Performance Evaluation Method" The scope of evaluation includes the evaluation of the performance of the Board as a whole, individual Board members and functional committees. The methods of evaluation include internal self-assessment of the Board of Directors, self-assessment of Board members, peer evaluation, appointment of external professional organisations, experts or other appropriate methods for performance evaluation.

Audit Committee

The Company has established an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act, which consists of all independent directors and meets at least quarterly and as often as necessary. 7 Audit Committee meetings were held in FY2024, with an attendance rate of 92.85%.

Attendance Profile of Directors in 2024				
Title	Name	Actual Attendance	Attendance by proxy	Actual Attendance (%)
Independent Directors	HSU WEN KUAN	6	1	85.7%
Independent Directors	TSAO MIHN	7	0	100.0%
Independent Directors	LIN HUI PING	7	0	100.0%
Independent Directors	HUANG KUO MING	6	1	85.7%

Compensation Committee

The Company established the "Compensation Committee" in accordance with the "Regulations Governing the Establishment and Exercise of the Powers and Duties of the Compensation Committee of Companies Whose Shares are Listed or Traded on the Stock Exchange", with an independent director serving as the convenor and chairman of the meetings, and the professional qualifications and independence of the members of the Committee are in compliance with the Regulations Governing the Powers and Duties of the Compensation Committee, and the Committee meets at least twice a year. 2024 the Company's compensation committee will meet 4 times, The attendance rate of the members was 96.42%.

Attendance of Directors in 2024				
Title	Name	Number of actual attendance	Attendance by proxy	Actual Attendance (%)
Convener	HSU WEN KUAN	3	1	75.0%
Members	TSAO MIHN	4	0	100.0%
Members	LIN HUI PING	4	0	100.0%
Members	HUANG KUO MING	4	4	100.0%

Diversity and Independence of the Board of Directors

In accordance with Article 20 of the "Code of Corporate Governance Practices for Listed and OTC Companies", the Company considers diversity in the composition of the Board of Directors, and no more than one-third of the seats of the Board of Directors shall be taken up by directors who are also managers of the Company. 2024's total number of directors is eight, with a range of ages between 31-80 years old and from various professions such as accounting, law, finance and operation management, and three of the directors are female. In terms of diversity of professional experience, the Directors come from various fields and can provide valuable advice and experience to assist the Company in its development.

Pursuant to Article 77 of the Articles of Incorporation, during the listing period, the number of independent directors of the Company shall not be less than three and shall not be less than one-fifth of the total number of directors, and at least two of them must be domiciled in the Republic of China. However, if the chairman of the board of directors and the general manager or equivalent positions are the same person or are spouses or relatives of each other within the meaning of ROC law, the number of independent directors of the Company shall not be less than 4. In 2024, the total number of directors will be 8, and 4 independent directors will be invited from the professionals with independent qualifications, which is a weighting of 50%.



Directors												
Basic Composition					Diversification							
					Industry experience				Professional competence			
Title	Nationality	Name and surname	Gender	Age	Bank	Business	Academic	Asset Management	Accounting	Legal	Finance	Operations Management
Chairman	Republic of China	OU CHE WEN	Male	61-70		√						√
Director	Republic of China	TIAO HSIU HUA	Male	51-60		√						√
Director	Republic of China	KO YUNG CHUN	Female	71-80		√						√
Director	Republic of China	OU PO HAO	Male	31-40		√						√
Independent Director	Republic of China	HSU WEN KUAN	Female	61-70				√	√			
Independent Director	Republic of China	TSAO MIHN	Male	71-80		√						√
Independent Director	Republic of China	LIN HUI PING	Female	51-60							√	√
Independent Director	Republic of China	HUANG KUO MING	Male	41-50						√		

Directors' further education

The Company arranges directors' study programmes to facilitate directors' access to relevant information in order to maintain their core values and professional strengths and competencies.A total of 8 individuals have been scheduled for further training in 2024, with a total of 72 hours.

Directors' further education in 2024				
Title	Name	Organiser	Programme Name	Hours of Study
Chairman	OU CHE WEN	Accounting Research and Development Foundation of the Republic of China (ROC)	Practical Analysis of the Impact of the Latest ESG Sustainability Policies and Net Zero Carbon Emissions on Financial Reporting (Accounting)	6.0
		Taipei Financial Research and Development Foundation	Corporate Governance-Digital Fraud and Digital Financial Crime Detection and Prevention	3.0
		Accounting Research and Development Foundation of the Republic of China 3.0	International Sustainability Disclosure Standards New Trends Professional Learning Programme	3.0

Directors' further education in 2024				
Title	Name	Organiser	Programme Name	Hours of Study
Director	TIAO HSIU HUA	Chinese Independent Directors Association	2024 World Economic Trends, Risk Indicators and Response Strategies	3.0
		OTC Centre	"AI Strategy and Governance" Programme	3.0
Director	KO YUNG CHUN	Accounting Research and Development Foundation of the Republic of China (ROC)	The Latest Act on Annual Reports/Sustainability Information/Financial Report Preparation and Internal Control Practices (Audit)	6.0
		Accounting Research and Development Foundation of the Republic of China (ARDF)	ESG Development Trends and Sustainability Information Disclosure Regulations	3.0
		Taipei Financial Research and Development Foundation	Corporate Governance-Digital Fraud and Digital Financial Crime Detection and Prevention 3.0	3.0
		Accounting Research and Development Foundation of the Republic of China (ROC)	Practical Analysis of the Impacts of ESG Sustainability Policies and Net Zero Carbon Emissions on Financial Reporting (Accounting)	3.0
Director	OU PO HAO	Accounting Research and Development Foundation of the Republic of China (ARDF)	ESG Development Trend and Sustainability Information Disclosure Regulations (Accounting)	3.0
		Taipei Financial Research and Development Foundation	Corporate Governance-Digital Fraud and Digital Financial Crime Detection and Prevention	3.0
		Chinese Corporate Governance Association	Global Risk and Corporate Social Responsibility	3.0
Independent Directors	HSU WEN KUAN	Chinese Corporate Governance Association	Practical Issues and Case Studies in Corporate Governance	3.0
		Securities and Futures Market Development Foundation of the Republic of China.	Advanced Seminar on "Directors' Fiduciary Obligations and Insider Trading" for Directors and Supervisors (including Independent) and Corporate Governance Executives of Listed Companies of Formosa Plastics Corp.	3.0
Independent Directors	TSAO MIHN	Chinese Academy of Economic Research	Global Geopolitical and Economic Trends and the Opportunities, Challenges, and Responses of Taiwan's Industries	3.0
		Governance Association of the Republic of China	Leadership for ESG Sustainability in the Middle Kingdom	3.0
Independent Directors	LIN HUI PING	Governance Institute of the Republic of China	Corporate Fraud Risks and Challenges	3.0
		Securities and Futures Market Development Foundation of the Republic of China, Inc.	"Series of Courses for Directors, Supervisors and Corporate Governance Executives - Global and Taiwan Economic Outlook to 2024	3.0
Independent Directors	HUANG KUO MING	Securities and Futures Market Development Foundation of the Republic of China (Taiwan)	"Series of Courses for Directors, Supervisors and Corporate Governance Executives - Functions and Prospects of the Carbon Stock Exchange	3.0
		Accounting Research and Development Foundation of the Republic of China	The latest "Annual Report/Sustainability Information/Financial Report Preparation" related laws and regulations and internal control management practices (Audit)	6.0

3.1.2 Shareholders' Equity

Shareholder Services

In addition to disclosing material news on Market Observation Post System (MOP), the Company has set up a "Stakeholders' Corner" on its official website to provide a window for investor relations and contact information for the spokesperson.

Link to Stakeholder Area: <https://bo-re-tech.group/corporate-social-responsibility/interested-party/>

Investor Relations

In accordance with the regulations of the stock exchanges or over-the-counter trading centres, the Company will hold regular online seminars at least once a year from 2025 onwards to communicate directly with corporate investment institutions and to provide the Company with the latest business overview and future outlook in order to ensure openness and transparency of information.

Internal Material Information Regulations

The Company shall comply with the requirements of the Taiwan Stock Exchange's Procedures for the Verification and Public Handling of Material Information of Listed Companies in respect of Marketable Securities and make public announcements within the timeframe as stipulated by the law when the Company decides to make a material decision or when an important event occurs. The Company has also formulated the "Rules Governing the Prevention of Insider Trading" to prevent insider trading, protect investors and safeguard the Company's rights and interests.

3.1.3 Economic Performance

2022-2024 Operating Revenue (Unit: NT\$1,000)			
Operating Revenue	2022	2023	2024
Merchandise sales revenue	2,473,948.00	2,713,741.00	3,264,768.00
Revenue from sale of equipment	1,122,109.00	1,749,291.00	2,127,260.00
Other operating income	1,482.00	685.00	52,038.00
Total	3,597,539.00	4,463,717.00	5,444,066.00

Pursuant to the Articles of Association of the Company, during the listing period, unless otherwise provided for under the Cayman Act, the Listing Rules or these Articles of Association, the Company shall set aside 3% to 10% as remuneration to employees and not more than 2% as remuneration to directors of the Company for the year if the Company makes a profit for the year.

Financial Performance of the Company for the Years 2022-2024 (Unit: NT\$1,000)			
Performance Indicators	2022	2023	2024
Operating Revenue	3,597,539.00	4,463,717.00	5,444,066.00
Operating Income (Loss)	248,652	543,203	549,392
Income (loss) before income tax	270,838.00	600,711.00	639,414.00
Basic earnings per share	3.54	7.02	7.51
Net value per share	25.69	29.94	33.96
Staff salaries and wages	281,139	378,070	476,025
Employee Benefit Costs ¹	349,874.00	469,797.00	594,821.00

In response to the international trend of tax governance, BORETECH follows the tax regulations of the competent authorities in each location where it operates, fulfils its social responsibility as a taxpayer, and puts into practice the spirit of honesty and integrity in its corporate tax governance.

Corporate tax governance from 2022 to 2024 (Unit: NT\$1,000)			
Tax Performance	2022	2023	2024
Income tax expense	51,643.00	143,292.00	149,860.00







Financial assistance received by the Company from the government from 2022 to 2024 (Unit: NT\$1,000)			
	2022	2023	2024
Income from grants	17,471.00	20,908.00	29,787.00

3.1.4 Integrity in Business

In order to maintain the corporate culture and sound development of the Company's integrity management, to guide the directors, independent directors and managers of the Company to act in accordance with ethical standards, and to enable the Company's stakeholders to have a better understanding of the Company's standards of conduct, the Company has formulated the "Code of Business Integrity" and the "Code of Ethical Conduct", which provide for the prevention of conflicts of interest, the avoidance of self-interest, the duty of confidentiality, and fair dealing.

In 2024, BORETECH did not engage in any anti-competitive, antitrust or monopolistic practices, nor did it incur any monetary losses as a result of legal proceedings related to anti-competitive laws.

¹Employee benefit costs include: salary costs, insurance costs, pension costs, employee stock options, and other.

Code of Ethical Conduct Highlights	
 Prevention of Conflicts of Interest	A director or manager of the Company shall conduct business in an objective and efficient manner and shall avoid using his/her position in the Company to improperly benefit himself/herself, his/her spouse, or his/her relatives within the second degree of consanguinity or affinity. The Company shall pay special attention to the lending of funds to or provision of guarantees for affiliated companies, material asset transactions, and purchase (sales) transactions with the aforesaid persons. The Company shall establish a policy to prevent conflicts of interest and provide appropriate channels for directors or managers to proactively disclose any potential conflicts of interest with the Company.
 Avoidance of Opportunities for Self-Interest	Directors or managers should avoid the following behaviours: (i) Opportunities for personal gain through the use of Company property or information or through the performance of their duties; (ii) Making personal gain for himself or a third party through the use of company property, information or by virtue of his office; (iii) Competing with the Company. Whenever there is an opportunity for the Company to make a profit, it is the duty of a director or manager to increase the Company's legitimate and legal interests.
 Duty of confidentiality	A director or manager shall be under a duty of confidentiality with respect to matters or secrets coming to the knowledge of the Company itself or in the course of its duties, unless disclosure is authorised or required by law. Confidentiality includes all unpublished information that could be used by competitors or leaked to the detriment of the Company or its customers.
 Fair Dealing	A director or manager of the Company shall deal fairly with the Company's importing and exporting customers, competitors and employees, and shall not gain improper advantage by manipulating, concealing, or abusing information obtained in the course of his or her duties, by making misrepresentations of important matters, or by any other means of unfair dealing.
 Protection and Proper Use of Company Assets	It is the duty of any director or manager of the Company to protect the assets of the Company and to ensure that they are used effectively and lawfully in the conduct of their official duties, so as to avoid theft, negligence or waste that may have a direct impact on the Company's ability to make a profit.
 Compliance with Laws and Regulations	The Company shall comply with the Securities and Exchange Act and other relevant laws and regulations.

The Company establishes and publishes an independent internal reporting mailbox and hotline on the Company's official website and intranet site or commissions other external independent organisations to provide a reporting mailbox and hotline for use by the Company's internal and external personnel. The Company undertakes that the relevant personnel handling the report shall declare in writing that the identity of the complainant and the content of the report shall be kept confidential, and undertakes to protect the complainant from being improperly dealt with as a result of the report.

If it is proved that the reported person has violated the relevant laws and regulations or the Company's policy and regulations on integrity management, the special unit of the Company and the supervisor or officer to whom the report has been made shall immediately require the reported person to stop the relevant behaviour and take appropriate action, and if necessary, report the matter to the competent authorities, refer it to the judicial authorities for investigation, or seek damages through legal proceedings, in order to safeguard the Company's reputation and rights and interests.

If the report is substantiated, the responsible unit of the Company and the supervisor or officer to whom the report is submitted shall be responsible for reviewing the relevant internal control system and operating procedures of the relevant unit of the Company and proposing improvement measures to prevent the recurrence of the same behaviour.

In 2024, no anti-corruption incidents were reported to BORETECH and no losses were incurred as a result of any corruption incidents.

3.2 Comprehensive Risk Control

3.2.1 Compliance With Laws and Regulations

There were no significant environmental, social or economic sanctions imposed on the Company in 2024.

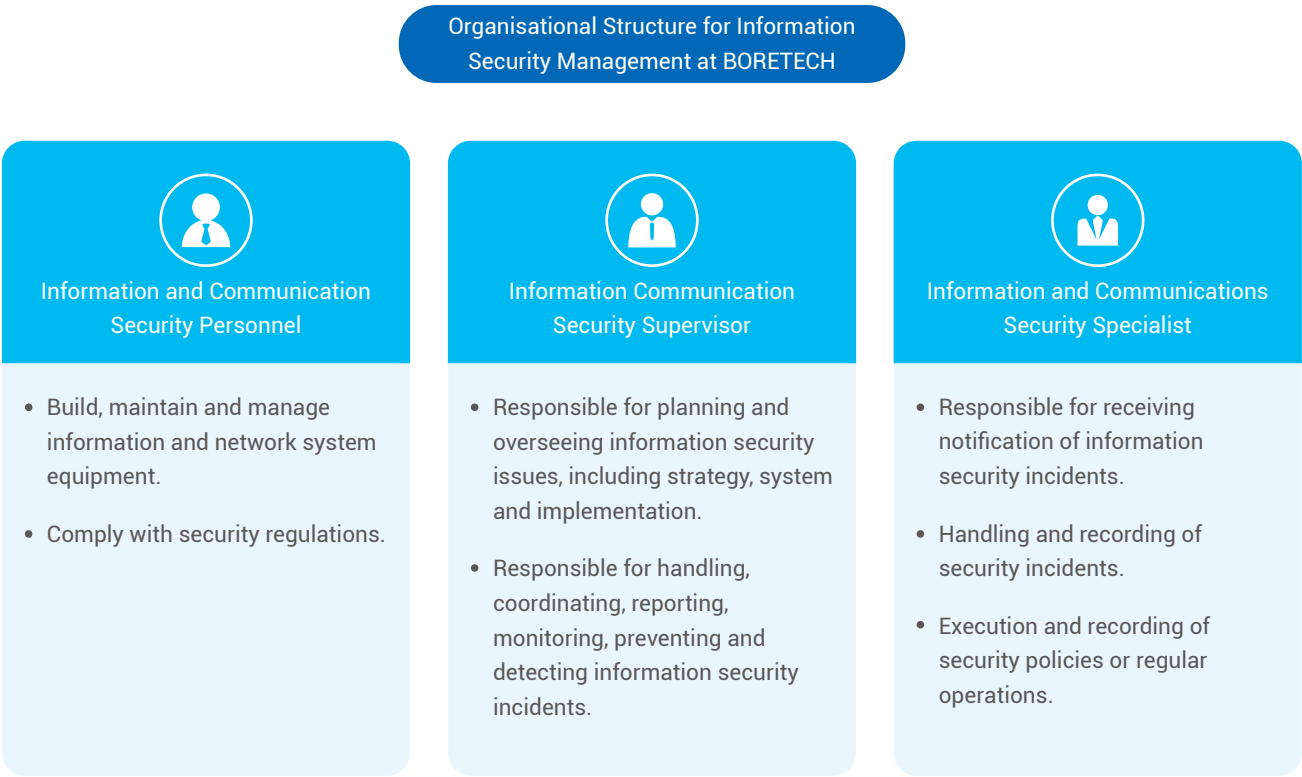
3.2.2 Internal Control System

BORETECH has established an internal control system and various internal regulations in accordance with the "Guidelines Governing the Establishment of Internal Control Systems in Public Companies", and carries out various types of risk management and assessment. In order to ensure the effective operation of the internal control system, BORETECH has set up an independent Audit Department under the Board of Directors, and the internal audit unit regularly and irregularly audits the degree of implementation of the internal control system, and reports to the Audit Committee on a regular basis. The internal audit unit also regularly reports to the Audit Committee on the implementation of the internal control system and attends the Board of Directors' meetings. We attach importance to ESG issues related to internal control and internal audit, and in our 2024 audit plan, we will review our corporate governance, financial operations, environmental and labour safety, information and research and development, and ensure that our operations and information disclosure meet the expectations of our stakeholders.

3.3 Enhancing Digital Resilience

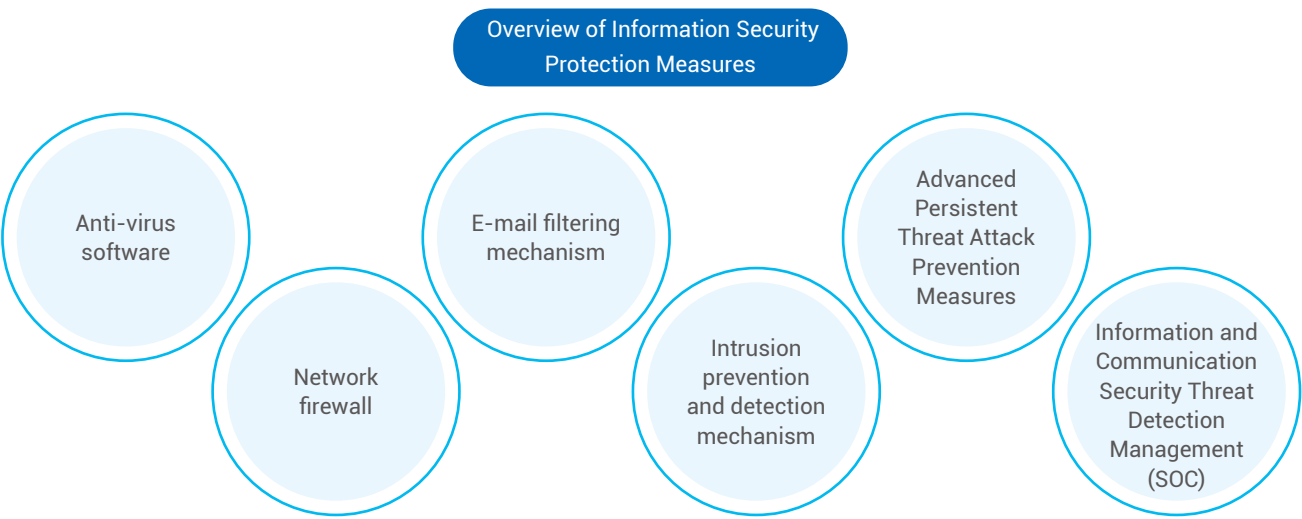
3.3.1 Organisational Structure for Information Security Management

In order to effectively promote, co-ordinate and supervise information security management issues, the company has established the following information security team.



3.3.2 Information Security Management

In accordance with relevant laws and regulations and the company's business needs, BORETECH has formulated the "Information Security Management Policy" to ensure the legal authorisation of access to company information and the reliable operation of the information system. Information security education and training programmes are also conducted to enhance the information security knowledge of our staff. During the period under review in 2024, the Company has not suffered any major information security incidents or related losses and impacts, and the number of information leakage incidents (including personal data-related information) is zero.



In addition to SOC security measures and regular education and training, the Company conducts annual risk assessments (including risk identification, impact assessment, and development of countermeasures), protection system scans, and information disaster drills on the SOC system.



2024 Information Security Risk Management Planning Implementation Progress



Risk Assessment

- Identify the value of assets in each stage of information management by "confidentiality, integrity, and availability" to determine the scope of information security risk management.



Risk Transfer

- Multiple security defences:** firewalls, enterprise virtual circuits and remote access, encryption, intrusion detection and prevention, anti-spyware software, etc.
- Application authorisation mechanism:** Users are required to fill out an online application form on the OA system and sign it through the electronic verification process before it can be applied.
- Hardware equipment management:** UPS uninterruptible power supply (UPS) equipment is installed, and the server room is inspected regularly every day.
- Network Data Line:** Adopting MPLS VPN and SD-WAN hybrid architecture to achieve high availability and uninterrupted backup mechanism.
- Cloud disk system:** Imported into the R&D department to ensure that technical documents are equipped with a hierarchical access and version retention mechanism to reduce the risk of sensitive data leakage.
- Build a secondary identity authentication framework to reduce the risk of hacker attacks by using SSL VPN encrypted connections when employees log in to internal operations from outside the company.
- Privileged account management is built to manage the highest privilege password and double authentication login (2FA) to prevent hackers from stealing privileged accounts and reduce the risk of information security.
- To return a borrowed corporate laptop, the computer must be reset, the USB flash drive formatted, and an anti-virus scan performed before the return process can be completed.



Emergency Response

- Redundancy response mechanism:** A redundancy mechanism is built between the IDC server room in Taipei and the information systems in Taiwan BORETECH/Zhejiang BORETECH/Anshun, which allows for system switching in case of an emergency to shorten response time and maintain operational continuity.



Maintenance Audit

- Electronic administration:** OA system combined with internal audit control mechanism to enhance administrative efficiency and reduce resource consumption.
- File security control and maintenance:** hardware equipment fire prevention and moisture-proof device construction and maintenance.
- System Security Audit Management:** Build an audit mechanism in the system and perform regular confidentiality checks to ensure that access control complies with information security regulations.

According to the results of the 2024 Social Engineering Mail Test Report, some test subjects are still not aware of the source or identity of the mail and are deceived by the test letters. For the less alert test subjects, the company will plan for secondary education and training to further enhance the promotion of relevant protection concepts.

2024 Social Engineering Email Test Results



Email Delivery Situation

A total of 274 people were sent simulated phishing emails, and 100% of the emails were successfully delivered to the target mailboxes.



Email Open Rate

According to the tracking data, 114 emails were opened, with an open rate of 42%.



Link Hitting Rate

Among the employees who opened the emails, 26 of them clicked on the links in the emails, with a click rate of 21%.

Ares Security Incident Notification Process

1

If any internal information security incident is discovered within the company, or if any external information security incident is initially judged to be for internal reference or to affect the company, it should be notified to the information security specialist.

2

Incident notification should be made by filling out the "Computer Operation Requirement List" for exception reporting. Upon receipt, the personnel should immediately notify the information security supervisor to analyse and deal with the incident and inform the notifier after the incident has been dealt with.

3

The information security supervisor may call relevant personnel to join in the incident analysis to help understand the technical problems of information security due to the attributes of the incident.

4

In the process of handling the information security incident, the responsible personnel should report the handling situation to the supervisor.



04

Environmental Sustainability and Protecting Green Homes

- 4.1 Responding to Climate Change
- 4.2 Enhanced Pollution Prevention
- 4.3 Low Carbon Circular Economy
- 4.4 Green Products and Services



Environmental Sustainability and Protecting Green Homes

4.1 Responding to Climate Change

4.1.1 Greenhouse Gas Emission Management

Organising Carbon Emissions

In order to more comprehensively grasp the impact and influence of our operating activities on the environment, BORETECH will start a greenhouse gas inventory in accordance with ISO 14064-1:2018 at all production sites starting from 2023, and set 2024 as the base year for the inventory, so as to accurately grasp the status of the company's GHG emissions and promote the reduction of GHG emissions to meet the requirements of the government and the regulatory authorities, and to comply with the international environmental trend. In 2024, our GHG inventory will cover Taiwan BORETECH, Zhejiang BORETECH and Zhejiang Anshun, covering direct emissions in Scope 1 and indirect emissions from purchased energy in Scope 2.

Greenhouse Gas ^{2,3} Emissions		
Scope	2023	2024
Scope 1 (tonnes CO2e)	7,508.57	9,985.70
Scope 2 (tonnes CO2e)	18,276.76	18,766.74
Subtotal Emissions (tonnes CO2e)	25,785.33	28,752.43
Greenhouse Gas Emission Intensity (tonnes CO2e/million turnover)	5.78	5.28

Product Carbon Footprint

BORETECH is committed to creating green, low-carbon and sustainable products. We actively promote the incorporation of energy-saving and green sustainability concepts into product design. We have introduced product carbon footprints, which are based on full life-cycle assessment data, and consider the greenhouse gas emissions accumulated in the product due to direct or indirect activities during the product's life cycle, from the acquisition of raw materials or the generation of natural resources to the final disposal process at the end of the product's life, in order to assess the emission status and potential for emission reductions at each stage.

²Greenhouse gases include CO2, CH4, N2O, HFCs, PFCs, SF6, NF3.

³GWP reference to The Sixth Assessment Report (AR6) published by the United Nations Intergovernmental Panel on Climate Change (IPCC) in 2021.

Carbon Footprint Assessment of Zhejiang BORETECH's Core Products

Carbon Footprint Assessment Certificate for Zhejiang BORETECH's Core Products

Carbon Footprint Assessment of Zhejiang Anshun Products

As a practitioner and advocate of sustainable development, Zhejiang Anshun has actively implemented carbon reduction strategies and carbon footprint accounting to ensure that carbon emissions are within control. 2023, Zhejiang Anshun commenced carbon footprint accounting for virgin polyester fibre, recycled polyester fibre and polyethylene/polyester composite fibre products, which was certified by third party organisations. 2024, we continue to follow the same methodology. Reference ISO 14040:2006 Environmental management - Life cycle assessment - Principles and framework, ISO 14044:2006 Environmental management - Life cycle assessment - Requirements and guidance, and ISO 14067:2018 Greenhouse Gases - Product Carbon Footprint - Requirements and Guidelines for Quantification and Communication". The product carbon footprint of the same product is accounted for in order to track the product's greenhouse gas emissions and quantitatively assess the effectiveness of greenhouse gas reduction measures.

Product Functional Unit	Carbon Footprint 2023	2024 Carbon Footprint
1 kg virgin polyester fibre, including its packaging	3.84 kgCO2e	3.89 kgCO2e
1 kg recycled polyester fibre, including packaging (A=0.5)	2.34 kgCO2e	2.85 kgCO2e
1 kg recycled polyester fibre, including its packaging (A=1)	1.15 kgCO2e	2.18 kgCO2e
1 kg polyethylene/polyester composite fibre, incl. its packaging	3.40 kgCO2e	3.61 kgCO2e

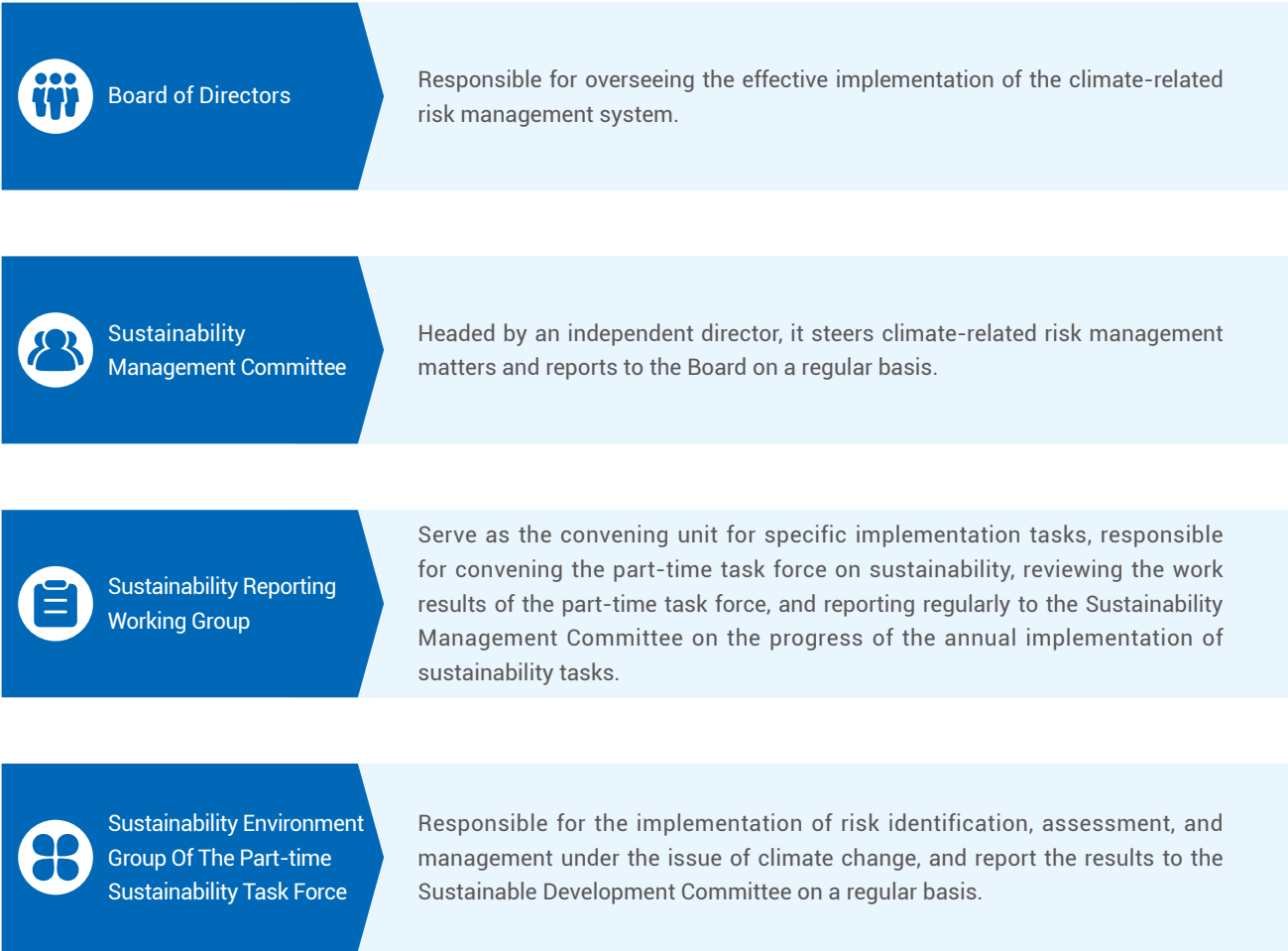
Carbon Footprint Assessment Certificate for Zhejiang Anshun Products

4.1.2 Climate Change Risk Management

Climate change has become one of the common challenges facing human society in the 21st century, with environmental crises and socio-economic problems brought about by global climate change becoming more and more serious. We refer to the Task Force on Climate-Related Financial Disclosures (TCFD) of the International Financial Stability Board (FSB), which focuses on the four major areas of "Governance", "Strategy", "Risk Management" and "Indicators and Targets". The Task Force on Climate-Related Financial Disclosures (TCFD) is based on the four major areas of "Governance", "Strategy", "Risk Management", and "Indicators and Targets", and identifies climate-related risks and opportunities from different business areas, and develops a strategy for the governance of climate risks and opportunities.

Governance

The Company has established the Sustainable Development Committee, which is supervised by the Board of Directors, as the highest management organisation for BORETECH's climate risk management, with an independent director acting as the convenor of the Committee, and reporting to the Board of Directors on the status of implementation and results at least once a year. The Sustainability Committee has set up a Sustainability Reporting Working Group under the Sustainability Committee and a part-time Task Force on Sustainability under the Working Group, of which the Sustainability Task Force is responsible for climate change related issues and is responsible for consolidating and promoting various tasks related to climate change issues.



Strategies

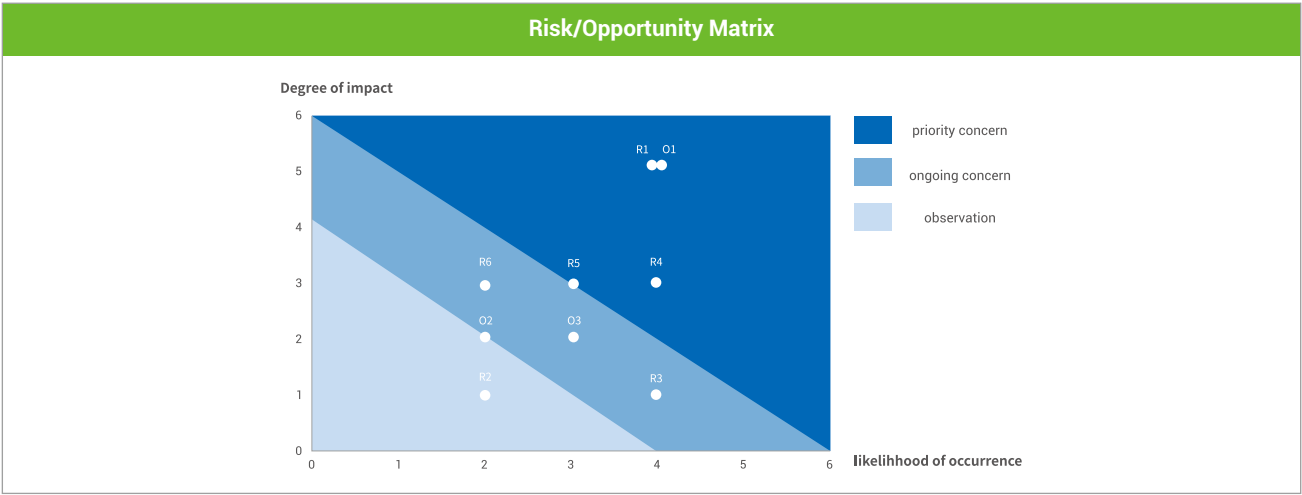
BORETECH understands that climate change may have a significant impact on our business. In order to better assess the risks and opportunities associated with climate change, BORETECH has selected SSP1 and SSP5 risk scenarios based on the Shared Socioeconomic Pathway (SSP) defined in the IPCC's Sixth Assessment Report (AR6) for future climate change. SSP1 and SSP5 risk scenarios were selected.

Usage Scenarios	Scenario Description	End of the century	Emissions Trend
 SSP5 Fossil Fuel Development Pathways	<ul style="list-style-type: none">• The world is increasingly convinced that competitive markets, innovation and participatory societies can lead to rapid technological progress and the development of human capital as a path to sustainable development.• Increasing global market integration• Significant investments in health, education and institutions to enhance human and social capital• Exploitation of the world's abundant fossil fuel resources and the rise of resource- and energy-intensive lifestyles.• Rapid growth of the global economy while the global population peaks and declines in the 21st century• Local environmental problems such as air pollution have been successfully solved.• Belief in the ability to effectively manage societies and ecosystems, including through geoengineering where necessary.	>3 degrees Celsius Global warming remains above the pre-industrial temperature rise of 3 degrees Celsius	Emissions have risen dramatically
 SSP1 Sustainable Development Pathways	<ul style="list-style-type: none">• The world is gradually but universally shifting to a more sustainable path.• Management of global public resources slowly improves, investment in education and health accelerates demographic transition, and the focus on economic growth shifts to a broader focus on human well-being.• Reduced inequality between and within countries, fuelled by a growing commitment to development goals.• Consumption is orientated towards low material growth and lower resource and energy intensity.	≤1.5°C Global warming remains within 1.5°C of pre-industrial warming	Significant reduction in emissions

Risk and Opportunity Identification

Type	Serial No.	Category	Risks and Opportunities	Likelihood of occurrence	Degree of Impact	Total Score	Significance
<div><div></div><div>Risk</div></div>	R1	Physical Risk/ Immediate	Typhoon, Flood	4	5	9	v
	R2	Entity Risk / Long-term	Sea level rise	2	1	3	
	R3	Physical Risks/ Long-Term	Rising temperatures	4	1	5	
	R4	Transformation Risks/Policies and Regulations	Increasingly stringent environmental regulations / Increasing carbon management costs	4	3	7	v
	R5	Transformation Risks/Technologies	Increased market demand for low carbon production technologies / Low carbon technologies require additional cost inputs	3	3	6	v
	R6	Transformation risk/ market	Rising raw material prices	2	3	5	
<div><div></div><div>Opportunities</div></div>	O1	Opportunities/ Products and Services	Increased sales of green products due to environmental protection trend	4	5	9	v
	O2	Opportunity / Toughness	Positive corporate image	2	2	4	
	O3	Opportunities/ Resource Efficiency, Energy Sources	Promoting Green and Low Carbon Production	3	2	5	

Category	Classification	Management Style
Focus on	6 points or above	Formulate adaptation strategies and regularly review the implementation status.
Continuous tracking	Above 4 points	Proactively collect relevant information and review this regularly.
Observation	1-3 points	Ongoing Observation



In 2024, BORETECH conducted a climate-related risk/opportunity identification exercise, identifying three significant risks and one significant opportunity that BORETECH focuses on, and proposing strategies to address them according to the nature of the risks and opportunities. For risks, we start to manage them as early as possible in order to minimise possible negative financial impacts in the future; for opportunities, we prepare in advance in order to capture the business opportunities that may arise.

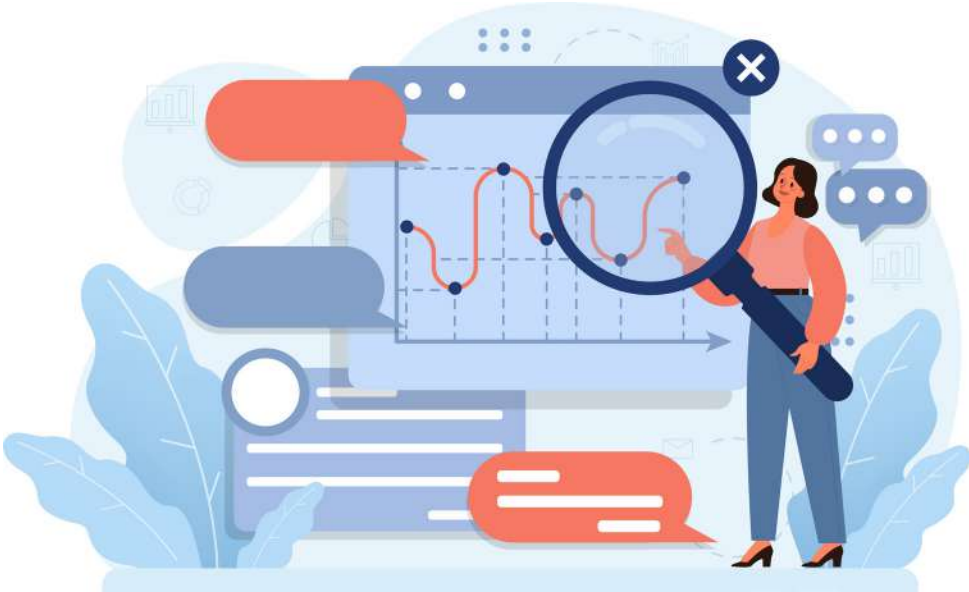
No.	Type	Category	Risk Type	Risk Description	Scope of Impact	Adaptation Management Strategy
R1	Risk	Physical Risk/ Immediate	Typhoons, floods	-Reduction in production capacity and increase in costs -Damage to buildings and facilities as a result of the risk. -Supply chain disruption	Upstream, operations	-New facilities and infrastructure improvements to existing facilities -Diversification of suppliers and logistics channels -Increase extreme weather monitoring and alerts -Development of Business Continuity Planning (BCP)
R4	Risks	Transformation Risks/Policy and Regulation	Increasingly stringent environmental laws and regulations/ increasing carbon management costs	-Increase in environmental investment due to requirements from customers and regulatory bodies -Increase in operating costs due to carbon emission management.	Operation, Downstream	-Concerned about policy differences -Maintain technology R&D capability to cope with regulatory upgrades. -Invest in low carbon technologies to adapt to high carbon tax environment in advance.
R5	Risks	Transformation risk/technology	Increased market demand for low carbon production technologies / low carbon technologies require additional cost investment	- Increased demand for technologies to shift to a low carbon economy with changing market preferences -Lack of technology upgrades may lead to lower margins -Existing equipment may become obsolete, increasing competition	Operational, downstream	-Gradual introduction of cost-effective technologies and equipment -Industry co-operation to diversify R&D costs and market risks
O1	Opportunities	Products and Services	Increased sales of green products under the trend of environmental protection	Increased market demand for BORETECH's recycled products in light of policies encouraging enhanced plastic recycling	Operation, Downstream	-Expanding business scope on the basis of existing product lines. -Keeping an eye on policy developments and seeking government subsidies or certification. -Leveraging its technological advantages at all levels of the market.

Risk Management

Risk/opportunity identification	Risk/Opportunity Assessment	Risk/Opportunity Management	Risk/opportunity disclosure
<div>-Collecting relevant risk/opportunity issues</div> <div>-Identify risk/opportunity issues related to the company's operations.</div>	<div>-Compile data for statistics and analysis</div> <div>-Select appropriate scenarios for materiality analysis and output materiality matrix.</div>	<div>-Exhibit risk/opportunity response strategies</div> <div>-Regularly track the implementation of each risk/opportunity response strategy.</div>	<div>-Regularly disclose to stakeholders the progress of management of climate change risks/opportunities.</div>

Indicators and Targets

Indicators	Targets	Completion status in 2024
Greenhouse Gas Emission Management	Conduct a greenhouse gas inventory once a year.	Achieved
Greenhouse gas emissions	The results of greenhouse gas emissions are used as a reference for the Company to promote greenhouse gas management.	Scope 1 emissions: 9,985.70 tonnes CO2e Scope 2 emissions: 18,766.74 tonnes CO2e



4.2 Enhanced Pollution Prevention

4.2.1 Environmental Management

BORETECH is committed to the environmental policy of "Cherish Resources, Green Environment, Prevent Pollution, Comply with Laws and Regulations, Involve All Employees, Continuous Improvement", and complies with environmental laws and regulations to improve the environmental management system, and to strengthen the environmental supervision and auditing. 2024, Zhejiang BORETECH and Zhejiang Anshun have obtained the certification of the ISO 14001 environmental management system. In addition, Zhejiang BORETECH and Zhejiang Anshun have passed the clean production audits in Jiaxing and Hangzhou respectively, and Zhejiang BORETECH has been awarded the title of Green Factory in Jiaxing.

Zhejiang BORETECH Environmental Management System Certification

Zhejiang Anshun environmental management system certificate.

Each subsidiary company is equipped with a full-time safety and environmental protection management department and personnel, responsible for formulating various specialised management systems in accordance with the latest laws and regulations, such as the "Environmental/Health and Safety Management System Manual", "Environmental Management System", etc. At the same time, each subsidiary company has established an environmental management system to ensure the safety and environmental protection of the company's products and services. At the same time, all subsidiaries have established environmental risk prevention and contingency plans, and through inspection and responsibility implementation, the comprehensive response capability of environmental risk and contingency management is continuously enhanced.

Zhejiang Anshun Environmental Emergency Drill

In 2024, Zhejiang Anshun conducted an emergency drill for chemical fibre oil leakage. The exercise was aimed at examining and evaluating the emergency response capability of the environmental accident emergency response plan. Through this exercise, we discovered the areas for improvement in the plan procedures, resource allocation and coordination, clarified the duties and procedures for handling this kind of emergency incidents, and strengthened the crisis management capability of the relevant departments and colleagues.


4.2.2 Pollutant Management

BORETECH strictly complies with the environmental protection laws and regulations of the countries where it operates, establishes a comprehensive management system for wastewater, waste gas and solid waste, and sets annual pollution emission management targets for each of its subsidiaries in light of the actual situation. 2024, BORETECH's subsidiaries will meet the standards for the discharge of wastewater, waste gas and solid waste, and the factories will carry out monitoring in accordance with the requirements of the pollution permits, and will submit reports on a regular basis, accepting the supervision of society and the public.


Air Pollutant Management

BORETECH's emissions mainly come from Zhejiang BORETECH and Zhejiang Anshun. During the production process, the emissions of Zhejiang BORETECH come from painting, sandblasting, oil smoke from canteen, welding fume, laser cutting fume; the emissions of Zhejiang Anshun come from the combustion, fluxing and forging process of boiler. In order to ensure that the emissions meet the emission standards, we have set up a water spray tower, electrostatic adsorption, activated carbon exhaust treatment devices, but also to take a series of measures to reduce emissions from the source to enhance the efficiency of exhaust treatment: Zhejiang BORETECH will be used in the paint spraying process in the replacement of oily paints to water-based paints, and effectively reduce the generation of emissions in the spraying process; Zhejiang Anshun cleans the waste gas treatment equipment every month and replaces the activated carbon in the waste gas equipment regularly to ensure the treatment efficiency.

Zhejiang BORETECH waste gas treatment equipment




Zhejiang Anshun exhaust gas treatment device



Each subsidiary has set emission targets and formulated corresponding control measures and tracking and monitoring measures.

BORETECH Gaseous Emission Targets



To comply with the local environmental protection laws and regulations and the requirements of the management department, and to realise compliant emissions.

Waste Water Management

BORETECH's wastewater discharge includes domestic wastewater and operational wastewater.

Zhejiang BORETECH mainly discharges domestic wastewater and part of the wastewater generated from the treatment of waste gas spray tower, which is entrusted to a third party organisation that meets the qualification requirements for treatment.

Zhejiang Anshun discharges domestic wastewater and operational wastewater, and the Company has installed wastewater treatment equipment to centrally treat domestic wastewater and operational wastewater, after treatment, over 80%⁴of the wastewater is reused in the production process, and the rest is discharged into municipal wastewater pipelines.

Taiwan BORETECH discharges operational wastewater and has a complete wastewater treatment facility consisting of solid-liquid separation devices, blending tanks, pH adjustment tanks, coagulation tanks and coagulation tanks, etc. A portion of treated wastewater is recycled through pipelines for use in the production process.

By 2024, all of BORETECH's operating sites will meet the standard for wastewater discharge.

Solid Waste Management

Wastes generated by BORETECH can be classified as general non-hazardous wastes and hazardous wastes. Each subsidiary has formulated internal systems, such as the Solid Waste Management System, to manage various types of solid waste.

BORETECH's Solid Waste Management Measures	
Recycling	We will recycle the wastes that have the conditions for recycling, either by ourselves or by entrusting the organisations that meet the requirements to do so.
Waste Separation	General non-hazardous waste is classified and managed, with priority given to recycling to minimise pollution and negative impacts on the environment.
Storage of Hazardous Waste	We follow the requirements of laws and regulations of our operation sites to build storage facilities for hazardous waste, set up isolation measures, and ensure that they are waterproof, fireproof, lightning-proof, and dust-proof.
Archive Management	We regularly fill in the "Hazardous Waste Generation Record Sheet" and "Hazardous Waste Storage Record Sheet" in accordance with the requirements of the environmental management department, and compile relevant data to form a hazardous waste management ledger.
Regular cleaning	Hazardous waste is collected and regularly cleaned up by qualified service providers.

Zhejiang BORETECH to build a waste-free factory

In 2023, Zhejiang BORETECH was successfully selected as one of the waste-free factories in Jiaxing City. Waste-free factories, as one of the important subjects in the construction of a waste-free city, need to integrate the concept of environmental protection into the development strategy, on the basis of the enterprise's original, to further reduce the amount of solid waste production, improve the resourcefulness of solid waste, and enhance the level of solid waste management.

Zhejiang BORETECH has taken a series of measures, such as replacing traditional solvent-based paints and thinner with water-based paints, and eliminating the generation of waste paint drums from the source. Obtaining the title of waste-free factory demonstrates the effectiveness of BORETECH's work in waste management. In the future, we plan to further optimise our management system and measures on the basis of the existing foundation, and extend our excellent experience to other factories.

⁴In 2024, 93,233 tonnes of wastewater will be treated in Zhejiang Anshun, and 83,763 tonnes of water will be reused, resulting in a recovery ratio of 83,763/93,233*100% = 89.84%.

4.3 Low Carbon Circular Economy

4.3.1 Energy Conservation

BORETECH is committed to building a sustainable green enterprise by integrating energy conservation and low carbon into our production and operations. 2024, we will further refine our internal energy conservation and consumption reduction systems, increase the construction and procurement of renewable energy projects, increase the proportion of renewable energy used, and continue to promote energy-saving technological reforms to enhance energy efficiency.

Our Measures

Continuously carry out energy-saving inspections and promote the discovery of potential energy-saving opportunities.

Regularly collect and analyse energy consumption data from factories.

Introducing new technologies, processes and equipment to enhance energy use efficiency.

Some cases are as follows:

Zhejiang BORETECH

Zhejiang BORETECH has adopted measures such as replacing inverter motors and adopting LED energy-saving lamps to effectively reduce energy consumption.

In 2024, we will phase out the existing Y-series outdated motors and replace them with YE4 high-efficiency energy-saving motors, which will save about 10,000 kWh of electricity consumption per year.



Zhejiang Anshun Air Compressor Heat Recovery

When an air compressor is in operation, most of the electrical energy is converted into heat, of which 2% is lost due to radiation, 4% remains in the compressed air and enters the plant pipework, and 94% is formed as heat of compression and is carried away by the cooling medium (wind). By recovering this compression heat and using it to preheat the boiler feed water, the use of natural gas can be reduced. The annual saving of 60,500 cubic metres of natural gas is equivalent to a reduction in greenhouse gas emissions of approximately 118 tonnes of CO2 equivalent.



Zhejiang Anshun Oven Retrofit

In the existing system, steam is generated from the natural gas boiler and used to provide hot air to the oven through a heat exchanger to dry the product, during which some heat energy is lost through transport. By modifying the oven to burn natural gas directly, the drying efficiency is improved. The new system uses less natural gas than the original boiler to produce steam, saving 210,000 cubic metres of natural gas per year, which is equivalent to a reduction of about 412 tonnes of carbon dioxide equivalent in greenhouse gas emissions.



Clean Energy Use

BORETECH's solar power system has an installed capacity of 2,021.7 kWp and will generate 1,764,000 kWh of electricity in 2024, which is equivalent to an annual reduction of about 998.52 tonnes of CO2-equivalent GHG emissions in the upstream part of the electricity lifecycle⁵.

Solar Power System



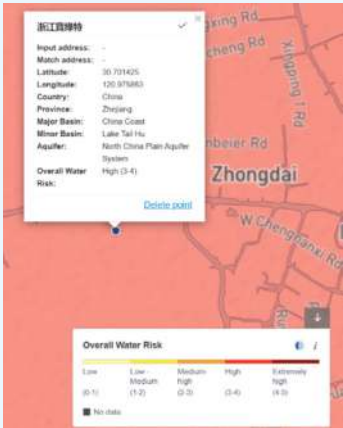


4.3.2 Water Management

Against the backdrop of rising global temperatures, drought and water scarcity, BORETECH understands the importance of water resources for sustainable development. In view of the severe situation, BORETECH reduces water wastage and improves the efficiency of water resources utilisation through water conservation promotion and rainwater recycling.

⁵Calculated by comparing the national average carbon footprint of electricity with the carbon footprint of solar power. Emission factors are based on data published in the 'Announcement of the release of the 2023 electricity carbon footprint factor data'.

Water Consumption

In order to comprehensively assess and understand whether there is any water risk in each operation site, BORETECH adopts the "Aqueduct Water Risk Atlas" tool developed by the World Resource Institute (WRI) to assess the water risk of each operation site. The assessment is of the overall water risk at each site, covering a combination of quantitative physical risk, qualitative physical risk, and regulatory and reputational risk. In the future, we will continue to track and assess the water risk of each site to avoid the real and potential impacts of BORETECH's water use on local residents and ecosystems.

Locations	WRI "Watercourse Water Risk Map" Assessment Results ⁶	Description of Results
Zhejiang BORETECH		Zhejiang BORETECH is located in Pinghu City, Jiaxing City, Zhejiang Province. The assessment results indicate that the overall water risk in the area is high. Zhejiang BORETECH is not facing any water shortage at the moment. The source of water for the factory is municipal piped water, not from natural water bodies such as groundwater or lakes, and the water extraction behaviour has not caused any impact on the local water environment.
Zhejiang Anshun		Zhejiang Anshun is located in Fuyang District, Hangzhou City, Zhejiang Province. According to the assessment results, it is located in an area with low to medium water risk and does not draw water from an area under water resource pressure.
Taiwan BORETECH		Taiwan BORETECH is located in Liuying District, Tainan City, Taiwan, and was assessed as a low to medium water risk area. Taiwan BORETECH uses water from the tap and does not draw water from areas under water resource pressure.



⁶The results of the WRI's Watercourse Water Risk Map assessment for March 2025 were used.

Water Conservation

All subsidiaries have adopted a series of measures to minimise water wastage and enhance the efficiency of water resources utilisation.

Taiwan BORETECH Promotions

Water conservation slogans are placed everywhere to raise the awareness of all employees on water conservation through publicity.



Zhejiang Anshun-Hangzhou Water-saving Enterprise Title


Zhejiang Anshun launched the whole plant water balance test, the test results meet the requirements of "GBT/ 12452-2008 Enterprise Water Balance Test Specification", and successfully passed the acceptance of the expert group.

The 72-hour dynamic test was conducted for the whole plant, and the test result was that the reuse rate of water resources reached 97.15%, and the water consumption of composite fibre (industry) was 1.047 m3/t, that of composite fibre (health) was 1.550 m3/t, and that of polyester staple fibre was 1.546 m3/t, which reached the standard of "Water Quotas for Use (Abstraction) in Zhejiang Province (2019)". C2822 Polyester Staple Fibre water quota advanced level.

Zhejiang Anshun's inclusion in the 2022 Hangzhou Water Conservation Enterprises List recognises Anshun's achievements in water conservation and demonstrates Anshun's characteristics of a sound water management system, efficient water use, advanced water conservation technology and water conservation publicity.

Zhejiang Anshun Recycled Water

Zhejiang Anshun's recycled water is used to replenish the water loss in the cooling tower during the cooling process, which reduces water consumption by approximately 1,000 tonnes per annum, and enables effective water management under a plant-wide water balance.



4.3.3 Reuse of Resources

In BORETECH's operation and production process, we are committed to improving the efficiency and recycling rate of all kinds of materials. 2024, we have taken measures to enhance the recycling and reuse of resources.

Zhejiang BORETECH Packaging Recycling

BORETECH recycles all purchased packaging bags, wooden pallets and wooden crates in the packaging of its products, and recycles all the packaging in the factory, which reduces the amount of waste packaging materials by about 7 metric tonnes per year.



Zhejiang Anshun Resource Recycling

In Anshun, Zhejiang Province, the awareness of recycling is also gradually increasing. In the waste treatment process, packaging bags and other general non-hazardous waste are sorted and selected for recycling. In addition, the activated carbon in the waste gas treatment plant is replaced and recycled by the supplier company, and then reused for waste gas treatment.

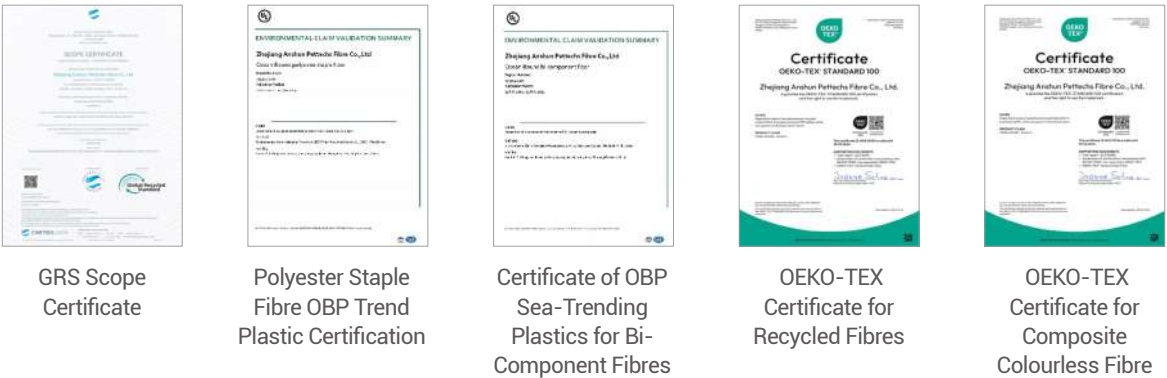


4.4 Green Products and Services

BORETECH is always moving towards green products while ensuring the durability and practicality of its products. Incorporating the concept of environmental sustainability into the entire value chain of our products, from purchasing to design to production, implementing the concept of green products and green production is one of our key strategies towards sustainable development.

Zhejiang Anshun Green Products

As one of the world's leading companies in recycled fibre technology, Zhejiang Anshun always upholds the concept of environmentally friendly social responsibility. On the basis of guaranteeing high quality standards, we have promoted our products to pass a number of sustainability certificates.



Zhejiang BORETECH Green design

BORETECH relies on the market demand, launched the ES-PET bottle recycling washing process, the use of integrated chemical arrangement to reduce the site occupation, improve the degree of automation of the equipment, and effectively reduce the production cost and manpower input at the same time, significantly reduce the energy consumption of the product, per tonne of output energy consumption reduced by 13.3%.

By the end of 2024,294 PET bottle washing lines and related rPET production lines are in operation in 42 countries and regions around the world.Approximately 5,544,000 tonnes of PET bottle flakes are sourced from the BORETECH washing system every year.



Taiwan BORETECH Innovative PET Recycling Service

In response to the Ministry of the Environment's 2025 plan for in-tube recycling of flat packaging materials, BORETECH has joined hands with Carrefour and Golden Packaging to take another step towards sustainable carbon reduction.

The plastics collected at the recycling station are No.1 PET plastics, which will be collected by Carrefour, washed and pelletised by BORETECH, and then turned into flat pack materials for Carrefour's packaging products by JINYUANFU. The closed cycle not only reduces the use of new plastic, but also reduces carbon emissions by 56%.



05

The Righteousness and
Creating New Excellence

- 5.1 Continuous Innovation and R&D
- 5.2 Deep Ploughing Product Quality
- 5.3 Quality Customer Service
- 5.4 Partnering for Win-Win

The Righteousness and Creating New Excellence

5.1 Continuous Innovation and R&D

5.1.1 Investment In Research and Development

BORETECH insists that "there is no future without innovation" and attaches great importance to the company's technological innovation and R&D testing work. In the configuration of facilities and equipment, the company actively set up technology research and development centres in various operating bases and purchased various advanced analytical instruments and test equipment to lay the foundation for R&D innovation; in the cultivation of talents, the company, focusing on the business direction of different production bases, has provided a wealth of training courses and cultivation programmes for R&D related personnel to actively cultivate various professional talents, and at the same time, set up a bonus incentive system for R&D to strengthen the impetus for R&D innovation.


BORETECH 's R&D Expenditure for 2022-2024 (Unit: NT\$ Thousand)			
Target	2022	2023	2024
R&D Expenditure	42,886	75,997	112,918
Operating Revenue	3,597,539	4,463,717	5,444,066
Research and development expenditure Percentage of operating revenue (%)	1.19%	1.70%	2.07%

Staff Training


Each of the Company's operating sites provides a wide range of offline training programmes for its staff to actively empower them and help enhance their innovative R&D capabilities.

In 2024, Zhejiang BORETECH provided training courses for R&D related staff, including but not limited to Mechanical Design Standardisation, Basic Sheet Metal Processing Techniques and Principles, and Basic Knowledge of Spinning Processes.

Basic Mechanical Design Training Programme



Plant 3D software operation training





Anshun regularly develops customised training for new staff in the R&D department every year, which includes but is not limited to the theoretical learning of chemical fibre professional knowledge and the learning of production workshop processes.

Technology R&D Configuration

During the reporting period, BORETECH has set up dedicated organisations in its Zhejiang BORETECH and Anshun production bases to undertake research and development activities on key technologies and new generation products, together with the necessary laboratories and laboratory equipment. Taiwan BORETECH currently does not have a full laboratory set-up and collaborates with external parties in product R&D and testing.

Zhejiang BORETECH Technology & Research Centre


- The pilot line is responsible for simulation and validation in accordance with the requirements of process technology, process, methods and formulations.
- The laboratory is responsible for testing and analysing samples to produce quantitative data.
- Process technology development is responsible for identifying key process technology issues and proposing corresponding strategies for improvement or development.

Anshun R&D Centre


- Equipped with professional sampling and testing equipment, specialised in new product development and rapid response sampling.
- We have a dedicated test line for self-developed products and a test line for processing of customer's products.
- The laboratory is equipped with a variety of fibre testing instruments and non-woven testing equipment.

In 2023, Zhejiang BORETECH was awarded the "Zhejiang Enterprise Research Institute" and "Zhejiang Enterprise R&D Centre" accreditations.

Zhejiang Enterprise Research Institute



Zhejiang Enterprise R&D Centre

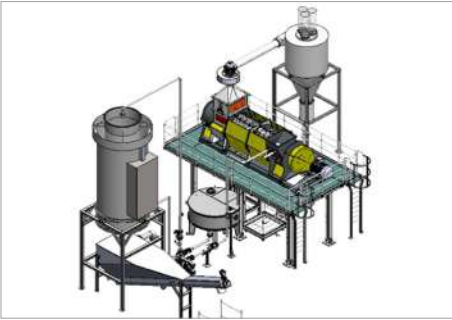


5.1.2 Product Innovation

Zhejiang BORETECH - Equipment Innovation

Efficient De-labeling Unit

To meet the market demand for efficient and environmentally friendly de-labelling, Zhejiang Treasure has created an integrated cleaning, de-labelling and suction unit that reduces the number of equipment and improve plant utilisation while effectively improving de-labelling conditions, label removal and product quality, minimising the impact on the environment and achieving a win-win situation in terms of productivity and environmental benefits. This unit can be used in PET processing. This unit can be used as a complementary equipment in the PET bottle recycling washing and de-labelling section.



Horizontal Dehydrator

The Horizontal Step Dewaterer is a centrifugal dewatering machine developed by Zhejiang Pro with an automatic cleaning function. The centrifugal machine adopts a variable diameter design to minimise the damage caused by mechanical impact on the material, and has an automatic rotating screen to clean the powder on the screen surface to prevent the mesh from clogging up and reducing the dewatering capacity of the machine. At the same time, the internal equipment is equipped with an automatic cleaning mechanism, which eliminates the need for periodic shutdowns to manually clear the screen and the internal equipment, and maintains a stable dewatering capacity for a long period of time.



Mega Aspirator

The Multi-Channel Air Sorting Machine is a new air sorting equipment developed by Zhejiang BORETECH. Its principle is to make use of the different aerodynamic characteristics of flakes and labels, and rely on the negative pressure airflow generated by the centrifugal fan to sort out light impurities such as labels in PET flakes. Compared to traditional sorting machines, this air power sorting equipment is both advanced and efficient.



Zhejiang BORETECH - Patents and Standards

By the end of 2024, Zhejiang BORETECH had been granted 25 patents



invention patents

11



utility model patents

14

During the reporting period, two utility model patents were granted, entitled "Wind Sorting Machine" and "A Centrifuge" respectively. Meanwhile, as at the end of the reporting period, 13 equipment standards have been compiled and published on the "Enterprise Standard Information Public Service Platform".



Anshun - Green Products

In 2024, Anshun will carry out regeneration and transformation of our products in accordance with our established regeneration strategy, including but not limited to 4080 to fully regenerated 4080, and fine denier flame retardant to regenerated fine denier flame retardant, and continue to contribute to the development of the international environmental protection industry.



Green products in mass production by the end of 2024		
Recycled Polyester Staple Fibre	Marine Polyester Staple Fibre	ECOAN Biodegradable Fibre (CiCLO Technology)
Ansun's polyester staple fibre is processed from recycled PET flakes.	The marine fibre is made from flakes recycled within 50km from the coastal glands and in the ocean, and is melted and spun by a third party after certification, which is an environmentally friendly, low-carbon and eco-friendly material.	The polyolefin and polyester raw materials are modified and spun into fibres that are biodegradable under aerobic and anaerobic conditions. In addition to the biodegradable property, the processability of ECOFIBER is not affected, and it can be used in the same way as normal fibre without any change of technology.

Sales Volume of Green Products in Anshun from 2022 to 2024 (Unit: Tonnes)			
Product Name	2022	2023	2024
Recycled Polyester Staple Fibre	20,494	23,027	20,810
Marine polyester staple fibre	0.2	0.25	2
ECOAN Biodegradable Fibre (CiCLO Technology)	0.7	3	10

Anshun-Patents and Trademarks

By the end of 2024, Anshun has successfully applied for



trademarks

6



patents

16

including 7 invention patents and 9 utility model patents, and has applied for 3 patents during the reporting period, all of which have been approved.

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5.2 Deep Ploughing Product Quality

5.2.1 Quality Culture



BORETECH insists on

"As the first user of our products, we always take the customer's experience as the first priority"

From the very first piece of equipment, the first tonne of fibre and the first tonne of flakes, BORETECH has been committed to the regeneration industry. With the aim of producing "highly intelligent" and "optimised" products, BORETECH monitors and manages the quality of its products throughout the entire product lifecycle.

By the end of the reporting period, the company's three production and operation bases have all obtained ISO 9001:2015 certification for their quality management systems


Zhejiang BORETECH



Anshun



Taiwan BORETECH



5.2.2 Quality Control

The quality department of the company regularly conducts quality audits to continuously track and evaluate the achievement of quality objectives of each production base, and also regularly convenes meetings to review the production quality control status, and widely promotes the excellent management experience summarised in the meetings within the company. 2024 Anshun was audited as a 3M supplier by the customer, and the audit results indicated that Anshun had reached the level of 3M's A-grade supplier.

69

Monthly meeting to review the production quality control status



Management process of excellent quality



Overview of Zhejiang BORETECH Quality Targets for 2024	
Targets	Achievement
Over 86% of BB grade for one-time yield evaluation of outsourced equipment.	100% achieved
Over 86% of BB grade for one-off yield evaluation of in-house equipment	100% Achieved
Internal process yield rate of 99.5% or above	100% Achieved
Feeder yield rate 98.8% or above	100% Achieved

Overview of Anshun Quality Targets for 2024	
Target	Achievement
Product pass rate of 96% or above on first inspection	100% Achieved
Inspection accuracy and timeliness 100%	100% Achieved
The number of errors in finished product inspection is 0	100% Achieved
Weekly Inspection Rate of Inspection Equipment≥95%.	100% achieved

Overview of Taiwan BORETECH Quality Targets for 2024

Targets	Achievement
Process yield (washing) over 90%/month	100% Achieved
Process yield (granulation) over 95%/month	100% Achieved
Process yield (polymerisation) over 95.5% /month	100% Achieved

5.3 Quality Customer Service

5.3.1 Customer Service

Market Service

The company actively provides the most direct sales service to customers in different regions and responds quickly to market trends. In addition to the sales and production bases in China, in 2024, the company will add new sales representatives for local market development in different markets, such as North America, Iraq, and Turkey.

Invite customers to visit our factories and conduct on-site seminars.



Customer Complaints

The company is committed to providing customers with prompt and accurate customer complaint handling services. Upon receipt of a customer complaint, sales staff will first fill out a "Customer Information Feedback Form" and forward it to the Quality Assurance Department for analysis of the responsibility of the customer complaint problem, and at the same time, work together with the responsible departments to determine the improvement measures. Improvement measures will be identified through the aforementioned customer feedback record of "customer information feedback form" synchronised feedback to customers, in principle, customer complaints improvement measures will be proposed within 72 hours.

	Zhejiang BORETECH	Zhejiang Anshun	Taiwan BORETECH
Number of Complaints Received on Products and Services in 2024	86 complaints	26	5 complaints
2024 Customer Complaint Response Rate	100%	100%	100%
2024 Customer Complaint Resolution Rate	92%	100%	100%
2024 Average Response Time for Customer Complaints	72 hours	72 hours	72 hours



Customer Satisfaction

The company regularly selects a certain number of customers each year as a sample for its customer satisfaction survey based on the current year's sales. The survey questionnaire has 15 detailed indicators covering four major dimensions: people, service, products and technology. 2024 customer satisfaction scores (in percentage terms) were 85% for Zhejiang BORETECH, 97.57% for Anshun, and 83.33% for Taiwan BORETECH, showing a positive trend compared to the previous two years, and the company will continue to improve its service quality and customer satisfaction in the future.

BORETECH Customer Satisfaction Score in the past three years Overview			
	Zhejiang BORETECH	Zhejiang Anshun	Taiwan BORETECH
Customer Satisfaction in 2022	74%	94.55%	80%
Customer Satisfaction in 2023	88%	94.36%	80%
Customer Satisfaction in 2024	85%	97.57%	83.33%

5.3.2 Customer Privacy






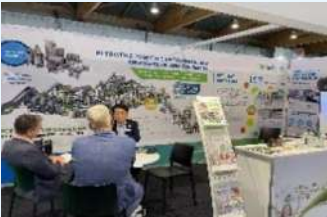
BORETECH complies with confidentiality agreements and personal data protection laws with respect to the privacy of its customers. There were no complaints or violations of laws or regulations relating to the infringement of customer privacy or violation of customer data in 2024, and all of the Company's customers' privacy was effectively protected, with the number of customers affected by information leakage incidents being zero.

Customer privacy protection measures	
 Privilege Control	The company has established strict authority control regulations, only authorised staff can access and use customer information.
 Staff Training	The company conducts regular training for employees on customer privacy protection to enhance their awareness of the importance of customer privacy protection.

5.3.3 Responsible Marketing

The company's marketing activities strictly follow the requirements of the "Advertising Law of the People's Republic of China", the "Fair Trade Law" of Taiwan and other relevant laws and regulations of the countries in which the company operates and the countries in which it receives goods. All marketing and promotional materials are subject to the approval of the marketing department before they are released to the public to ensure that the company's marketing messages are not exaggerated or distorted, and to ensure that the contents of the promotional materials are lawful and compliant. The Company has also formulated corresponding management procedures for product labels to regulate the use of product labels of the Company. By the end of the reporting period, the Company had not received any lawsuits or penalties for non-compliance in relation to product identification.

In 2024, the Company actively participated in domestic and international exhibitions, covering online and offline activities in Asia, Africa, Europe and the Americas to expand the influence of the Company's brand. 2024 saw Zhejiang BORETECH participate in a total of 20 exhibitions and conferences, with Anshun participating in five and Taiwan BORETECH in five, effectively enhancing the Company's brand awareness and influence in the world market.

2024 Zhejiang BORETECH Exhibition Overview	
<div>Show Name</div> <div>PLASTEX</div> <div>RUPLASTICA</div> <div>The 3rd International Bottle Grade PET Closed Loop Recycling Forum</div> <div>PLASTALGER</div> <div>ChinaReplas Spring</div> <div>CHINAPLAS</div> <div>Replast_Istanbul</div> <div>NPE</div> <div>Saudi Arabia PPPP</div> <div>N-EXPO</div> <div>ITM istambul</div> <div>Plastic Recycling Show Europe</div> <div>GCPRS</div> <div>Second Polyolefin Summit Co-operation Agreement</div> <div>Plastics Recycling World Expos Europe</div> <div>Propark</div> <div>ChinaReplas Autumn</div> <div>Plastics Recycling World Expos US</div> <div>Prs Asia</div> <div>Prs India</div>	<div></div> <div></div> <div></div>

In 2024, Anshun held joint environmental promotion activities with local environmental organisations in Europe, which effectively raised the awareness of the brand eCosan® fibre in the European market. Meanwhile, through a series of exhibition activities and other promotional activities, Anshun succeeded in establishing cooperative relationships with 11 new customers.

2024 Anshun Exhibition Overview

Exhibition Name

The 31st Household Paper International Technology Exhibition

The 18th Shanghai International Automotive Interior & Exterior Fair

The 17th China International Exhibition for Industrial Textiles and Non-Woven Fabrics

The 9th Asian Non-Woven Fabrics Exhibition

The 20th Frankfurt International Trade Fair for Industrial Textiles and Non-Woven Fabrics



2024 Taiwan BORETECH Exhibition Overview

Show Name

2024 ANEX Asia

2024 Taipei Pack Taipei International Packaging Industry Exhibition

2024 Taipei Plas - Taipei International Exhibition for Rubber & Plastic Industries

2024 TITAS Taipei Textile Show

2024 Pack EXPO International



5.4 Partnering for Win-Win

5.4.1 Supplier Management

Selection Process

Purchasing units of the company's production and operation sites invite potential suppliers to fill in the information and provide a copy of their qualification and system certificates in accordance with the items listed in the "Supplier Survey Form" of BORETECH, including: company profile, main products, main sales targets and system certificates (e.g. ISO 14001, ISO 45001, etc.). Each purchasing unit will submit the "Supplier Survey Form" submitted by suppliers in accordance with its authority for approval, and then it will be entered into the "Candidate Supplier List".

Each purchasing unit of the Company's production and operation sites organises relevant internal units (e.g. quality assurance, production, etc.) to carry out on-site appraisals in accordance with the regulations, and records the appraisals in the "Supplier Investigation Form (B)" and "Supplier Evaluation Record", which can be entered into the "Qualified Supplier List" after submitting them to the Company for approval in accordance with the rights and responsibilities of the Company. The Company's procurement contracts with qualified suppliers contain anti-bribery clauses and require the signing of confidentiality agreements to ensure supplier compliance.

In 2024, the three subsidiaries had a total of 184 new suppliers and 100% of them had passed the access assessment. Meanwhile, there were a total of 564 suppliers with whom the Company had actual supply cooperation during the reporting period, of which 89.89% were from Mainland China, 3.55% were from Hong Kong, Macao and Taiwan, and 6.56% were from overseas suppliers. During the reporting period, 2.6% of existing suppliers of Zhejiang BORETECH, 69% of Anshun and 4.6% of Taiwan BORETECH passed any of the quality, environmental and occupational health and safety management system certifications.

Overview of the total number of new suppliers in 2024		
Zhejiang BORETECH 102 new suppliers	Anshun 28 new suppliers	Taiwan BORETECH 54 new suppliers

<div><div>Total number of suppliers in Zhejiang BORETECH during the reporting period</div></div>	Type of Supplier	Quantity
	Materials and Spare Parts	270
	Machines and Spare Parts	111
	Outsourced Processing	18
	Outsourcing	19
	Hardware Supplies	14
	Supplier Distribution	Quantity
	Overseas	2
	Hong Kong, Macau and Taiwan	1
	Mainland China	429

<div><div>Total number of suppliers in Anshun during the reporting period</div></div>	Type of supplier	Quantity
	Raw material suppliers	57
	Masterbatch Oil Supplier	23
	Packaging Supplier	9
	Supplier Distribution	Quantity
	Overseas	3
	Hong Kong, Macau and Taiwan	0
	Mainland China	86

<div></div> <div>Total number of suppliers in Taiwan BORETECH during the reporting period</div>	Type of Supplier	Quantity
	Raw Material Suppliers	38
	Anti-yellowing agent suppliers	2
	Supplier of wastewater treatment chemicals	3
	Packaging material suppliers	10
	Supplier Distribution	Quantity
	Overseas	32
	Hong Kong, Macau and Taiwan	19
	Mainland China	2

Regular Evaluation

The purchasing units of the Company's production and operation sites conduct regular performance evaluation of suppliers of outsourcing (involving only Zhejiang BORETECH), raw materials, materials and long-term purchasing items once a year, and suppliers failing to achieve a score of 60 points will be notified in writing, and those failing to achieve a score of 60 points for two consecutive times in the annual performance evaluation will be eliminated. The evaluation indicators are mainly the quality, supply, economic, support, co-operation and service indicators of outsourced suppliers, as well as the manufacturing capability, supply delivery, delivery quality, co-operation and service indicators of general suppliers. The assessment results will be recorded in the "External Supplier Performance Assessment Form" and the "General Supplier Performance Assessment Form" respectively, and according to the different levels of assessment results, priority co-operation and co-operation privileges may be given to suppliers with outstanding performance.

In 2024, the annual supplier performance appraisal results for Zhejiang BORETECH were three Grade A suppliers, 52 for Anshun and 21 for Taiwan BORETECH. One substandard supplier was identified, and Taiwan BORETECH requested this supplier to make process improvements. However, after adjustments, the supplier still did not meet Taiwan BORETECH's in-plant requirements, and therefore will not be co-operating with Taiwan BORETECH in the future. At the same time, no major environmental or social violations have occurred at any of the suppliers.

Summary of the 2024 Annual Performance Evaluation Results for BORETECH ' s Suppliers			
Grade	Zhejiang BORETECH ⁷	Anshun	Taiwan BORETECH ⁸
A (85-100 points)	3	3 57	21
B (70-84 points)	14	31	10
C (60-69 points)	0	1	6
D (below 59 points)	0	0	1

⁷The Supplier Appraisal of Zhejiang BORETECH in 2024 is for external suppliers only. Since the annual appraisal will be conducted in June 2024 and one new external supplier has entered the market after June, the number of suppliers appraised for the annual appraisal will be 17 only.

⁸The annual assessment results of Taiwan BORETECH in 2024 are the average of the monthly assessment results for each supplier and are conducted for raw material suppliers only.


Application of Annual Performance Appraisal Results		
Grade	Application of Results	Provider Classification
A (85-100 分)	Priority Co-operation	First-class suppliers
B (70-84 分)	Continue to co-operate, but ask them to improve their shortcomings.	Tier 2 Supplier
C (60-69 分)	Ask them to improve the deficiencies and decide whether or not to continue to co-operate with them based on the results of the improvement.	Third-tier suppliers
D (59 分以下)	Stop or reduce co-operation with the supplier, and notify the supplier to improve its quality capability and supply work.	Grade 4 suppliers (Unqualified suppliers)

Supplier negotiation


The company from time to time to hold suppliers of technical exchanges, and participate in industry summits, to ensure that and suppliers to maintain a close relationship.

Zhejiang BORETECH

VOLLEN Technology Exchange Meeting




LONGi Technology Exchange Meeting




Zhejiang Anshun

Takemoto Technology Exchange Meeting



Industry Summit





06

An employee-friendly workplace

- 6.1 Talent Attraction and Retention
- 6.2 Leading Career Development
- 6.3 Protecting Employee Rights and Benefits
- 6.4 Creating A Warm Workplace
- 6.5 Focus on Occupational Health

An employee-friendly workplace

BORETECH understands that employees are the most valuable assets of the company. We always uphold the concept of "people-oriented", focusing on the growth, well-being and workplace environment of our employees, and are committed to building a harmonious, inclusive and energetic workforce, as well as a healthy and safe work environment.


6.1 Talent Attraction and Retention

6.1.1 Diversity and Equal Opportunity


In order to ensure the introduction of quality talents, BORETECH has formulated the Human Resource Management Policy applicable to the Group, which continuously improves the process of selecting, training, nurturing, retaining and employing the Group's employees, attracting outstanding talents to join our team and enhancing the quality of our manpower.

We have adopted diversified recruitment channels, including campus recruitment and social recruitment, through co-operation with universities and colleges, online platforms, human resources banks and other channels to openly recruit talents with professional skills and experience, and to convey to candidates BORETECH's complete recruitment and appointment policy, as well as BORETECH's open and fair recruitment principles.


College Co-operation



Shao Yang College Seminar



Xi'an University of Science and Technology



Wuhan Hubei University Recruitment

In addition, the Company also introduces new employees through internal staff recruitment. If the referee succeeds in joining the company, the company will provide the referee with an internal referral incentive bonus to encourage staff to actively recommend suitable talents.

We adhere to the principles of fairness, impartiality and openness in recruitment to ensure that every job applicant is given equal opportunities. We will not discriminate against any job applicant on the basis of race, class, gender, age, location, disability, political beliefs, etc., and will give priority to those with physical or mental disabilities on the premise of confirming that they are competent to perform the relevant job positions. On the premise of confirming their ability to perform the relevant jobs, we will give priority to providing jobs for the physically and mentally challenged, and endeavour to build a diversified workforce.

Diversified Staff Structure		
Number of Employees		732
By gender	Number of employees	Percentage
Female employees	222	30.33%
Male Staff	510	69.67%
Breakdown by Age	Number of employees	Percentage
30 years old and under 30 years old	150	20.49%
31-50 years old	401	54.78%
Over 50 years old	181	24.73%
Breakdown by Grade	Number of employees	Percentage
Senior Management	17	2.32%
Middle Management	101	13.80%
General Staff	614	83.88%
Breakdown by Education Level	Number of employees	Percentage
Bachelor's degree or above	222	30.33%
Associate degree	179	24.45%
Secondary vocational education or below	331	45.22%
By District	Number of employees	Percentage
Mainland China, Taiwan, Hong Kong and Macau	727	99.32%
Overseas countries or regions	5	0.68%

6.1.2 Re-employment of Retired Employees

In order to make the best use of the rich experience and professional knowledge of our senior employees, the Company has formulated the "Retirement and Re-employment Practice Guidelines" to encourage eligible retired employees to return to work on the premise of respecting the wishes of the parties concerned and to purchase insurance that meets the requirements of the local social insurance regulations, and at the same time, to ensure that they are entitled to the same welfare benefits as those of regular employees, and to provide them with the same opportunities for promotion and training as those provided to other employees in accordance with the Company's system, so that our retired employees can take care of both their quality of life and career development.

Through this guideline, we hope to create a win-win situation: on the one hand, we can help the company to continuously improve its operational efficiency; on the other hand, we can allow senior colleagues to continue their career value and share their accumulated wisdom with the younger generation, thus injecting invaluable experience into the company's legacy and stability. In the future, we will continue to optimise the relevant mechanisms to ensure that every participant is fully supported and respected.

6.1.3 Employee Retention

In order to attract and retain talented people, the company regularly reviews the situation of employee departures, and through the data of employee turnover and the reasons for their departure, such as salary reasons, development space, work environment, etc., the company continues to make targeted improvements to the work environment, provides a safe, comfortable and friendly workplace, and offers a variety of career development opportunities, so that employees can feel at ease in the workplace and supported, and enhance the retention of employees.

In the future, we will continue to improve our employee care mechanism, promote more health and welfare activities, conduct employee opinion surveys, collect and respond to employees' views and suggestions, and continuously improve relevant policies to stabilise employee dedication and reduce staff turnover.



6.2 Leading Career Development

6.2.1 Promote staff development

We are committed to motivating our staff and have established and continuously revised our Staff Promotion Management System. The company focuses on the continuous and effective training of the ladder, follows the principle of giving equal importance to merit and performance, and takes into account factors such as future business planning, strategic talent planning, and succession training, etc. The company regularly sets the promotion ratio of employees each year and uniformly promotes those who have outstanding performance, and also gives exceptional promotion opportunities to those who have made special contributions to their work and have outstanding performance.


We have planned two types of promotion for all employees, namely, straight-line promotion and cross-promotion. Employees can be promoted along one channel, or they can adjust the promotion channel at any time according to their own wishes and development prospects. Upon receipt of an employee's request for promotion, the Human Resources Department will organise a talent assessment meeting to make a fair decision and issue a promotion letter to the responding employee, and communicate with the employee on the result of the promotion and the development plan for the new position.

Promotion Methods	
Straight line promotion	Cross-promotion
According to the functions of different positions, they are divided into supervisory and non-supervisory positions (administrative, business and technical). ✓ Supervisory positions: Deputy Foreman - Foreman - Deputy Section Chief - Section Chief - Assistant Manager - Manager - Senior Manager / Deputy Assistant Manager - Assistant Manager -Vice President - General Manager ✓ Administration : Clerk - Administrator - Senior Administrator - Assistant Administrator - Administrator - Senior Administrator - Senior Senior Administrator ✓ Business: Senior Assistant - Assistant Commissioner - Commissioner - Senior Commissioner - Senior Senior Commissioner Senior Senior Commissioner ✓ Technical: Operator - Technician - Senior Technician - Assistant Engineer - Engineer - Senior Engineer - Senior Senior Engineer - Senior Senior Engineer - Deputy Chief Engineer - Chief Engineer Senior Engineer - Senior Senior Senior Engineer - Deputy Chief Engineer - Chief Engineer	Cross-promotion is a cross-departmental promotion, according to the staff's personal wishes, position needs, etc., the flexibility to choose other departmental positions, after a comprehensive assessment of their personal ability, dedication, performance contribution, etc., the staff can achieve cross-promotion.

6.2.2 Performance Assessment

Rationalising the performance appraisal of employees is conducive to the development of a pragmatic style of production, efficiency and output, and its implementation in organisational management. Therefore, the company has set up the "Performance Appraisal Management System" to evaluate the work ability and work attitude of employees through attendance appraisal, supervisor's appraisal, newcomer appraisal, mid-year appraisal, and year-end appraisal, and classify them into five grades: [Superior], [A], [B], [C], and [D], which are used as the basis for granting salary incentives to those employees with excellent performance.

Employees with poor performance will be interviewed individually by the unit supervisor and, if necessary, the appraiser can meet with the appraisee to improve performance through training and, if necessary, transfer the employee to a more suitable position in order to support manpower streamlining in the enterprise.



Percentage of employees receiving performance appraisals

100%

6.2.3 Perfect Staff Training

BORETECH pays attention to the cultivation of excellent talents and capabilities, and issues survey forms on vocational training needs to employees in each department. At the same time, BORETECH regularly establishes training plans for all employees based on the manpower characteristics and business requirements of each department and office. Through on-site training and cloud-based training, we take "Strengthening Theory, Focusing on Effectiveness" as our philosophy, and make professional training, skills training, and general knowledge training as our key courses, and continue to carry out the education and training of our staff within the company. In addition, Ansun has formulated the "Management Guidelines for Internal Lecturers" in order to enhance the communication and understanding among various job types, and to achieve the accumulation, sharing and dissemination of knowledge within the company.

We always take "promoting the regeneration of the earth" as our corporate mission and strive to become a leading team in the international plastics environmental protection industry. Therefore, we have developed training courses related to green operation and sustainable management, such as "scientific development of carbon reduction target", "sustainable development management system and ESG rating", in order to enhance the awareness of all colleagues on sustainable development.

Our internal training includes but is not limited to the following.

New Employee Training	To assist all new employees to quickly adapt to the company environment, understand the company culture, policies and workflow, and enhance their professional skills and vocational qualities, so that they are able to take up their positions in the shortest possible time and create value for the company.
Safety Training	The aim is to enhance the safety awareness and skills of all employees, especially those in positions related to high-risk operations, to ensure the safety and health of the work environment and to reduce occupational hazards and accidents. Through systematic training, employees are able to understand and comply with safety rules and regulations, and acquire basic knowledge and skills in emergency response to ensure that each level can effectively identify and respond to safety risks.
Skills Training	To meet the needs of different business departments, we have launched relevant skills training, such as: Quality Management <ul style="list-style-type: none">✓ Quality management✓ Operational guidance✓ Purchasing skills training and negotiation skills✓ International Accounting Standards (IAS) learning✓ Internal control and risk management✓ Marketing and Sales
Leadership Training	Cultivate management with excellent leadership skills, strengthen their comprehensive ability in strategy formulation, team management, decision analysis, etc., to enhance organisational effectiveness and achieve the company's development goals. <ul style="list-style-type: none">✓ Basic level cadre training✓ Project Management for Managers✓ From technical backbone to excellent managers✓ Management Training for Middle-level Executives
Sustainable Development Training	<ul style="list-style-type: none">✓ Scientific Carbon Reduction Target Setting✓ Sustainability management system and ESG rating



In addition, the Company supports employees to receive external education and training, and provides appropriate incentives to employees who have obtained external qualifications, so as to encourage all employees to continuously improve their personal skills.

6.3 Protecting Employee Rights and Benefits

6.3.1 Employment Compliance

	Employees are free to form, join or withdraw from any trade union organisation of their choice.
Freedom of association and Collective bargaining	Employees enjoy the right to collective bargaining. The company signs group agreements with colleagues on labour conditions, wage levels, working hours, holiday arrangements and other employment conditions to clarify the rights and obligations of employees, so that employee representatives can engage in dialogue and negotiation with the management on labour conditions and ensure the transparency and efficiency of communication.
Discrimination and Harassment	<p>Termination of employment, dismissal, or any discrimination, harassment, or unfair treatment based on race, class, nationality, region, age, gender, marital status, sexual orientation, social affiliation, political beliefs, etc. is prohibited.</p> <p>Taiwan BORETECH has established [Measures to Prevent, Combat and Punish Sexual Harassment], which provides dedicated channels for complaints such as sexual harassment hotlines, faxes, dedicated mailboxes, and emails, and ensures that complainants will not be subjected to retaliation.</p>
Child Labour	The Company has implemented child labour policies in accordance with government requirements to ensure that no child labour is employed.
Forced Labour	<p>Candidates under forced, bonded, contractual, and prison labour conditions will not be hired, and those who are discovered after hiring will be immediately rejected.</p> <p>Prohibit the use of violence, coercion or restriction of personal freedom to force others to perform labour.</p>

Employees who experience discrimination, harassment, or abuse, or who are found to have engaged in child labour, forced labour, or other violations of employee rights, may file a complaint with the Company's Management Department, or reflect the problem through email or hotline, etc. The Company will assist in the investigation until the problem is resolved.

In order to protect the rights and interests of the complainant, the person who receives the complaint handles the complaint in a confidential manner and does not disclose the complainant's name or any other relevant information sufficient to identify the complainant.

Key Performance	
Total number of incidents of discrimination	0
Total number of incidents of unlawful and illegal practices in the areas of employment and dismissal, remuneration and benefits, working hours, equal opportunities, and anti-discrimination	0

6.3.2 Compensation and Benefits

BORETECH is committed to providing fair and competitive remuneration packages, and is continuously concerned about the external competitiveness and internal fairness of staff remuneration, in order to attract and retain excellent talents, establish a fairer and more motivating working environment, and stimulate staff's motivation and creativity, so as to create value for the Company.

The Company conducts regular salary surveys in the industry to understand market salary levels and trends, analyse local consumption levels and make timely adjustments to our salary policy based on the survey results to ensure that our minimum salaries are higher than the local statutory minimum wage standards, to safeguard the basic living needs of our employees and to maintain the competitiveness of our salary levels in the industry.

We also regularly review our pay levels, enter into collective contracts on wages through collective wage negotiations and ensure that female and male employees receive equal pay for equal work.

Our remuneration system includes the following aspects:

Basic salary	<p>The basic salary structure of the company includes monthly basic salary and departmental performance bonus:</p> <ul style="list-style-type: none">✓ Monthly basic salary: a fixed monthly payment based on the pay scale set for the grade and position.✓ Departmental performance bonus: paid according to the performance of the employee's department and personal contribution, to encourage employees to grow together with the department.
Employee Stock Ownership Plan	Employees are encouraged to hold shares of the company and share the benefits of the company's growth.

In addition, the company understands that excessive workload will affect the health and quality of life of the employees, therefore, we always adhere to the principle of reasonable arrangement of labour intensity. We ensure that our employees work in a dynamic and efficient environment through the following measures:

Working hours	<p>Our company strictly abides by the working hours stipulated by the national labour law and does not allow employees to work overtime in principle. However, for employees who have to work overtime due to the nature of their work or the limitations of their production characteristics, we can implement irregular working hours and comprehensive calculation of working hours and other methods of work and rest after consultation and agreement.</p> <p>Regardless of the type of work system implemented, the average daily working hours and average weekly working hours of employees are the same as the statutory standard working hours.</p>
Flexible Working Hours	Flexible working hours are implemented to meet the needs of each operating site, allowing employees to choose their working hours within the flexible working hours.

In order to make our employees feel at home in our company, we have established a comprehensive and detailed welfare system in strict compliance with local laws and regulations. We have also set up an Employee Welfare Committee to review and promote employee welfare on a regular basis. Our employee non-compensation benefits system mainly includes the following points:

Five insurance and one pension (social insurance)	The Group's main operating bases are in Taiwan and Mainland China, and the Company provides its employees with the social insurance required by the locations of its operating bases, such as five types of social insurance for pension, medical care, work-related injuries, maternity, and unemployment, as well as a housing provident fund in Mainland China; and labour and health insurance and pensions in Taiwan, to ensure the quality of their lives and future security.
Holidays	Employees are entitled to annual leave, sick leave, personal leave, parental leave, and other holidays, as well as legal holidays such as the Spring Festival, Ching Ming Festival, Dragon Boat Festival, and Mid-Autumn Festival, and are provided with corresponding holiday benefits, such as mooncakes for the Mid-Autumn Festival, and supermarket cards to help employees prepare for the festivities during the Spring Festival.
Working Meal	The company provides free working meals, not only for the convenience of employees, but also for the care of their healthy diet. In the hot summer, the company will provide free green bean soup to help employees cool down, reflecting the company's thoughtful care for employees.
Dormitory Arrangement	We provide free dormitory arrangements for non-local employees to ensure that they have a safe and comfortable living environment to reduce the pressure of working outside.
Transportation	In order to make it safer and more comfortable for our employees to commute to and from work, we provide a shuttle bus service, which eliminates the hassle of commuting for our employees.
Health Checkup	The company provides employees with health checkups, which can help employees to detect and prevent health problems at an early stage, and ensure that employees can have a good working efficiency and quality of life.

In addition, we have designed a special welfare system to provide employees with peace of mind and satisfaction in the workplace.

Birthday Voucher	Every employee who has a birthday can receive a birthday coupon, so that employees can feel the company's blessings and care on their special day.
New Year's Red Packet	In order to express our gratitude to our employees for their hard work, we prepared a red packet for all employees on the first day of work in the Chinese New Year, wishing them a smooth and happy new year.
Employee Education Subsidy	In order to alleviate the financial pressure brought about by employees' children's education, the Employees' Welfare Council has formulated the application method for children's education subsidy in 2024 to provide employees' children with education subsidy, in the hope of assisting employees to provide better education opportunities for their children.
Length of Service Award	Once an employee reaches a certain number of years of service, the company will give out service awards to recognise the long-term efforts of employees.

6.4 Creating A Warm Workplace

6.4.1 Democratic Communication

We understand the importance of employee communication, and therefore we value and promote the spirit of democratic communication among employees to ensure that they have a better understanding of and a sense of participation in the work environment, company policies and management processes, and that their views are expressed and listened to.

The Company has set up an employee suggestion box and an "Employee Grievance Handling System" to take employees' suggestions and establish an institutionalised communication and grievance channel to ensure that the voices of each and every colleague are respected and valued, and that employees' doubts and expectations are answered and dealt with in a reasonable and appropriate manner. Employees can not only make oral complaints, directly to the management to ask questions and reflect the situation, but also through the complaint form or other written directly in accordance with the Company's complaint method through the administrative system, through the telephone line, suggestion box, mail to submit complaints, and anonymously submit suggestions or opinions.

Taiwan BORETECH	
Complaints dedicated mailbox or e-mail address	avon.yin@bo-re-tech.com
Complaint hotline	06-6233306#211
Fax	06-6231792
Zhejiang BORETECH	
Complaint Email	zjblt@bo-re-tech.com
Complaint Telephone	+86-573-85123425
Anshun	
General Manager Mailbox	fgp@anshunfiber.com

In order to protect the privacy of employees and prevent them from being retaliated against, the company's employee suggestion box is locked with confidentiality control, and the relevant personnel should be responsible for the confidentiality of the proposal content and proposal colleagues. Management is open to employee feedback, completes timely verification and improvement, and replies to employees with solutions within the prescribed timeframe, and does not punish, dismiss, or discriminate against employees who submit proposals, in order to continuously improve employee satisfaction and dedication.

Trade Union Congress



6.4.2 Care for Employees


Work Balance

BORETECH not only focuses on the professional growth of employees, but also upholds the concept of whole-person development, actively encourages and supports employees to participate in various extracurricular activities to help employees balance work and life.


Festive Activities	We organise special events on important festivals, e.g. barbecue on Mid-Autumn Festival and afternoon tea party on Women's Day.
Annual Tour	We will arrange annual trips every year to enhance communication and collaboration among employees and to give everyone a chance to enjoy a good time together.

Rich and diversified cultural and sports activities can not only inspire the spirit of employees, stimulate their creativity and vitality, but also effectively enhance the happiness of employees and their sense of belonging to the company. Therefore, we actively plan a variety of sports events, staff travelling, outdoor development, festive activities and other cultural and sports activities, so that employees can enjoy sufficient leisure and entertainment in the busy work, to encourage exchanges and co-operation between employees, to enhance mutual understanding and friendship, to ensure the physical and mental health of each employee.


Staff Sports Day




Staff Travelling



Mother's Day Baking DIY Activity



Mid-Autumn Festival Activities




Care for Female Colleagues


We are committed to creating an environment where female colleagues can feel respected and develop in their career journey.

Women's Day	On Women's Day, we organise a variety of celebrations for our female colleagues to show our respect and blessings to them.
Physiological Leave	We provide additional rest time for employees during special periods such as physiological periods and pregnancy, and ensure that they can obtain more flexible work arrangements when necessary.
Maternity leave, maternity leave, paternity leave and rest and recuperation leave	Our female colleagues are provided with maternity leave, maternity check-up leave and paternity leave, and their families are entitled to paternity leave, so that families can fully prepare for and welcome the arrival of their babies.
Family Care Leave	For female employees with childcare needs, we provide family care leave to help them balance work and family life as much as possible.

Women's Day Activities




Employee Sympathy



6.5 Focus on Occupational Health

6.5.1 Safe Production

BORETECH attaches great importance to occupational health management. In order to maintain the safety and health of our colleagues and avoid occupational disasters and diseases, we have established an Occupational Safety and Health Committee, which is composed of the company's management and labour representatives, and labour representatives account for more than 1/3 of the members.



Responsibilities of the organisation

Production Safety Organisation

- ✓ Responsible for the implementation, supervision, inspection and improvement of the company's occupational safety management system.
- ✓ Implementation of hazard identification and assessment of operating environment
- ✓ Review or propose various safety and health proposals.
- ✓ Evaluate the performance of safety and health management in each unit.
- ✓ Setting objectives for occupational safety and health management.
- ✓ Training and education of workers

Occupational Safety and Health Management Objectives	Objectives	Achievement of objectives
Major Occupational Accidents	0	0

With reference to the "Risk Assessment Technical Guidelines" and other documents announced by the Occupational Safety and Health Administration of the Ministry of Labour, we have formulated the "Quality, Environment, Occupational Health and Safety Management Manual", continuously improved the 6S management, and established the corporate safety culture to strengthen the effectiveness of the management of the Occupational Safety and Health system. At present, both Zhejiang BORETECH and Anshun have passed ISO 45001 certification and Zhejiang BORETECH has obtained the certificate of Level 3 of production safety standardisation.

ISO 45001 Certification



Production Safety Standardisation Certificate



6.5.2 Occupational Health and Safety

Our company is committed to establishing a perfect mechanism for hazard identification, risk assessment and accident investigation. We convene safety and health committee meetings every three months to implement the production safety responsibility system, and continuously increase the investment of funds to ensure the improvement of enterprise safety, infrastructure and production technology renovation, as well as the rescue of safety accidents, etc., so as to ensure that the funds for the management of production safety are put into practice, and to allow all colleagues to work in a healthy and safe environment. Hazard Identification.

Hazard Identification

- ✓ We identify potential occupational health hazards through continuous and systematic workplace inspections and professional health and safety assessments.
- ✓ Conduct detailed analyses of employees' daily work environment, chemicals used, and machinery and equipment to identify all possible sources of hazards, such as fire/explosion, fall/roll, induction, hazardous chemicals, hazardous chemicals leakage, dust, noise, bio-contamination, fall, and falling objects.

Risk Assessment

- ✓ Set up a monitoring system for major hazardous sources and classify and manage all risks.
- ✓ Evaluate the hazards and possible consequences, risk severity and likelihood of the identified hazards.
- ✓ Evaluate the severity and likelihood of the risk after control according to the existing protective facilities and countermeasures taken to reduce the risk.
- ✓ Each unit fills out an "Operational Risk Assessment Form" and, if necessary, is assisted by medical personnel in identifying and evaluating the hazards of the workplace environment and operations.

Accident Reporting and Communication

- ✓ Strictly implement a written reporting system for production safety accidents. Employees who discover accidents or potential safety hazards should report and handle them in a timely manner, and hold those responsible for the accidents accountable according to the principle of the "four non-forgivings".
- ✓ Regular meetings of the safety and health committee are held to consider occupational disease prevention, safety management, health promotion and various safety and health proposals.
- ✓ Actively implement a system of rewarding and reporting on production safety.

Improvement and hazard prevention measures

- ✓ Sign a production safety responsibility letter at each level, implement the standard assessment of team safety construction, and improve the production safety control indexes and assessment indexes.
- ✓ Conduct inspections of the working environment from time to time and record the contents of the inspections in the "On-site Factory Safety and Hygiene Inspection Record Sheet".
- ✓ Provide education and training on hazard prevention; operators should receive professional education and training on the operation of experimental or mechanical equipment.
- ✓ Purchase intrinsically safe machinery and equipment with protective measures, and provide protective equipment, such as earplugs and safety belts, for responding positions.
- ✓ Provide fire hydrants, fire extinguishers, and fire hydrants in the factory, and conduct fire drills.
- ✓ Maintaining and repairing equipment on a daily basis, continuously improving the level of equipment automation, and enhancing the ability to safeguard equipment.
- ✓ Provide on-site service for staff, and nursing staff will come to the site to provide counselling service for colleagues in need.

Improvement Tracking

- ✓ Identify residual and new risks after control measures have been implemented, review their applicability and effectiveness, and re-initiate the assessment process if necessary.

Protective Equipment

For chemical management, Zhejiang BORETECH has set up a special chemical warehouse and formulated the "Chemical Management Guidelines", which clearly stipulates the operation regulations for employees in the procurement, storage, transportation and use of chemicals, and requires employees to wear safety precautions and equipment when using chemicals to prevent spills and leaks; in addition, employees should dispose of packaging containers appropriately to prevent the volatilisation of residual chemicals from polluting the environment; and fire prevention facilities are set up and regularly maintained in the vicinity of hazardous chemicals. Fire-fighting facilities are installed and regularly maintained, and anti-leakage trays or adsorbent materials are installed, and chemical anti-leakage drills are conducted once a year; Anshun also has a "Zhejiang Anshun Chemical Fibre Comprehensive Emergency Response Plan for Environmental, Occupational Health and Safety Emergencies", and a chemical anti-leakage drill will be conducted in May 2024.

Zhejiang BORETECH Chemical Warehouse

In accordance with Article 10 of the Occupational Safety and Health Act, Taiwan BORETECH has also formulated the "Hazard Communication Plan", which clearly includes the preparation of hazardous chemicals lists, safety information sheets, hazardous chemicals labelling, waste disposal, drug management, and education and training. For hazardous chemicals, labelling, preparation of lists, and disclosure of safety information sheets ensure that every staff member of the plant should be aware of all the hazardous chemicals in their work area. For hazardous chemicals, labelling, preparation of lists and disclosure of safety information sheets are required to ensure that every employee in the factory should be aware of the characteristics and hazard prevention measures of all chemicals in his/her work area, and that the use of hazardous chemicals without labelling and safety information sheets is not appropriate, and that less hazardous chemicals are used as much as possible.

In addition, the company is also committed to improving the working environment of the office staff, to reduce the labour burden of colleagues, to avoid the feeling of work pressure tension.

Reducing Labour Intensity

Speakers for playing music in the office.

Installation of standing working platforms to prevent employees from sitting for long periods of time

Afternoon exercise

The Company has also issued the "Safety and Health Management Procedures for Contractors" for the safety and health management of contracted services. If there is a demand for outsourced construction work in the factory, external contractors are required to strictly comply with the safety and health work rules in the factory and wear protective gears, and the relevant contractors will be notified of the hazards to ensure their personal safety.

6.5.3 Safety Culture

Safety Performance Assessment

In order to continuously strengthen the management of safety production, the Company continuously improves the safety production control indexes and performance assessment indexes, and implements the assessment for achieving the standard of safety construction of work teams and the year-end assessment; we will give commendation and reward to colleagues with outstanding performance in the assessment, and notify and criticise those who fail to pass the assessment.

Safety Education and Training

Safety Education and Training System	
Daily Education	We provide necessary safety education and training to all employees, and implement the three levels of safety education and training and education for special operators; For the management level, we carry out education for team leaders.
QSE manual promotion	Promote and communicate in internal meetings, expecting all employees to understand and implement the company's occupational health and hygiene policy in their work.

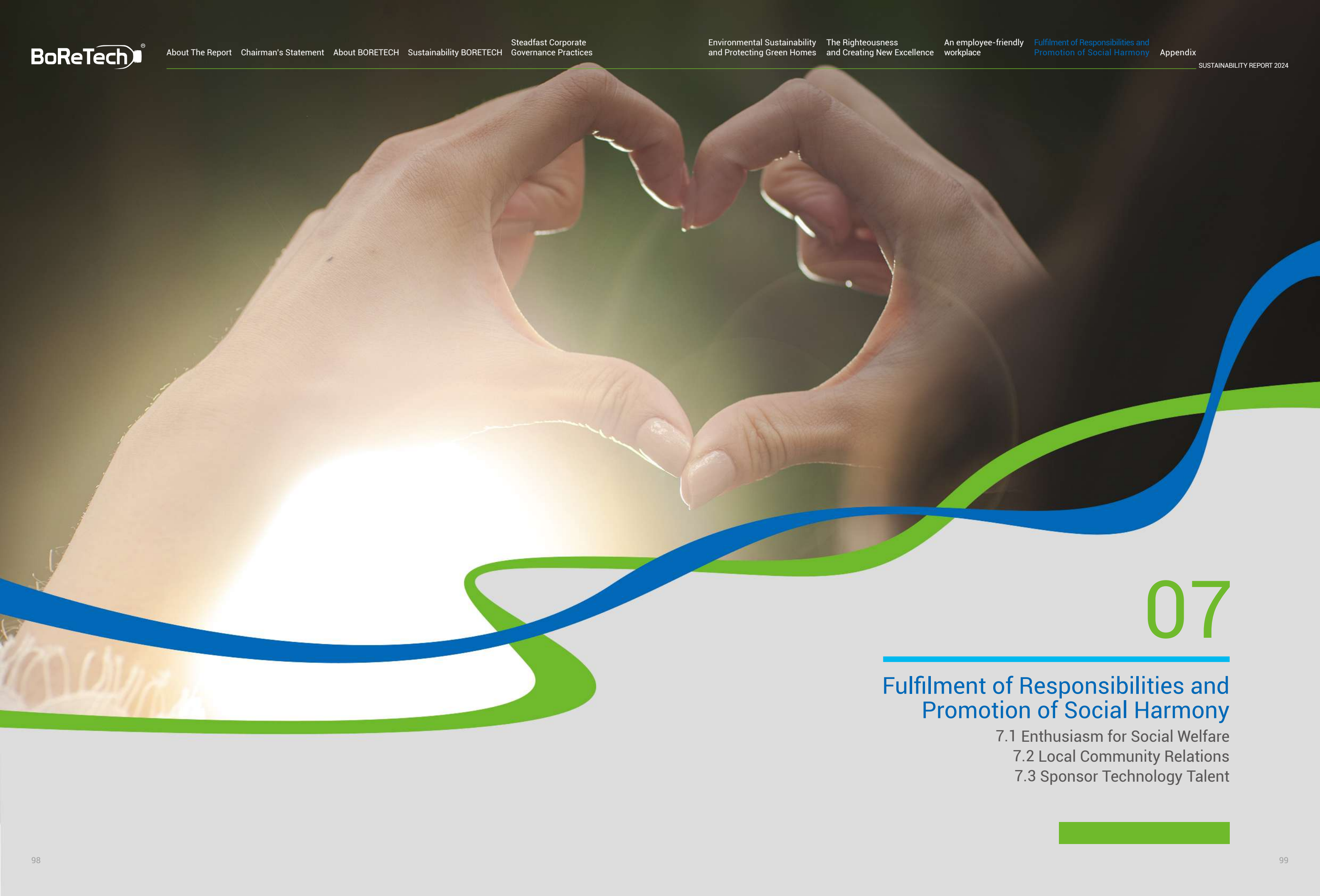
Disaster Prevention Drill

The Company has also established a sound production safety response and rescue system, formulated production safety emergency plans, and regularly organised disaster prevention drills for fire safety, chemical leakage, etc., and at the same time has done a good job in liaising with the municipal response and rescue centre.



In addition, the company focuses on conveying the concept of production safety to its employees in their daily lives, and expects to deepen BORETECH's safety and health management effectiveness and build a corporate safety culture through the production safety slogans that can be seen everywhere in the factory.





07

Fulfilment of Responsibilities and Promotion of Social Harmony

- 7.1 Enthusiasm for Social Welfare
- 7.2 Local Community Relations
- 7.3 Sponsor Technology Talent



Fulfilment of Responsibilities and Promotion of Social Harmony

7.1 Enthusiasm for Social Welfare

BORETECH has always been enthusiastic about public welfare. After the earthquake in Hualien, we actively launched fund-raising activities and took concrete actions to shoulder our corporate social responsibility and support the people in the disaster area.

Hualien Earthquake Prayer



In addition, we are committed to improving the living conditions and social status of people with disabilities, not only in the recruitment of staff to treat people with disabilities equally, but also to send material support for people with disabilities due to illness.

Caring for People with Disabilities Due to Illness



7.2 Local Community Relations

In Taiwan, the Changhua Giant Buddha Cup Softball Tournament is an event that sports fans and players look forward to with great anticipation. The softball tournament is attended by spectators from a wide range of backgrounds, and it is an excellent opportunity to raise awareness of the importance of environmental protection.



Therefore, when we learnt that the Changhua Big Buddha Cup Softball Tournament was in need of sponsors, we did not hesitate to come forward and hope to incorporate the concept of environmental protection into this sporting event. Softball is a sport that requires teamwork and a high degree of coordination, just as our environmental efforts require a concerted community and global effort. This tournament has shown us that teamwork is not only important on the playing field, but also in protecting our environment.



Every time we sponsor an event, we hope to spread the message of environmental protection to as many people as possible. The partnership between the Changhua Big Buddha Cup Softball Tournament and BORETECH symbolises our common goal of promoting environmental awareness and improving our society. We believe that this partnership will not only raise awareness of environmental protection, but also inspire more people to take part in protecting our planet and take sustainable actions in their daily lives, just like we recycle PET bottles every day.

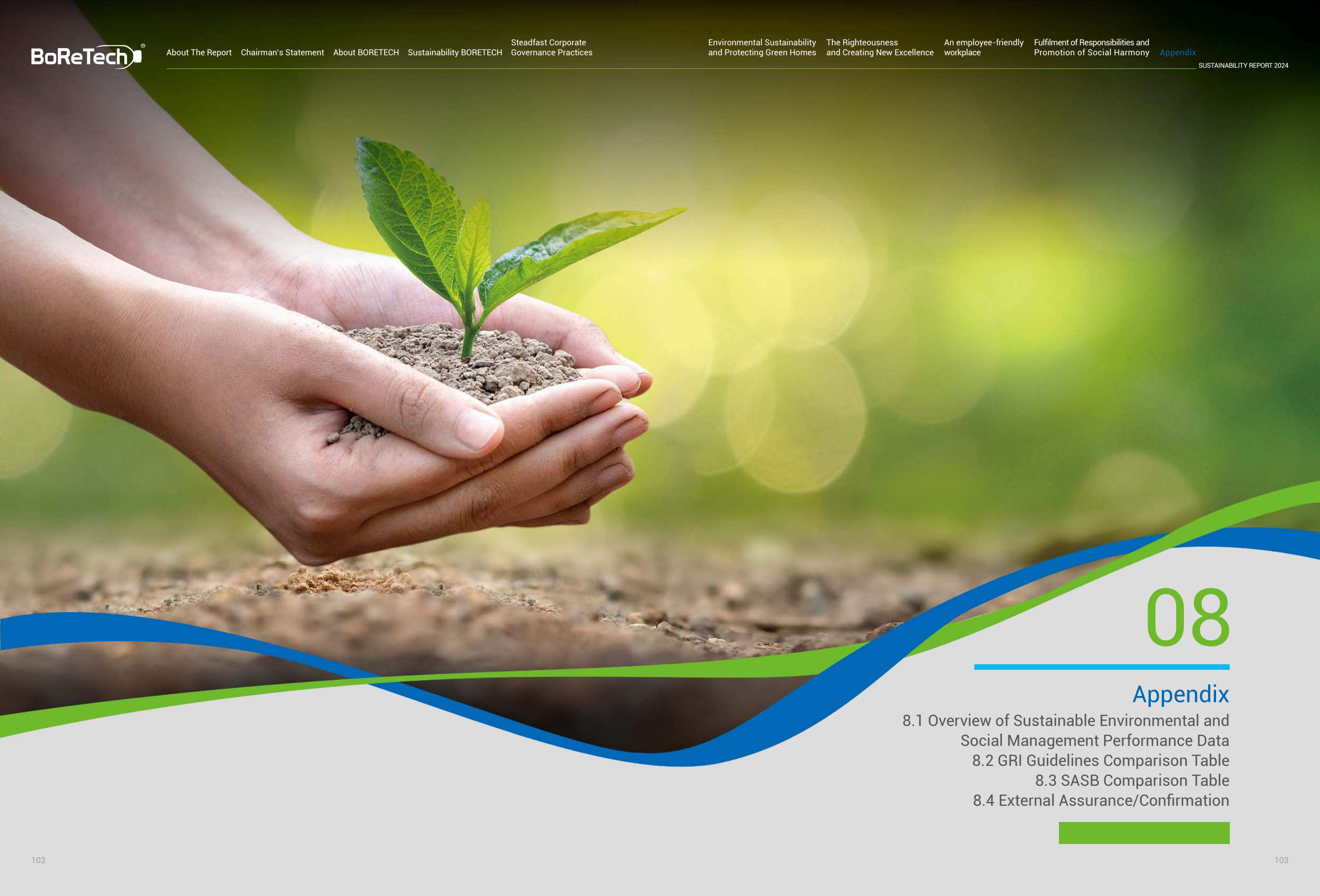
7.3 Sponsor Technology Talent

Sponsor Doo-Luk High School Olympiad Robotics Competition

In today's fast-paced technological world, where creative thinking and problem solving are the core competencies of the future, the WRO (World Robot Olympiad) International Competition will be held in November 2024 in Turkey.

In order to enhance students' creativity and logical thinking, and to cultivate teamwork and problem solving skills, BORETECH sponsored an inter-school robotics team from "Zhengxin Middle School" and "Doo Luk High School" to participate in the World Robot Olympiad, and through the accumulation of real-life experiences, students' understanding of machine design, programming and mission strategy was enhanced.





08

Appendix

- 8.1 Overview of Sustainable Environmental and Social Management Performance Data
- 8.2 GRI Guidelines Comparison Table
- 8.3 SASB Comparison Table
- 8.4 External Assurance/Confirmation



Appendix

8.1 Overview of Sustainable Environmental and Social Management Performance Data

Environmental Performance

Greenhouse Gas Emissions

Scope	2024
Scope 1 (tonnes CO2e)	9,985.70
Scope 2 (tonnes CO2e)	18,766.74
Subtotal Emissions (tonnes CO2e)	28,752.43
Greenhouse Gas Emission Intensity (tonnes CO2e/million turnover)	5.28

Energy Usage

Indicator	2024
Electricity (kWh)	36,795,932.00
Total self-generated energy (kWh)	1,764,167.00
Purchased electricity (kWh)	35,031,765.00
Natural gas (cubic metres)	3,263,597.00
Petrol (kg)	26,578.39
Diesel (kg)	13,157.44
Liquefied Petroleum Gas (kg)	345,264.00
Total Consumption (GJ)	278,731.91

Water Intake And Consumption

Indicator	2024
Water intake (tonnes)	226,374.00
Abstraction Intensity (tonnes/million turnover)	41.58
Water Consumption ⁹ (tonnes)	129,510.24

Wastewater Discharge

Indicator	2024
Discharge (tonnes)	60,053.74
COD (tonnes)	86.57
Ammonia (tonnes)	0.20

Air Pollution Emissions¹⁰

Indicator	2024
Total Emissions (kg)	3,456.00
Nitrogen oxides (NOx)(kg)	0.97
Sulphur dioxide SO2(kg)	0.13
Particulate pollutant(kg)	255.30
Volatile Organic Compounds (VOCs)(kg)	1,347.61

⁹The data boundary includes Zhejiang Anshun and Taiwan BORETECH-KY. Zhejiang BORETECH-KY is not a water-intensive enterprise and the corresponding data are not available for the time being.

¹⁰The data boundary includes only Zhejiang Anshun. Zhejiang BORETECH-KY and Taiwan BORETECH-KY are not major air polluters, and the corresponding data are not available for the time being.

Waste

Indicator	2024
Non-hazardous waste (tonnes)	2,494.33
Packaging materials (tonnes)	0.32
Waste PET flakes (tonnes)	396.36
Waste yarn (tonnes)	177.24
Sludge (tonnes)	566.41
Domestic waste (tonnes)	109.35
White powder (tonnes)	647.24
Labels (tonnes)	57.39
Waste (tonnes)	237.98
Gold feed (tonnes)	149.94
Bottle caps (tonnes)	145.60
Waste fibres and composites (tonnes)	6.50
Hazardous waste (tonnes)	48.26
Waste packaging materials contaminated with hazardous chemicals (tonnes)	2.12
Waste filtration materials (tonnes)	0.30
Waste activated carbon (tonnes)	2.19
Waste Shower Tower Waste (tonnes)	2.71
Waste motor oil (tonnes)	9.83
Waste hydraulic oil (tonnes)	0.42
Waste cleaning fluid (tonnes)	30.69

Social Performance

Number Of Employees¹¹

Total number of employees	732
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¹¹The number of employees is calculated based on full-time and part-time employees working as of 31 December 2024.

Employee Gender Statistics 2024

By sex	Number of employees	Percentage of total employees (%)
Female	222	30.33%
Male	510	69.67%

Age Range Of Employees In 2024¹²

By age	Number of employees	Percentage of total employees (%)
30 years old and under 30 years old	150	20.49%
31-50 years old	401	54.78%
Over 50 years old	181	24.73%

Staff Classification Statistics In 2024

Breakdown by grade	Number of employees	Percentage of total employees (%)
Senior Management	17	2.32%
Middle Management	101	13.80%
General Staff	614	83.88%

Staff Site Statistics In 2024

By district	Number of employees	Percentage of total employees (%)
Mainland China, Taiwan, Hong Kong and Macau	727	99.32%
Overseas countries or regions	5	0.68%

¹²Due to rounding, the sum of the ratio of employees in each age group to all employees slightly deviates from 100.00%.

● Educational Attainment Of Employees In 2024

By educational attainment	Number of employees	Percentage of total employees (%)
Bachelor's degree or above	222	30.33%
Associate degree	179	24.45%
Secondary vocational education or below	331	45.22%

● Diversity Indicators For Management Jobs In 2024

By gender	Number of employees	Percentage of managerial posts (%)
Female	33	27.97%
Male	85	72.03%

● 2024 Employee Compensation And Benefits Statistics¹³

Average employee benefits (NT\$1,000/Per Person)	650.31
Average employee salary (NT\$1,000/Per Person)	812.60
Average Salary of Non-Supervisory Full-Time Employees (NT\$1,000/Per Person)	537.90
Median salary of non-supervisory full-time employees (NT\$1,000/Per Person)	507.86
Percentage change in average full-time salary for non-supervisory positions (%)	6.50%
Percentage change in full-time median salary for non-supervisory positions (%)	8.09%

● Performance And Career Development Review

Percentage of employees receiving regular performance and career development reviews	100%
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● Gender Statistics Of New Employees In 2024¹⁴

By gender	Number of employees	Percentage of new employees (%)
Female	47	31.97%
Male	100	68.03%

● Age Range Of New Entrants In 2024 Statistics

Breakdown by age	Number of employees	Percentage of new employees (%)
30 years old and under 30 years old	69	46.94%
31-50 Age	65	44.22%
Over 50	13	8.84%

● Number of Employees Who Have Left The Service

Total number of departed employees	80
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● Statistics On Training Hours

Total number of training hours	6,890.00
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● Occupational Disasters

Number of occupational disasters	16
Zhejiang BORETECH	5
Taiwan BORETECH	3
Anshun	8
Occupational hazard rate (%)	2.19
Number of fires	0
Number of fire casualties	0
Ratio of fire casualties to total number of staff (%)	0

¹³In accordance with the regulations of the Taiwan Stock Exchange Corporation (TSE), statistics are based on the concept of "belongingness", i.e., information on employees employed in Taiwan (including Taiwanese and foreign employees).

¹⁴Data on new employees, departed employees, education and training hours, and occupational hazards are collected from Taiwan BORETECH, Zhejiang BORETECH, and Anshun.

8.2 GRI Guidelines Comparison Table

Statement of Use	BORETECH has reported against the GRI Guidelines.
GRI 1 used	GRI 1: Basis 2021
Applicable GRI Industry Standards	Not Applicable

GRI Standard	Disclosure Items	Corresponding Section	Reason for Omission / Necessary Explanation
GRI 2: General Disclosure 2021	2-1 Organisation Details	3.1 Company Profile	
	2-2 Entities Included in Organisational Sustainability Reporting	1. About the Report	
	2-3 Reporting Period, Frequency, and Contact Person	1. About the Report	
	2-4 Information Reproduction	This is the first sustainability report of BORETECH and does not involve restatement of information.	
	2-5 External Assurance/Confirmation	10.4 External Assurance/Confirmation	
	2-6 Activities, Value Chain and Other Business Relationships	3.1 Company Profile	
	2-7 Employees	8.1 Talent Attraction and Retention	
	2-8 Non-Employee Workers	8.1 Talent Attraction and Retention	
	2-9 Governance Structure and Composition	5.1.1 Board Operations	
	2-10 Nomination and Selection of Top Governance Units	5.1.1 Board Operations	
	2-11 Chairman of the highest governance body	5.1.1 Board Operations	
	2-12 Role of the Top Governance Unit in Overseeing Impact Management	5.2 Comprehensive Risk Control	
	2-13 Responsible Persons for Impact Management	5.2 Comprehensive Risk Control	
	2-14 Role of the Top Governance Unit in Sustainability Reporting	4.1 Sustainability Management Committee	

GRI Standard	Disclosure Items	Corresponding Section	Reason for Omission / Necessary Explanation
GRI 2: General Disclosure 2021	2-15 Conflicts of Interest	5.1.1 Board Operations	
	2-16 Communicating Critical Events	4.2 Stakeholder Identification And Communication Channels	
	2-17 Group Intelligence at the Highest Level of Governance	5.1.1 Board Operations	
	2-18 Performance Evaluation of Top Governance Units	5.1.1 Board Operations	
	2-19 Remuneration Policy	8.3.2 Compensation and Benefits	
	2-20 Remuneration Decision Process	8.3.2 Compensation and Benefits	
	2-21 Annual Total Remuneration Ratio	8.3.2 Compensation and Benefits	
	2-22 Sustainability Strategy Statement	4.4 Contribution to the UN Sustainable Development Goals (SDGs)	
	2-23 Policy commitments	4.4 Contribution to the UN Sustainable Development Goals (SDGs)	
	2-24 Inclusion of Policy Commitments	4.4 Contributions to the UN Sustainable Development Goals (SDGs)	
	2-25 Procedures for Remediating Negative Shocks	5.1.4 Integrity in Business	
	2-26 Mechanisms for Seeking Advice and Raising Concerns	5.1.4 Integrity in Business	
	2-27 Compliance with Laws and Regulations	5.2.1 Compliance with Laws and Regulations	
	2-28 Membership of the Society	3.1.3 Honours and Certificates	
	2-29 Guidelines for Stakeholder Agreement	4.2 Stakeholder Identification and Communication Channels	
	2-30 Corporate Agreements	8.3.1 Employment Compliance	
GRI 3: Major Themes 2021	3-1 Process for Determining Significant Themes	4.3 Identification and Analysis of Major Themes	
	3-2 List of Major Themes	4.3 Identification and Analysis of Major Themes	
GRI 201 : Economic Performance 2016	3-3 Management of Major Themes	4.3 Identification and Analysis of Major Themes: 'Corporate Governance'	
	201-1 Direct economic value generated and distributed by the organisation	5.1.3 Economic performance	

GRI Standard	Disclosure Items	Corresponding Section	Reason for Omission / Necessary Explanation
GRI 201 : Economic Performance 2016	201-2 Financial Impacts and Other Risks from Climate Change	6.1.2 Climate Change Risk Management	
	201-3 Defined Benefit Obligations and Other Retirement Plans	8.1 Talent Attraction and Retention	
	201-4 Financial Assistance from Government	5.1.3 Economic Performance	
GRI 202: Market Position 2016	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Labour Benefits'	
	202-1 Ratio of Standard Salary to Local Minimum Salary for Junior Staff of Different Genders	8.3.2 Compensation and Benefits	
GRI 203: Indirect Economic Shocks 2016	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Community Contribution'	
	203-1 Development and Impact of Infrastructure Investment and Support Services	9.1 Enthusiasm for Social Welfare 9.2 Local Community Relations 9.3 Sponsor Technology Talent	
GRI 204 : Procurement Practices 2016	3-3 Major Theme Management	3.3 Identification and Analysis of Major Themes: 'Supply Chain Management'	
	204-1 Proportion of Procurement Expenditure from Local Suppliers	7.4.1 Supplier Management	
GRI 205 : Anti-Corruption 2016	3-3 Major Themes Management	3.3 Identification and Analysis of Major Themes: 'Corporate Governance'	
	205-2 Communication and Training on Anti-Corruption Policies and Procedures	5.1.4 Integrity in Business	
	205-3 Identified Corruption Incidents and Actions Taken	5.1.4 Integrity in Business	
GRI 206 : Anti-competitive Behaviour 2016	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Corporate Governance'	
	206-1 Legal Actions Against Anti-competitive Behaviour, Antitrust and Monopolistic Behaviour	5.1.4 Integrity in Business	

GRI Standard	Disclosure Items	Corresponding Section	Reason for Omission / Necessary Explanation
GRI 207 : Taxation 2016	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Corporate Governance'	
	207-1 Tax Policy	5.1.3 Economic Performance	
	207-3 Stakeholder Consultation and Management of Tax-Related Issues	5.1.3 Economic Performance	
GRI 301 : Materials 2016	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Raw Material and Packaging Management'	
	301-2 Use of Recycled Materials	6.3.3 Reuse of Resources	
	301-3 Recycled Products and Their Packaging Materials	6.3.3 Reuse of Resources	
GRI 302: Energy 2016	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Energy Management'	
	302-1 Energy Consumption within the Organisation	6.3 Low Carbon Circular Economy	
	302-2 Energy Consumption Outside the Organisation	6.3 Low Carbon Circular Economy	
	302-3 Energy Intensity	6.1.1 Greenhouse Gas Emissions Management	
	302-4 Reducing Energy Consumption	6.3.1 Energy Conservation	
	302-5 Reducing Energy Demand for Products and Services	6.3.1 Energy Conservation	
GRI 303: Water and Water Release 2016	3-3 Major Theme Management	3.3 Identification and Analysis of Major Themes: 'Water Resources Management'	
	303-1 Interaction of Shared Water Resources	6.3.2 Water Management	
	303-2 Management of Drainage-Related Impacts	6.3.2 Water Management	
	303-3 Water Abstraction	6.3.2 Water Management	
	303-4 Discharge Volume	6.3.2 Water Management	
	303-5 Water Consumption	6.3.2 Water Management	

GRI Standard	Disclosure Items	Corresponding Section	Reason for Omission / Necessary Explanation
GRI 305 : Discharge 2016	3-3 Managem	3.3 Identification and Analysis of Major Themes: 'Response to Climate Change'	
	305-1 Direct (Scope 1) Greenhouse Gas Emissions	6.1.1 Greenhouse Gas Emission Management	
	305-2 Energy Indirect (Scope 2) Greenhouse Gas Emissions	6.1.1 Greenhouse Gas Emission Management	
	305-4 GHG Emission Intensity	6.1.1 Greenhouse Gas Emissions Management	
	305-5 Greenhouse Gas Emission Reductions	6.3.1 Energy Conservation	
GRI 306: Waste 2016 Wastewater and Waste 2016	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Waste Management'	
	306-1 Waste Generation and Waste-related Significant Impacts	6.2.2 Pollutant Management	
	306-2 Management of significant impacts related to waste.	6.2.2 Pollutant Management	
	306-3 Waste generation	6.2.2 Pollutant Management	
	306-4 Disposal and Transfer of Wastes	6.2.2 Pollutant Management	
	306-5 Direct Disposal of Waste	6.2.2 Pollutant Management	
	3-3 Major Themes Management	3.3 Identification and Analysis of Major Themes: 'Supply Chain Management'	
	308-1 Adopting Environmental Standards for Selecting New Suppliers	7.4.1 Supplier Management	
	308-2 Negative Environmental Impacts in the Supply Chain and Actions Taken	7.4.1 Supplier Management	
	3-3 Critical Themes Management	3.3 Identification and Analysis of Major Themes: 'Labour Benefits'	
GRI 401: Employee Relations 2016	401-1 New Employees and Exiting Employees	10.1 Overview of Sustainability and Social Management Performance Data	
	401-2 Benefits Provided to Full-Time Employees (Not Including Temporary or Part-Time Employees)	9.3.2 Compensation and Benefits 9.4.2 Care for Employees	
	401-3 Parental Leave	9.4.2 Care for Employees	

GRI Standard	Disclosure Items	Corresponding Section	Reason for Omission / Necessary Explanation
GRI 402: Labour/ Wage Relations 2016	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Labour Benefits'	
	402-1 Minimum notice period for changes in operation	8.3 Protecting Employee Rights and Benefits	
GRI 403: Occupational Safety and Health 2018	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Occupational Health and Safety'	
	403-1 Occupational Safety and Health Management System	9.5 Occupational Health	
	403-2 Hazard Identification, Risk Assessment, and Accident Investigation	9.5 Occupational Health	
	403-3 Occupational Health Services	9.5 Occupational Health	
	403-4 Worker Participation, Consultation and Communication on Occupational Safety and Health	9.5 Occupational Health	
	403-5 Occupational safety and health worker training	9.5 Focus on occupational health	
	403-6 Worker health promotion	9.5 Focus on occupational health	
	403-7 Prevention and Mitigation of Occupational Safety and Health Impacts Directly Related to Business Relationships	9.5 Focus on occupational health	
	403-8 Workers covered by occupational safety and health management systems	8.5 Focus on occupational health	
	403-9 Occupational Injuries	9.5.1 Safety Production	
	403-10 Occupational Diseases	8.5 Focus on occupational health	
	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Employee Career Development'	
GRI 404 : Training and Education 2016	404-1 Average hours of training per employee per year	11.1 Overview of Sustainable Environmental and Social Management Performance Data	
	404-2 Enhancement of Employee Functions and Transition Assistance Programme	9.2.1 Promote Staff Development	
	404-3 Percentage of Employees Receiving Regular Performance and Career Development Reviews	9.2.2 Performance Assessment	

GRI Standard	Disclosure Items	Corresponding Section	Reason for Omission / Necessary Explanation
GRI 405 : Employee Diversity and Equal Opportunity 2016	3-3 Management of Critical Themes	3.3 Identification and Analysis of Major Themes: 'Human Rights Management'	
	405-1 Diversity in Governance Units and Employees	9.1.1 Diversity and Equal Opportunity	
	405-2 Ratio of Women to Men's Basic Salary to Remuneration	8.3 Protecting Employee Rights and Benefits	
GRI 406 : Non-Discrimination 2016	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Human Rights Management'	
	406-1 Incidents of Discrimination and Improvement Actions Taken by the Organisation	9.3.1 Employment Compliance	
GRI 407 : Freedom of Association and Group Consultation 2016	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Human Rights Management'	
	407-1 Operational sites or suppliers that may be exposed to freedom of association and group consultation risks	8.3.1 Employment Compliance	
GRI 408: Child Labour 2016	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Human Rights Management'	
	408-1 Significant Risks of Child Labour at Operating Sites and Suppliers	8.3.1 Employment Compliance	
GRI 409 : Forced or Compulsory Labour 2016	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Human Rights Management'	
	409-1 Locations and Suppliers with Significant Risk of Incidents of Forced or Compulsory Labour	8.3.1 Employment Compliance	
GRI 410: Security Practices 2016	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Human Rights Management'	
	410-1 Security Personnel Training on Human Rights Policies or Procedures	8.3 Protecting Employee Rights And Benefits	

GRI Standard	Disclosure Items	Corresponding Section	Reason for Omission / Necessary Explanation
GRI 411: Aboriginal Rights 2016	3.3 Management of Critical Themes	3.3 Identification and Analysis of Major Themes: 'Human Rights Management'	
	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Supply Chain Management'	
	414-1 Use of Social Criteria for Selecting New Vendors	8.4.1 Supplier Management	
	414-2 Negative Social Impacts in the Supply Chain and Actions to Take	8.4.1 Supplier Management	
GRI 415: Public Policy 2016	3-3 Major Themes Management	3.3 Identification and Analysis of Major Themes: 'Corporate Governance'	
	415-1 Political Contributions	6.1.3 Economic Performance	
GRI 416 : Customer Health and Safety 2016	3-3 Management of Major Themes	3.3 Identification and Analysis of Major Themes: 'Product Quality'	
GRI 417: Marketing and Labelling 2016	3-3 Major Themes Management	3.3 Identification and Analysis of Major Themes: 'Product Quality'	
	417-1 Requirements for Product and Service Information and Labelling	8.3.3 Responsible Marketing	
	417-2 Failure to Comply with Laws and Regulations on Information and Labelling of Products and Services	8.3.3 Responsible Marketing	
	417-3 Failure to Comply with Laws and Regulations on Marketing Communications	8.3.3 Responsible Marketing	
GRI 418: Customer Privacy 2016	3-3 Critical Themes Management	3.3 Identification and Analysis of Major Themes: 'Business Ethics'	
	418-1 Substantiated Complaints of Violation of Customer Privacy or Loss of Customer Information	8.3.2 Customer Privacy	

8.3 SASB Comparison Table

Indicator Code	Indicator	Comparison Section
Disclosure Topic: Energy Management		
RT-IG-130A.1	(1) Total Energy Consumption (2) Percentage of Energy Use of Purchased Electricity to Total Energy (3) Use of Renewable Energy as a Percentage of Total Energy Consumption	6.3Low Carbon Circular Economy
Disclosure Topic: Employee Health and Safety		
RT-IG-320a.1	(1) Total recordable incident rate (TRIR) (2) Fatality rate (3) Near miss frequency rate (NMFR)	8.5 Focus on occupational health
Disclosure Topic: Material Sources		
RT-IG-440a.1	Describe the risk management approach to the use of Critical materials.	BORETECH is not involved in the use of conflict minerals and this disclosure is not applicable.
Disclosure Topic: Fuel Economy and Emissions		
RT-IG-410A.1	Fuel Efficiency of Medium / Heavy Trucks Weighted by Sales Volume of Each Vehicle Model	BORETECH's products are powerless industrial products, this indicator is not applicable.
RT-IG-410A.2	Fuel Efficiency Weighted by Sales Volume of Off-Road Equipment	
RT-IG-410A.3	Fuel efficiency weighted by sales of stationary generators	
RT-IG-410A.4	Fuel efficiency weighted by the sales volume of the following product types: (1) Nitrogen oxides (NOx) (2) Suspended particulate matter (PM) emissions: (a) Marine diesel engines (b) Diesel engines for rail locomotives (c) Medium/heavy road engines (d) Other off-road diesel engines	
Disclosure of Topic: Remanufacturing Design and Services		
RT-IG-440b.1	Revenue from Remanufactured Products and Remanufacturing Services	7.1.2Product Innovation
Disclosure Topic: Activity Indicators		
RT-IG-000.B	Number of Employees	8.1Talent Attraction and Retention

8.4 External Assurance/Confirmation



Independent Assurance Statement

Introduction

TÜV Rheinland (Shanghai) Co., Ltd., a member of TÜV Rheinland Group (hereinafter "TÜV Rheinland" or "We"), was entrusted by Boretech Resource Recovery Engineering Co., Ltd (hereinafter "Boretech" or "the Company") to conduct an independent third-party assurance of 2024 Sustainability Report of Boretech (hereinafter "the Report"). The Report disclosed sustainability information for the fiscal year 2024 (1 January 2024 to 31 December 2024) of Boretech.

Responsibilities

Boretech is not only responsible for the preparation of sustainability report and the collection and submission of sustainability information in accordance with applicable reporting standards but also has the obligation to implement and maintain effective internal control of information and data to support the report compilation process.

TÜV Rheinland is a global service provider that provides CSR and sustainability services in more than 65 countries, with experienced and technical expertise in the areas of environment, CSR, sustainability and stakeholder engagement. TÜV Rheinland Assurance team follows the TÜV Rheinland Global Business Ethics Compliance Policy and Procedures, covering the principles of integrity compliance and conflict of interest. Therefore, our assurance services are based on the principles of independence and impartiality, and we do not participate in the writing and preparation of the Report of Boretech. It is the duty of TÜV Rheinland to carry out independent assurance in accordance with the assurance agreement and the agreed scope of assurance work, and to make independent and impartial judgments on sustainability reporting.

Assurance Standard

TÜV Rheinland undertook assurance work for the sustainability information disclosed in sustainability report of Boretech in accordance with the AccountAbility AA1000 Assurance Standard v3 (AA1000AS v3), Type 1 and Moderate level.

Assurance Objectives

The purpose of the assurance was to provide management of Boretech, and stakeholders concerned with the company's sustainability information and performance with an independent view of the assurance, including assessment of whether the content of the report adhered to the AA1000AP (2018) Assurance Principles (including inclusivity, materiality, responsiveness and impact), and verification of sustainability information disclosure.

Assurance Criteria

- The following assessment criteria were used in undertaking the work:
- GRI Sustainability Reporting Standards (2021 Edition) ("GRI Standards")
 - Taiwan Stock Exchange's "Operating Regulations for the Preparation and Filing of Perpetual Reports by Listed Companies"
 - The United Nations Sustainable Development Goals (UN SDGs)
 - The Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)
 - Sustainability Accounting Standards Board (SASB)
 - ISO26000 Social Responsibility Guidelines
 - Adherence to the AA1000 AP AccountAbility Principles, i.e., *Inclusivity, Materiality, Responsiveness, and Impact*



Methodology

Our assurance activities and procedures include:

- Inquiring management and those personnel responsible for collecting and aggregating sustainability performance information to understand the management processes, systems, and controls for sustainability performance information.
- Reviewing and assessing the availability, adequacy, and relevance of performance information based on sampling principles.
- Applying analysis program to assess the accuracy of the information available for performance data.
- Collecting and examining the supporting evidence of available performance information to assess the extent to which the relevant evidence and information related to the scope of the assurance in the sustainability report supports and adheres to the AA1000AP AccountAbility Principles.
- Reporting assurance observations or recommendations to give the Company's management an opportunity to correct errors before the assurance process is completed.

Limitations

TÜV Rheinland planned and executed the verification in accordance with the scope of the assurance agreed upon in order to obtain all the information, evidence and necessary explanations to provide the basis for the conclusion of the assurance in accordance with the moderate level of AA1000AS v3.

The information and performance data relating to the assurance is limited to the disclosure of the contents of this report. Our assurance work did not include financial report and its financial data, as well as other information not related to the topic of sustainability.

Conclusions

Based on the above assurance procedures and methodology performed and the evidence obtained, we conclude that there are no instances or information that would be contrary to the following statements:

- 2024 Sustainability Report of Boretech and its contents are in adherence to the AA1000AP AccountAbility Principles.
- Boretech has implemented processes to collect and aggregate performance information and data related to materiality issues within the reporting boundary.
- The sustainability-related information and performance disclosed in the Report are evaluated and supported by documentary evidence.

TÜV Rheinland shall not bear any liability or responsibility to a third party for perception and decision on Boretech based on this Assurance Statement.

Adherence to the AA1000AP AccountAbility Principles

Inclusivity

The main stakeholders identified by Boretech included customers, employees, shareholders, suppliers, industry associations, government agencies, and local communities. We recommend that Boretech continuously measure the results of stakeholder engagement, to provide reference for decision-making on sustainable development strategies.

Materiality

Evidence indicated that in 2024, Boretech carried out a materiality analysis of sustainability issues, including identifying and prioritising materiality sustainability issues with industrial characteristics based on two dimensions: importance to stakeholders and importance to enterprises. The issue matrix chart showed the major issues of the year (e.g. response to climate change, product quality and safety, human rights management, waste management, etc.).

Responsiveness

Boretech's communication channels with its stakeholders usually included customer service and satisfaction surveys, employee training, labour-management meetings, grievance mechanisms, supplier reviews, participation in technical forums and seminars, community welfare, etc.

The Report disclosed data on sustainable environmental and social management performance (such as greenhouse gas emissions, energy use, pollutant emissions and waste, employee compensation and benefits, occupational disasters, etc.) for the year of reporting, as well as responses to the United Nations Sustainable Development Goals.

Impact

Boretech focused on risk management in the fields of environment, climate, occupational safety, business ethics, supply chain, etc., and combined operation management, compliance management and internal control systems to control related major risks. The Report disclosed the identification and assessment of climate-related risks and opportunities, including climate management strategies. We recommend that Boretech conduct impact analysis of other material sustainability issues and assess and manage the relevant impacts.

Daniel Pan
Technical Manager of Corporate Sustainability Services
TÜV Rheinland (Shanghai) Co., Ltd
Shanghai, China, 18 June 2025



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