Protect Biodiversity and

Live in Harmony with Nature

CORUM

Inspire to Discover New Efficacy

Sustainability 2023 Report

Protect Biodiversity and
Live in Harmony with Nature

Corum is a biotechnology company from Taiwan, specialized in manufacturing key functional ingredients and actives for the personal care, cosmetics and pharmaceutical industries.

Aiming to promote skin health and environmental sustainability, through our cutting-edge technologies including green chemistry, biotechnology, and innovative patents, we produce green beauty ingredients and green alternatives to restore and conserve biodiversity, and meanwhile with no compromise on pursuing high efficacy, safety,quality and chemical stability.

00 Introduction

0.1 About the Corum Sustainability Report GRI2:2-1,2-2,2-3,2-4,2-5

0.1.1 Reporting principles

Corum Inc. (hereinafter referred to as "Corum", or the "Company") initiated its sustainability journey in the year 2021, publishing an annual sustainability report. The report is prepared according to the internationally recognized principles for sustainability reporting, the latest version of the GRI Standards 2021, to serve as the foundational framework.

All identified material topics are disclosed comprehensively to stakeholders. For related indicators of the 2021 GRI Standards, please refer to the appendix index.
In this report, we have systematically documented the Company's governance, economic, environmental, and social objectives and accomplishments. Furthermore, Corum has meticulously gathered essential economic, environmental, and social issues from the global arena, and have drawn insights from reputable international sustainability assessments such as the CDP and EcoVadis frameworks. Through stakeholder surveys and robust analysis, we have conducted a substantive assessment, identifying and distinguishing the issues of concern to stakeholders and analyzing the matrix of operational impact. This comprehensive process allows us to pinpoint material topics, ultimately aiming to provide a complete representation of our engagement with stakeholders.

0.1.2 Scope and Basis of Calculation

The information disclosed in this report covers the ESG performance in the corporate sustainability operations of Corum from January 1, 2023 to December 31, 2023. The reporting boundary includes CORUM's Neihu Headquarters, Xizhi R&D Center, Chiayi Factory, Taichung Office, and Tainan Office, with no re-statements of information for the reporting year.

Corum Inc. is the issuer of this report. The internal management of the report is promoted by the Sustainability Committee of Corum, which invites the top executives or senior managers of each unit to serve as members to identify material topics, formulate an overall sustainability policy, and compile information and sustainability performance indicators for each department. The data compiled by each department is first reviewed by their respective department heads. After this initial review, the data is then submitted to the Sustainability Office (concurrently headed by the Marketing Department) for coordination of content planning and editing. Subsequently, the data is presented to the Sustainability Committee, which is under the purview of the Chairman. Upon receiving approval from the Committee Chairperson (Chairman of the Company) and Vice Chairperson (Finance VP), the report is finalized and issued.

- The data in this report has not been verified by an external independent third party. If there are any instances of estimations, they will be noted in the relevant chapters. The financial data have been confirmed by Deloitte & Touche Taiwan and are expressed in New Taiwan Dollars (NT$).
- The Quality Management System ISO 9001, Environmental Management System ISO 14001, and Occupational Health and Safety Management System ISO 45001 have been certified by the British Standards Institution (BSI).
- The RSPO Palm Oil Sustainable Development Standard for Mass Balance (MB) supply chain has been certified by Bureau Veritas.

Comments and Feedback

Should you have any suggestions or inquiries regarding the contents of this Report, please contact us through the following contact information or "Contact Us" on the homepage of the Company's website.

Corum Sustainability Official

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To reduce the use of paper and to fulfill our corporate citizenship responsibility, this report is published electronically on the sustainability section of the Company's website for readers' reference.

0.2 Management's Statement GRI2:2-22

Message from the Chairman

2023 marked the first year of recovery after three challenging years of the COVID-19 pandemic. However, the global economy's rebound has been tepid, hindered by high interest rates, soaring inflation, regional conflicts, and growing geopolitical instability. Amid worsening natural disasters and man-made calamities, the risks associated with climate, ecology, and food security have intensified, making 2023 a particularly tumultuous year.

Facing an uncertain future, Corum remained committed to innovation in 2023. We adhered to green chemistry guidelines, developing more natural and eco-friendly raw materials to replace traditional petrochemical components. Our concerted efforts focused on enhancing ecological diversity, combating climate change, and improving energy efficiency. Our business strategy is rooted in innovation and increasing product value. We continuously improve the quality of existing raw materials, explore new functionalities and applications, and strive to develop cutting-edge, high-performance products.

In 2023, our persistent efforts yielded significant progress. In ESG sustainability management, we achieved higher scores in the Carbon Disclosure Project (CDP) and EcoVadis global supply chain sustainability assessments. Many of our products received green cosmetics certifications from COSMOS and NaTrue. We also continued to accumulate non-accident work hours, maintain zero information security incidents, launched a new sustainability website for Corum Inc.,created corporate marketing videos, actively participated in the CommonHealth Magazine 2023 Healthy Corporate Citizen Pledge, expanded the Corum Art in Science Award, increased donations of second-hand books, and replaced lighting with energy-efficient LEDs in all office locations. Furthermore, in 2023 we initiated RSPO palm oil sustainability supply chain certification. These diverse and multifaceted sustainability initiatives continue to highlight our collective efforts in line with ESG and sustainability management principles. We understand that these areas not only impact the long-term prosperity of Corum but also have profound effects on our society and environment.

Here are our commitments and determinations towards ESG sustainability management:

0.1 Environment:
- We are committed to reducing Corum's carbon emissions and adopting sustainable energy and resource management practices.
- We will support environmental protection projects and actively participate in community environmental improvement activities.
- We will support sustainable supply chains, conduct due diligence, and collaborate with suppliers to achieve environmental goals.

0.2 Social:
- We are committed to promoting diversity and inclusion and ensuring equal opportunities both within and outside the Company.
- We will support educational, health, and community development projects to improve the quality of life for people.

0.3 Governance:
- We will ensure that the Company's governance structure is transparent, fair, and adheres to best practices.
- We will stringently comply with regulations and ensure that the Company's interests are balanced with those of shareholders, employees, and other stakeholders.
- We will transparently and honestly report our ESG achievements and share our progress with stakeholders.

As the Chairman, this is also my commitment to lead Corum towards ESG sustainability management!

Message from the Sustainability Office

As an integral part of Corum Inc., the Sustainability Office is firmly committed to assisting the Company in implementing ESG sustainability governance, actively promoting energy conservation and emission reduction, environmental friendliness, employee welfare, and participation in social activities, making the Company a trusted sustainable partner for all stakeholders.

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0.3 Sustainability Highlights for 2023

Governance aspect

Passed the reassessment for **ISO 9001:2015** quality management system verification.

Continued maintenance of zero information security incidents by implementing a "zero trust" design to ensure information and supply chain security.

Complete overhaul and update of the CRM platform to streamline data structures, reducing the time for business data entry and handled by an internal IT engineering team to improve cost control.

Patented active ingredient for rapid skin renewal, Epi-On secured trademark registration.
Epi-On also received approval for new cosmetic raw material registration in China.

Continued to increase local procurement to reduce the carbon emissions from transportation.
The local procurement ratio for 2023 was 78.75%, a 2.97% increase compared to 75.78% in 2022.

Once again received the EcoVadis global supply chain sustainability assessment bronze medal for 2023.

Increased the signing ratio of the "Supplier Corporate Social Responsibility Commitment" to fulfill corporate responsibilities in managing sustainable supply chains. In 2023, a total of 80 suppliers were involved, with 65 of them signing the pledge, increasing the signing ratio by 2.38% compared to the previous year's ratio of 78.87%.

Initiated RSPO Palm Oil Sustainable Supply Chain Mass Balance (MB) certification.

Expansion and relocation of the R&D center, integrating the current and future needs of the chemical, cellular, and formulation laboratories to increase R&D scale and capacity.

Launched Corum's new sustainability website to enhance communication, transparency, and traceability on ESG issues with stakeholders.

Environmental aspect

Continued to implement domestic consolidated transport projects; although the emission reduction effect was not significant in 2023, we plan to expand the number of customers subject to this regulation in 2024, inviting and encouraging customers to participate in the consolidated transportation measures.

Passed the reassessment for **ISO 14001:2015** Environmental Management System Standards Verification.

By the end of 2023, a total of 8 raw materials had achieved international natural certifications. We will continue our efforts in the future as this is part of our commitment to environmental friendliness.
● The Et-VC multi-functional vitamin C derivative with excellent whitening, anti-oxidation, free radical- scavenging, and collagen boosting effects received 100% natural origin raw material COSMOS and NaTrue dual certification.
● Corum 5089 received NaTrue natural certification.

Improved scores in the CDP Climate Change Evaluation, receiving a "B-" rating.
(A B rating indicates a company possesses the capability to manage impacts of climate change.)

Improved scores in the CDP Supply Chain Evaluation, also receiving a "B-" rating.
This demonstrates that Corum's efforts and achievements in carbon reduction management have been recognized internationally, and we will continue to strive based on this solid foundation.

● Continued to respond to March 22, World Water Day, to raise awareness of water resource protection.
● Continued comprehensive corporate greenhouse gas inventories from Scope 1 to Scope 3.
● Continued participation in global voluntary energy-saving and carbon-reduction activities: Earth Hour (turning off lights for one hour).

Social aspect

Organized two beach cleanup activities at Zhongjiao Bay in 2023, collecting approximately 220 kilograms of marine debris, equivalent to reducing 0.44 tCO2e emissions.

Achieved a customer satisfaction score of **91.5** (target was 85).

Continued accumulation of non-accident work hours, reaching **1,150,720** hours.

Passed the reassessment for ISO 45001:2018 and CNS 15506:2011 (TOSHMS)
Occupational Safety and Health Management System standards.

● Held the third Corum Art in Science Award, with 95 works participating from 17 elementary schools, 9 junior high schools, and 4 high schools/vocational high schools, expanding local participation and impact.
● Received a beach cleanup appreciation certificate from the Environmental Protection Department of New Taipei City. We not only focus on green environmental practices in product development but also actively promote environmental awareness among employees, practicing corporate social responsibility.

Expanded the charity book donation activity, donating a total of 549 books, spreading the power of reading.

Actively participated in the "CommonHealth Magazine" 2023 CHR Healthy Corporate Citizen Pledge, continuing efforts with talent sustainability as a core corporate goal.

0.4 Awards and Recognition for 2023

- **Corum received a beach cleanup appreciation certificate from the Environmental Protection Department of New Taipei City.**

  Corum was awarded a certificate of appreciation from the Environmental Protection Department of New Taipei City for its efforts in coastal environmental protection. We are honored to participate in this event and will continue to commit to environmental issues, actively participating in various green environmental activities.

- **Corum was invited to deliver a speech at the "2023 Workplace Safety and Intelligent Disaster Prevention Seminar" and shared occupational safety and health management policies.**

  Corum was invited by the Ministry of Labor's Occupational Safety and Health Administration to participate in the 2023 Workplace Safety and Intelligent Disaster Prevention Seminar, where we introduced explosion prevention for hazardous chemicals and shared our occupational safety and health management practices.

- **CDP Climate Change Evaluation**

  Corum continuously responds to the CDP Climate Change Evaluation, achieving improved scores from a "D" rating in 2018 to a "B-" rating in 2023. A B rating indicates a company possesses the capability to manage impacts of climate change. Simultaneously, we also improved our scores in the CDP Supply Chain Evaluation, from a "C-" rating in 2018 to a "B-" rating in 2023, demonstrating that our efforts and achievements in carbon reduction management have been recognized internationally.

| Response	Year	Response type	Status	Score	
Climate Change 2023	2023	Public	Submitted	B-	B-
Climate Change 2022	2022	Public	Submitted	C	B-
Climate Change 2018	2018	Non-public	Submitted	D	C-

01 Sustainable Business Strategy
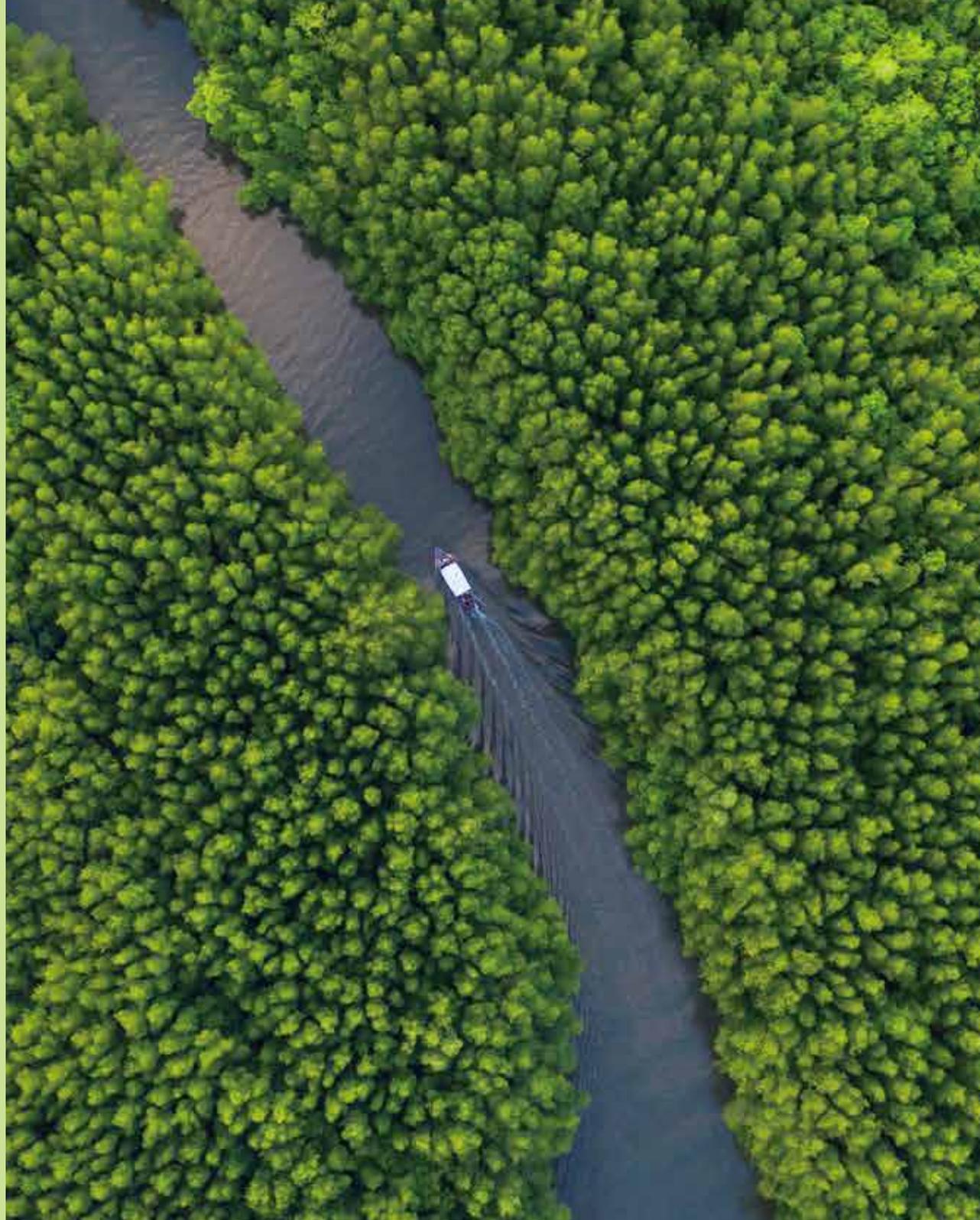
1.1 Corum's Sustainability Organizational Structure GRI:2-13,2-14,2-16

1.1.1 Sustainability Committee Introduction

In 2020, Corum established the "Energy Management Committee" to integrate environmental and sustainability management into corporate operations while pursuing business development. In the four dimensions of supplier assessment, energy conservation and environmental promotion, labor welfare, and community engagement, we execute communication management and continuous improvement actions. We collaborate with customers, employees, suppliers, and key business partners, among other stakeholders, to collectively fulfill the specific commitments for sustainable energy development. By continuously advancing green chemical manufacturing and a green supply chain, we aim to achieve a symbiotic and harmonious relationship between our business and the environment.

In 2021, based on the "Energy Management Committee", Corum reorganized and established the "Sustainability Committee" as the main unit responsible for the Company's sustainability development. The Committee is chaired by the Chairman of the Board of Directors, with the Vice President serving as the Vice Chairperson, and the top executives of each department are members of the Sustainability Committee. The Sustainability Office is responsible for coordinating and supervising the committee, while the Corporate Governance Team, Sustainable Environment Team, and Social Inclusion Team are responsible for collecting and integrating various sustainability themes and resources into the Company's internal organization and implementation. The Sustainability Committee meets twice a year to discuss the goals and results of each working group, and reports directly to the Chairman of the Committee. The number of meetings is flexibly adjusted when necessary in response to global trends and changes in regulations. In addition to the members of the Sustainability Committee, members of the working groups may be invited by the Chairman to participate in the meeting according to the content of the motion. Resolutions or discussions passed by the Sustainability Committee will be documented. After review by the Chairman, they are then delegated to the relevant working groups through the Sustainability Office for implementation.

1.1.2 Sustainability Committee Organizational Chart
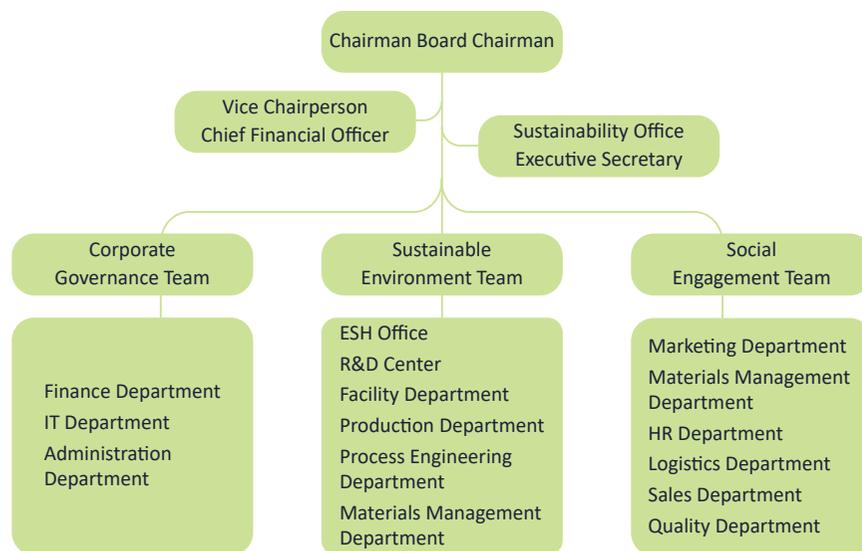
1.1.3 Sustainability Committee Working Team Undertakings

Corporate Governance Team
Responsible for corporate governance planning (including performance plan), operational risk management, internal audit, financial performance, and Board of Directors governance practice.

Objectives:
Formulate sustainable development direction and strategic objectives.

Sustainable Environment Team
Responsible for the planning of the Company's environmental operations including environmental performance metrics planning and achievement demonstration such as green product supply chain (environmental considerations of product life cycle), energy conservation and carbon reduction, green resource utilization, and GHG audit.

Objectives:
Protect the environment and ensure the sustainable use of natural resources.

Social Inclusion Team
Responsible for the planning of the Company's social operations and social performance including employee remuneration and benefits, education and training, personnel structure, occupational safety and health, product safety, customer service, labor relations, public welfare activities, etc.

Objectives:
Promote sustainable culture and exert social influence.

1.1.4 Sustainability Committee Operations

Step.1
Sustainability Committee, proposal and planning of related initiatives.

Step.2
Report to the Chairman and Vice Chairperson.

Step.3
Deliver to the Sustainability Office.

Step.4
Implementation by each task force.
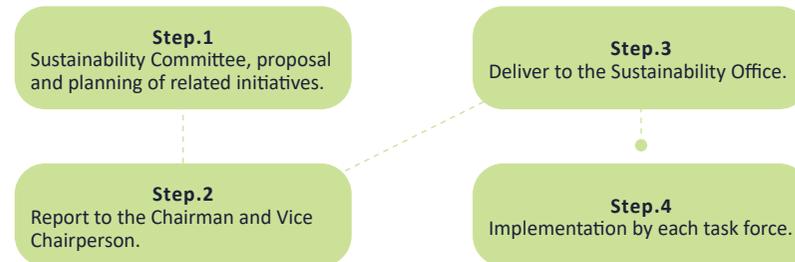
1.1.5 Corum's Sustainability Vision

The goals set by the Sustainability Committee are aligned with the United Nations Sustainable Development Goals (SDGs) and the material topics identified by the Company. This alignment involves examining the Company's development principles and management mechanisms across environmental, social, and governance aspects. Corum's long-term sustainability direction is rooted in the founder Mr. Lee Pei-Min's "people-centric" business philosophy. This philosophy is followed through with the transmission of visionary concepts from the leadership down to all levels within the organization. Under each component and material topic, tailored long-term goals are established, and based on business growth projections, mid-term plans and quantifiable or qualitative objectives are set. We aim to extend Corum's sustainability spirit to industries, society, the nation, and the world, and continue to develop a more comprehensive business system according to Corum's sustainability principles.

1.2 Corporate Profile GRI:2-1,2-6

1.2.1 Business Philosophy

Corum is committed to becoming a leader in the cosmetic raw materials industry. Our business philosophy is centered around "Inspiring Innovative Efficacy in Ingredients." Our goal and vision are to "engender a caring, healthy, sustainable, and beautiful world." Through continuous research and clinical testing, Corum's innovative ingredients adhere to the highest standards of efficacy verification and quality control, with the sole purpose of providing customers with better solutions for skin health and well-being.

- Customer-centric Service: Prioritizing customer satisfaction, dedicating efforts to provide timely and high-quality customer service, offering customers the latest trends, and nurturing marketing professionals with a global perspective.

- Product Safety and Innovation: We emphasize safety evaluation, efficacy evaluation, and clinical evaluation of raw materials. We collaborate with internationally certified laboratories for safety and efficacy assessments, and we prohibit animal testing.

Innovation, rigorous scientific research, and quality assurance form the foundation of the Company. These pillars drive our proprietary technology platform, continuous innovation in molecular cosmetology research, and biotechnology development, enabling Corum to develop active ingredients and new cosmetic/pharmaceutical applications sustainably. Through collaboration, we always aim to bring success to our customers.

1.2.2 Value Proposition

Corum aspires to play a leading role in the specialty chemicals manufacturing sector, bringing about a positive impact for stakeholders. We are committed to continuous efforts across environmental (E), social (S), governance (G), and supply chain (SC) dimensions, working towards creating a brilliant and beautiful future.

- **Environment:**
  Establish a sound environmental management system and comply with the laws and regulations of each country as the basis for developing environmentally friendly products and processes.

- **Social:** Emphasize labor rights and business integrity, and stress the need for employees to contribute to social welfare activities.

- **Governance:** Continuously respond to international questionnaires, such as the CDP (Carbon Disclosure Project) and the EcoVadis rating platform (Supplier Sustainability Rating), in order to scrutinize the integrity of the governance structure.

- **Supply Chain:** Enhancing two-way communication and collaboration within the supply chain, implementing sustainable procurement based on self-assessment declarations and on-site assessments of upstream suppliers. For downstream distributors and customers, apart from conducting satisfaction surveys, continuous communication is maintained to implement consolidated shipping methods that contribute to carbon emissions reduction.

1.2.3 Company Information

Company name	Corum
Location of headquarters	6F., No. 360, Ruiguang Rd., Neihu Dist., Taipei City
Capital for FY2023 (Unit: NT$ thousand)	120,000
Total number of employees	Taiwan: 167 employees (Statistics based on the number of insured persons in labor insurance as of December 31, 2023)
Total number of operating locations	Name of country: Taiwan
	Taipei headquarters (Taipei City), branch offices (Taichung City, Tainan City), R&D Center (New Taipei City), Factory Plant (Chiayi County Minsyong Industrial Park)
Description of main products/ services	Our vision is to become a global leader in manufacturing, delivering high-quality products and services that create value for customers and contribute to society. We are committed to continuous innovation and technology development to improve production efficiency and product quality while minimizing environmental impact. We will achieve our vision by meeting customer needs, providing high-quality pre-sales and after-sales services, and attracting and retaining outstanding talents. Corum provides a wide range of services, such as pre-sales consultation, product design, manufacturing, logistics and transportation, and after-sales service. Corum provides comprehensive manufacturing solutions, including product design, prototyping, manufacturing, logistics, transportation and after-sales service. Our team of knowledgeable professionals has rich industry experience and expertise, and is able to provide customized services according to customers' needs and requirements. Our manufacturing processes follow stringent international standards to ensure product quality and safety. We also provide quick response and flexibility to meet customers' urgent needs. Our after-sales service team is always ready to answer customer questions and provide technical support, ensuring customer satisfaction and loyalty.
The geographical location of products/services provided and sales market	Corum has two main business units: cosmetic raw materials and API active pharmaceutical ingredients. We provide high-quality raw materials and technical services to over 40 countries worldwide.

1.2.4 Company history

Corum was founded in 1987 with headquarters in Neihu Technology Park, Taipei, and the Chiayi factory was constructed in 1995 in the Minsyong Industrial Park. Corum is a leading upstream R&D and manufacturer of raw materials for cosmetics, personal care, household products, and pharmaceutical industry in Taiwan.
The Company is also a globally renowned cosmetics group and OEM of innovative raw materials for biotechnology; currently, we have developed several dozen R&D patents to facilitate developments in Taiwan's biotechnology industry and accelerate innovation. Under the leadership of our Chairman Li Pei-Min, we uphold the principle of ethical management and people orientation to contribute to society and the environment. Moreover, we strive to help those in need through public welfare activities.

Our products include anti-aging active peptides, innovative vitamin C derivatives, heat sensation agent, cool sensation agent, patented whitening peptides, patented anti-dandruff ingredients, anti-hair loss ingredients, whitening and anti-pimple active ingredients, amino acid surfactants, and moisturizing humectants.
The products are sustained through ongoing R&D, and clinical trials, as well as efficacy, quality, and quantity of the highest standards. Based on scientific rigor, innovation, and quality assurance, we can provide a full range of outstanding products and services globally. The Company is also dedicated to offering better solutions for more beautiful, healthier skin.

We uphold the principle of green chemistry in conducting R&D to minimize the environmental impact of our activities, as well as to manage the sustainability of resources and engage in responsible procurement. According to the United Nations' "Convention on Biological Diversity" and Brazil's "Biodiversity Law No. 13, 123/2015", none of the raw materials in our manufacturing process is classified as the extraction of ecological and genetic resources. Furthermore, all the countries we have purchased from comply with Access and Benefit Sharing (ABS) including the "Nagoya Protocol" and "Convention on International Trade in Endangered Species of Wild Fauna and Flora" (CITES, also known as the Washington Convention), to promote the fair distribution of benefits arising from genetic resources.

Our core objectives are closely related to the UN's SDGs, in turn providing us with a framework to evaluate how we can coordinate environmental impacts and social contributions more effectively instead of examining each problem independently. In terms of personnel, we have formulated a code of conduct policy to support gender equality, anti-discrimination, anti-child labor, anti-forced labor, workplace safety, freedom of association, collective bargaining rights, good health and welfare. Concerning economic prosperity, we have targeted investments in infrastructure and energy projects, integrating SDGs at every stage to realize proactive and measurable social and environmental performance. In terms of environmental protection, we vigorously respond to CDP (Carbon Disclosure Project)'s climate change questionnaire and use the EcoVadis CSR scorecard to perform self-evaluations to manage operational risks and look after our stakeholders' interests.
We aspire to contribute to economic development, minimize environmental impact, and generate benefits for local communities.

We place great importance on the establishment of management systems, having obtained certifications for ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), and ISO 45001 (Occupational Safety and Health Management System). These certifications enable us to effectively control risks and enhance performance.

We constantly strive to improve our business process to optimize the utilization of rare natural resources, vigorously provide a work environment that cares about our employees' welfare, safety, and health, and generate sustainable economic contributions.

1.2.4 **Company history**

1987
Taipei headquarters established

1995
Chiayi factory established

2002
★ R&D of cosmetic active ingredients
★ Taipei laboratory established

2004
★ Passed ISO 9001 : 2000 quality management system certification
★ R&D of API (active pharmaceutical ingredient)

2007
Established GMP standard clean room

2009
★ Passed ECOCERT certification Passed
★ ISO 9001 : 2008 quality management system certification

2010
Completed EU REACH registration and pre-registration

2011
Established cell culture laboratory

2013
★ Passed ISO 22716 : Cosmetics - Good Manufacturing Practices (GMP) certification
★ Passed Halal certification

1.2.4 **Company History**

2018
- ★ Launched drug quality management GMP facility construction
- ★ Passed ISO 45001:2016 occupational safety and health management system certification
- ★ Passed ISO 9001 : 2015 quality management system certification

2020
- ★ NCE contract manufacturing
- ★ Obtained Dun & Bradstreet Certificate
- ★ Developed active pharmaceutical/cosmeceutical ingredients R&D technology

2022
- ★ Passed TOSHMS specific audit key matters requirements
- ★ Comprehensive implementation of greenhouse gas inventory (Scope 123)
- ★ Kick-off and publish the first Corum corporate sustainability report
- ★ The 2nd CORUM ART IN SCIENCE AWARD (Xin Chuan Second-hand Bookstore Minxiong, Shuishui and Dalin branch)
- ★ Donate for Reindeer Children Home (RCH)
- ★ Adopts a national coastline to expand beach cleanup events
- ★ Further achievements in carbon reduction for consolidated shipping

2016
- ★ Passed ISO 14001 : 2015 environmental management system certification

2019
- ★ Passed ISO 45001:2018 occupational safety and health management system certification
- ★ Obtained RSPO membership
- ★ Passed COSMOS certification

2021
- ★ Completed the P2 factory expansion
- ★ The 1st CORUM ART IN SCIENCE AWARD (Xin Chuan Second-hand Bookstore Minxiong and Shuishui branch)
- ★ Initiated the advocacy program of consolidated shipping

2023
- ★ R&D center expansion and relocation
- ★ Actively participated in the "**CommonHealth Magazine**" 2023 CHR Healthy Corporate Citizen Pledge
- ★ The 3nd CORUM ART IN SCIENCE AWARD (Xin Chuan Second-hand Bookstore Minxiong,Shuishui and Dalin branch, Yizhu Township,Kaohsiung)
- ★ Establish a corporate sustainability website www.corum-esg.com

1.2.5 Company Organizational Chart

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                              Chairman
                                 |
                             President
                                 |
      +--------------------------+--------------------------+
      |                          |                          |
  R&D Center              Finance Center          Manufacturing Plant
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- R&D Department
- Cell & Molecular Biology Research Department
- Technical Service and Development Department
- Product Development Department
- Marketing Department
- International Business Department
- Domestic Sales Department
- Logistics Department
- IT Department
- Finance Department
- Administration Department
- HR Department
- Quality Department
- Factory Affairs Office
- Facility Department
- Production Department
- Materials Management Department
- Process Engineering Department
- ESH Office

1.2.6 **Global Locations**

Corum's headquarters is located in Neihu District, Taipei City, with branch offices in Taichung and Tainan. Our R&D laboratory is situated in Xizhi District, New Taipei City, and our factory plant is located in Minsyong Township, Chiayi County. Corum has established a solid relationship with many global companies to promote our high-quality products to various markets around the world.

Taipei Office

R&D Laboratory

Taichung Office

Manufacturing Plant

Tainan Office

1.2.7 **Global Partners**

In 2023, the business relationships between the supply chain and distributors of Synbio Technologies saw an addition of 6 new agents and expanded into 13 new countries compared to 2022.

No.	Country	Company
1	Australia	A S Harrison & Co Pty Limited
2	Benelux	Safic-Alcan Benelux N.V.
3	Bulgaria,Hungary and Romania	C.H. Erbslöh Hungária Kft.
4	Brazil	SARFAM Ind.Com.Imp.Ltda,member of Safic Alcan
5	Canada	Barentz Canada ULC
6	China	Elgin Chemicals (Chongqing) Co., Ltd.
7	Colombia	PRESQUIM SAS
8	Czech Republic	Safic-Alcan Cesko, s.r.o.
9	Denmark,Finland, Iceland,Norway and Sweden	Safic-Alcan Nordic AB
10	Egypt	Safic-Alcan Necarbo Egypt LLC
11	Estonia, Lithuania,Latvia	Chempha OÜ
12	France	Safic-Alcan SAS
13	Germany	C.H.Erbslöh GmbH & Co. KG
14	Greece	CELLCO CHEMICALS SA
15	India	Vimal Lifesciences Pvt. Ltd.
16	Indonesia	PT. Lautan Luas Tbk
17	Iran	Afra Chemie Atis
18	Italy	ACTIVE BOX SRL
19	Japan	H. Holstein Co., Ltd.
20	Kenya,Nigeria, South Africa and Tanzania	The Care Co. (Pty) Ltd.
21	Korea	HANJOO C&C CO., Ltd.
22	Malaysia	Chemical Solutions Sdn Bhd , an Azelis company
23	New Zealand	A S Harrison & Co Pty Limited
24	Philippines	Wills International Sales Corporation
25	Poland	Safic Alcan Polska Sp. z.o.o
26	Portugal	Safic Alcan Portugal Sociedade Unipessoal, Lda
27	Russia	C.H.Erbslöh Russia O.O.O.
28	Spain	Safic-Alcan Especialidades, S.A.U.
29	Switzerland	C.H.Erbslöh Schweiz AG
30	Thailand	Chemico Inter Corporation Co., Ltd.
31	Turkey	SAFIC ALCAN KİMYA SANAYİ VE TİCARET A.S.
32	UK	Safic Alcan UK Limited
33	Ukraine	InDel Ltd
34	USA	Barentz North America LLC
35	Vietnam	Chemico Vietnam Co., Ltd.

1.3 Sustainable Development Strategy and Practices GRI:2-22

1.3.1 Sustainability Strategy Statement

Corum continues to uphold its 4C sustainability management policy: "Collaborative supplier management," "Conscious environmental protection," "Committing to sustainable governance strategies," and "Care for human rights, employees, and community." With an innovative mindset, comprehensive management, and a commitment to operating as a going concern, we aim to achieve the goal of sustainable development.

The 4C policy of corporate sustainability management

- Collaborative supplier management
- Conscious environmental protection
- Sustainable Development Strategy
- Care for human rights, employees, and community
- Committing to sustainable governance strategies

At the same time, based on the 4C policy framework, Corum has developed five key operational principles to shape our corporate culture and align with sustainable development goals.

1.Quality First
Corum has obtained multiple ISO certifications and is continuously improving the efficiency and reliability of energy use through technological advancements to maintain the goal of quality excellence.

2.Product Excellence
Corum is the first biotech company in Taiwan awarded the National HSE Award and 5-Star Award for consecutive Occupational Safety and Health Excellence. Protecting workers is always our top priority. Additionally, with the expansion of our production facilities, we expect our capacity to double, further integrating ESG management to fulfill our commitment to sustainable development.

3.Innovative R&D
Corum's vision is to provide better solutions for skin health and well-being. We are committed to researching and developing innovative, safe, and high-performance biopharmaceuticals and cosmetic active ingredients, currently holding numerous international patents in research and application.

4.Creating a World of Caring, Beauty and Sustainability
Corum's core objectives are closely aligned with the UN SDGs, pursuing corporate profitability, social responsibility, and sustainable development simultaneously. By taking on corporate social responsibility, the Company aims to achieve balanced economic, social, and environmental development and give back to society.

5.Connecting with the World
Corum actively participates in global exhibitions and technical seminars, showcasing products and integrating them with cutting-edge scientific research. We recognize that sustainable development is a global challenge and respond to international surveys to address global issues related to climate change.

1.3.2 **Sustainability Policy Commitment**

Collaborative supplier management

Corum requires suppliers to comply with local legal regulations and Corum's Ethical Corporate Management Best Practice Principles.
In procurement activities, social responsibility and environmental benefits are fully considered, prioritizing environmentally friendly products and services while balancing economic and environmental benefits. We are committed to fulfilling corporate social responsibilities such as environmental protection, energy-saving, and carbon reduction with our upstream and downstream suppliers in an effort to create a sustainable supply chain.

|Execution Methods and Enforcement|
By signing supplier self-assessment questionnaires and declarations, as well as conducting customer satisfaction surveys, we implement supplier management and risk assessment. Based on the content of suppliers' self-declarations and self-assessment questionnaires, we conduct annual evaluations on energy conservation, environmental protection, eco-labeling, and sustainable procurement to improve business activities and establish sustainable value commitments.

Committing to sustainable governance strategies

Corum's highest governance body is the Board of Directors, which is responsible for overseeing the execution of the Company's various operations and plays a leadership role in the sustainable development of the business. We uphold principles of ethical business conduct and regulatory compliance while balancing the interests of all stakeholders, including employees, customers, suppliers, the environment, and society, actively fulfilling corporate social responsibility.

|Execution Methods and Enforcement|
To implement Corum's commitment to sustainable governance during operations, we hold management review meetings with senior executives and respond to international surveys, such as the Carbon Disclosure Project (CDP) and the EcoVadis evaluation platform, to fulfill our commitment to sustainable governance and enhanced communication.

Conscious environmental protection

Corum complies with relevant regulations to improve energy efficiency, use green products and raw materials, and aims to achieve set energy-saving goals. We adhere to the principles of source management, process waste reduction, and end-of-line control to minimize environmental impact.

|Execution Methods and Enforcement|
• Establish a robust environmental management system and comply with regulations in various countries:
ISO 9001, ISO 14001, ISO 45001, ISO 22716.
• Comply with the 12 Principles of Green Chemistry, and use them as the basis for developing eco-friendly, harmless products and production processes.and use them as the basis for developing eco-friendly, harmless products and production processes.

Care for human rights, employees, and community

Corum prioritizes labor rights and human rights, has issued a Human Rights Policy and Ethical Corporate Management Best Practice Principles, and regularly assesses human rights risks while taking appropriate corrective actions to mitigate negative impacts on human rights protection, ensuring that interests of stakeholders are not compromised. We also maintain communication with relevant groups through various channels:
• Create a campus recruitment channel to develop a sustainable recruitment plans.
• Engage in technology innovation and scientific research through industry-academia collaboration.
• Support a friendly environment and promotional activities.
• Provide volunteer service for public welfare activities.

|Execution Methods and Enforcement|
In Corum's business operations, we maintain:
• Gender equality in workforce structure.
• Equal pay for equal work, irrespective of gender, age, religion, race, social status, or ancestry.
• Prevent discrimination, child labor, overtime, or forced labor incidents through education and training.
• Establish the "Corum Ethical Corporate Management Best Practice Principles" and "Corum Human Rights Policy," with regular reviews of their effectiveness.
• Implement a bi-annual performance assessment mechanism.
• Conduct a health examination to protect our employees' physical and mental wellbeing.

1.4 Key Goals and Achievement Status for 2023

1.4.1 Implementation Results of 2023 Goals

Corum regularly self-assesses each sustainability policy and goal to provide clearer guidance for employees when engaging with stakeholders. We formulate short-term, medium-term, and long-term strategies and performance goals based on the SDGs, integrating sustainable development with strategic objectives and incorporating holistic considerations to benefit all stakeholders.

❶ Legal compliance

2022 Goals

Achievements in 2023
Zero violation in 2023.

Short-term goals:
- Annual ESG-related legal training reaches 90%.

Medium-term goals:
- Annual ESG-related legal training reaches 100%.
- Zero legal violation incidents.

Long-term goals:
- Maintain zero legal violations by the Company.

❷ Business Ethics

2022 Goals

Achievements in 2023
Zero violation in 2023.

Short-term goals:
- Overall coverage of "Ethical Business Conduct Education Training" for employees ≥ 90%.
- Regularly announce updates or changes to regulations.

Medium-term goals:
- Regularly publish sustainability reports, continuously reviewing the Company's commitment to corporate social responsibility and efforts.

Long-term goals:
- Establish a corporate culture of ethical business conduct and sound development.

❸ Information security

2022 Goals

Achievements in 2023
Zero information security events in 2023.

Short-term goals:
- Organize information security education and training to enhance the employees' awareness of information security and relevant responsibilities.

Medium-term goals:
- Protect the Company's business activity information, and prevent unauthorized access and modification to ensure its accuracy and integrity.

Long-term goals:
- Ensure the Company's critical core systems maintain a certain level of system availability.

❹ Supply Chain Management and Procurement Practices

2022 Goals

Achievements in 2023
In 2023, the number of signed "Supplier Corporate Social Responsibility Commitment" reached 81.25%, an increase of 2.38% compared to 2022. The local procurement rate in 2023 reached 78.75%, up 2.97% from 2022.

Short-term goals:
- Include sustainable development as an assessment criteria in supplier audits.
- Continue to materialize the signing of documents related to the supplier's commitment to sustainable development.
- Set a target for local procurement at 80%.
- Achieve a signing rate of 83% for the "Supplier Corporate Social Responsibility Commitment", with a goal of 85% within three years.

Medium-term goals:
- Encourage our suppliers to implement GHG audits.

Long-term goals:
- Encourage suppliers to develop carbon reduction plans to achieve the national goal of net-zero greenhouse gas emissions by 2050.

⑤ Customer service

2022 Goals ✓

Achievements in 2023
In 2023, the customer satisfaction score was 91.5, an increase of 2.2 points from 2022.

- **Short-term goals:**
  - Customer satisfaction score reached 85 points.

- **Medium-term goals:**
  - Conduct annual customer satisfaction level surveys, reaching a score of over 90 points.

- **Long-term goals:**
  - Maintain good customer relations and decrease customer complaints.

⑥ Human Rights Assessment

2022 Goals ✓

Achievements in 2023
Continuous improvement based on feedback from the 2024 employee satisfaction survey.

- **Short-term goals:**
  - Achieve a score of 70 in the employee satisfaction survey.
  - Set "zero complaints" as the annual goal to foster a friendly workplace.

- **Medium-term goals:**
  - Conduct employee satisfaction surveys every two years, aiming for a score of 75 or higher.

- **Long-term goals:**
  - Maintain sound employee relations, increase organizational harmony, and thereby enhance company solidarity.

⑦ Product liability

2022 Goals ✓

Achievements in 2023
Continued investment in optimizing product development to meet ISO quality management objectives.

- **Short-term goals:**
  - Ensure Corum's products are 100% compliant with health and safety regulations.
  - Ensure Corum's products are 100% compliant with product information and labeling regulations.

- **Medium-term goals:**
  - Establish a quality management system compliant with PIC/S GMP standards for active pharmaceutical ingredients (API) and pass inspections.
  - Establish a quality management system compliant with EFfCI GMP Standards for cosmetic raw materials and pass inspections.
  - Promote product natural certification.

- **Long-term goals:**
  - Continuously optimize product development processes and compatibility research.
  - Ensure compliance with health and safety regulations for products.
  - Continuously pass ISO 9001, EFfCI GMP, and PIC/S GMP quality management system certifications.

⑧ Water Resource and Energy Management

2022 Goals ✓

Achievements in 2023
There was no violation of laws and regulations on water quality and discharge requirements in 2023.

The domestic customer shipment consolidation plan in 2023 expanded the number of participating customers but saw limited efficiencies, with no energy conservation data available.

- **Short-term goals:**
  - Reduce pollutant emissions.
  - Ensure water resource allocation to address potential water resource risks.
  - Actively manage and promote water-saving performance, such as installing water-saving devices and rainwater harvesting systems.
  - For electricity usage: implement energy-saving lighting and air conditioning facilities.
  - For natural gas usage in factory plants: replace equipment with higher energy efficiency.

- **Medium-term goals:**
  - Conduct water resource education and training to popularize the concept.
  - For transportation measures: communicate with domestic (and foreign) customers to formulate relevant energy-saving transportation strategies.

- **Long-term goals:**
  - Promote innovation in water resource management technologies and methods to improve water resource utilization efficiency and management levels.
  - Evaluate the purchase of green power.

9 Waste Management and Pollution Prevention

2022 Goals

6 CLEAN WATER AND SANITATION

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Achievements in 2023
Due to the expansion and increase in production in 2022, the overall waste output increased by 26% compared to 2021. After review and adjustment, the total waste output in 2023 decreased by 10.4% compared to 2022.

Although we did not achieve the 1% reduction target set for 2021, we remain committed to reducing waste generation.

- **Short-term goals:**
  - Reduce waste per ton of production by 1% in 2023 compared to 2021.

- **Medium-term goals:**
  - Achieve a 3% reduction in waste per ton of production by 2026 compared to 2021.

- **Long-term goals:**
  - Reduce total waste emissions, promote resource recycling and reuse, and strengthen monitoring and enforcement.

10 Energy Conservation and Carbon Reduction

2022 Goals

7 AFFORDABLE AND CLEAN ENERGY

11 SUSTAINABLE CITIES AND COMMUNITIES

13 CLIMATE ACTION

Achievements in 2023
Corum continuously responds to the CDP Climate Change Evaluation, achieving improved scores from a "D" rating in 2018 to a "B-" rating in 2023.

The total greenhouse gas emissions for 2023 were 5,273.25 metric tons, representing a carbon reduction of 949.23 metric tons compared to 2022, with a reduction rate of 15.25%.

- **Short-term goals:**
  - Obtain approval for the Company's carbon reduction roadmap and targets from the Science Based Targets initiative (SBTi).
  - Pass SBTi verification of the Company's carbon reduction roadmap and targets.

- **Medium-term goals:**
  - Achieve an "A" rating in CDP - Climate Change Assessments.
  - Complete product life cycle assessment (LCA).
  - Obtain ISO 14067 product carbon footprint verification.

- **Long-term goals:**
  - Ensure 100% effectiveness of TCFD risk measures and opportunity actions.
  - Based on 2022 as the baseline year, annually reduce Scope 1 + Scope 2 + Scope 3 emissions by 4% (intensity unit: tCO_2e/ton of product).
  - Achieve carbon neutrality by 2050.

11 Occupational safety and health

2022 Goals

3 GOOD HEALTH AND WELL-BEING

Achievements in 2023
From 2017 to 2023, there were zero occupational accidents, and this record is being maintained.

- **Short-term goals:**
  - Zero major occupational accidents.

- **Medium-term goals:**
  - Zero major occupational accidents.

- **Long-term goals:**
  - Zero major occupational accidents.

⑫ Workplace Health Promotion

2022 Goals ✓

4 QUALITY EDUCATION

Achievements in 2023
The ratio of education and training in 2022 is as follows :
Internal training: 100%
External training: 81% (Due to the severity of the pandemic, public courses could not be held, resulting in the achievement rate falling short of the 95% target).

The ratio of education and training in 2023 is as follows :
Internal training: 100%
External training: 86%
Although the annual target of 95% was not achieved, there was a 5% increase compared to 2022.

- **Short-term goals:**
  - Submitted the "Education and Training Requirement Form for the Following Year" in Q4, achieving a punctuality rate of 100%.
  - For training proposals that are not included in the annual training requirement form, the "Provisional Education and Training Application Form" should be submitted. A compliance rate of 100% was achieved.
  - 100% internal training completion rate.
  - 95% external training completion rate.

- **Medium-term goals:**
  - Continue to introduce new employees and retain talents.
  - Devise appropriate plans to let the old employees pass on their experience to the new employees.

- **Long-term goals:**
  - Facilitate intergenerational interactions to bolster the Company's knowledge management performance.

⑬ Social engagement

2022 Goals ✓

4 QUALITY EDUCATION
6 CLEAN WATER AND SANITATION
10 REDUCED INEQUALITIES
13 CLIMATE ACTION
14 LIFE BELOW WATER

Achievements in 2023
Starting in 2022, Corum adopted Zhongjiao Bay Beach in Jinshan District, New Taipei City, pledging to conduct beach cleanups twice a year. In 2023, in addition to Corum employees, we also invited employees' relatives and friends, members of the public, and students to participate in beach cleanup activities.

The 2023 painting competition continued to be held at Xinchuan Used Bookstore and Reindeer Children's Home, encouraging students to engage in scientific knowledge learning through painting.

In 2023, Corum set up a book donation box at the Taipei headquarters building, rallying neighboring companies to donate a total of 549 books to Xinchuan Used Bookstore in Chiayi.

- **Short-term goals:**
  - Conduct 1-2 beach cleanup activities annually.
  - Set up book donation boxes to call for more people to participate in the book donation drive.

- **Medium-term goals:**
  - 2030 goal:
    Conduct 5 public welfare activities.

- **Long-term goals:**
  - 2050 goal:
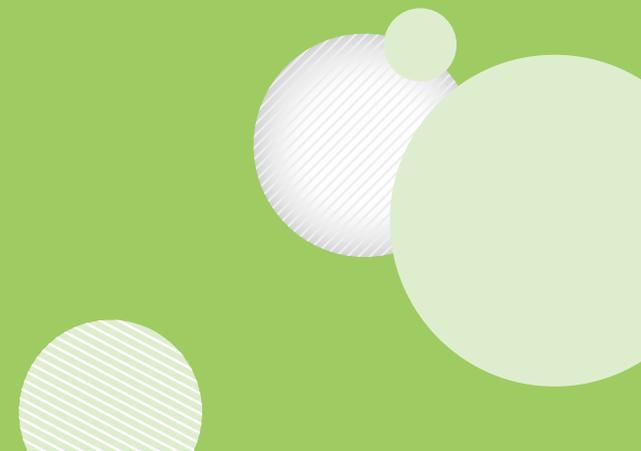   Sustainable Society, Expanding the Impact of Philanthropy.

02 Stakeholder Engagement

2.1 Material Topics Identification and Analysis Process GRI2:3-1,3-2

Corum analyzes global trends and collects sustainability issues of concern to stakeholders through various methods, including social media platforms and questionnaire analysis. After internal meetings and impact analyses, the Sustainability Committee identifies, ranks, and reviews these issues of concern based on characteristics such as dependency, responsibility, influence, diverse perspectives, and tension. This process results in the identification of stakeholders and material topics.

Dependency — Stakeholders who directly or indirectly depend on Corum's products, activities, or services.

Responsibility — Stakeholders to whom Corum has legal, business, or ethical responsibilities.

Influence — Stakeholders who have an influence on Corum's strategic or operational decisions.

Diverse Perspectives — Stakeholders who, through different viewpoints, can inspire Corum to gain new insights and opportunities.

Tension of Concern — Stakeholders who are concerned about Corum's financial, economic, social, and environmental issues.

Note:
The six main categories of stakeholders are employees, customers/distributors, suppliers/contractors/subcontractors, competent authorities, the Board of Directors, and the media.

In 2023, Corum developed effective communication strategies and channels for these six categories of stakeholders, and at the same time identified 11 material topics that hold a material impact on Corum and on the external economy, environment and people.

In response to suggestions from stakeholders in the material topic survey of 2022, Corum added two new topics, "biodegradability" and "Animal Protection," to the 2023 survey and re-evaluated them. Moving forward, the material topics identification process will be conducted every two years, allowing for regular assessments of the impact of topics, enabling management to effectively allocate resources and integrate them into sustainable development strategies. Simultaneously, both positive and negative information will be disclosed to provide stakeholders with a basis for informed decision-making, meeting their expectations.

Corum's stakeholder concerned topic identification procedure in 2023

Item	Description	Outcome
1. Identify stakeholders	Corum conducts internal discussions and impact analyses in accordance with the five assessment principles of the AA1000 SES Stakeholder Engagement Standard. Through the "Sustainability Committee," and based on characteristics such as dependency, responsibility, influence, diverse perspectives, and tension of concern, as well as the materiality identification process of GRI Standards (2021), the method for identifying material topics was defined. Ultimately, through internal identification procedures, six major categories of prioritized stakeholders were determined.	6 major stakeholder categories
2. Summarize sustainability topics	The collection of sustainability topics takes into consideration the context of sustainability, primarily based on the GRI Standards guidelines published by the Global Reporting Initiative (GRI), and refers to the Taiwan Stock Exchange "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" and international databases such as MSCI ESG and SASB. Taking into account benchmarking, Company operations, and industry characteristics, 27 topics were summarized, including corporate governance, environmental protection, social participation, and supplier management, which were adopted for questionnaire design.	27 sustainable development topics
3. Investigate concerned topics	To understand the stakeholders' level of concern toward a specific sustainability topic, Corum has applied online questionnaires to investigate the stakeholders' concerned topics. The members of the Sustainability Committee also issued impact questionnaires on the major impacts of sustainable management, which served as a reference for impact ranking. This year, a total of 80 concern questionnaires were collected (after excluding 26 outliers); 10 impact questionnaires were collected.	90 questionnaires collected
4. Identify material topics	Through questionnaire analysis, the concern scores for each topic and the sustainability impact scores provided by the Sustainability Committee members are subjected to matrix analysis. Following this process and validation by the Sustainability Office, a total of 11 material topics were identified for 2023. These topics are disclosed along with their relevant management actions.	11 material topics
5. Review and discussion	The Company will bolster the management of material topics, corresponding chapters, and boundary analysis identified, as well as disclose the relevant information in the sustainability report. Every year, we will continue to review the material topics to determine if adjustments are necessary.	Completed sustainability report

2.1.1 **2023 Corum Material Topics Analysis**

2.1.3 **2023 Material Topics Statistics**

Material topic category	Material Topic	Item
1. **Environmental aspect**	● GHG Emissions ● Water Resource and Energy Management	**2**
2. **Social aspect**	● Product liability ● Customer service ● Occupational safety and health ● Education and Training	**4**
3. **Governance and Supply Chain**	● Business Ethics ● Legal compliance ● Information security ● Climate Governance Response ● Supply Chain Management and Procurement Practices	**5**

2.1.2 **List of Material Topics**

Environmental Aspect

1* GHG Emissions
2 Emission of Hazardous Substances
3* Water Resources Management
4* Energy Management
5 Use of Renewable Energy
6 Use of Raw Materials
7 Biodiversity
8 Biodegradeability

Social Aspect

9 Innovative R&D and Forward Thinking
10* Product Liability
11* Customer Service
12* Occupational Safety and Health
13 Social Engagement
14 Labor/Employer Relations
15 Human Rights Assessment
16* Training and Education
17 Animal Protection

Governance Aspect

18 Economic Performance
19* Business Ethics
20* Legal Compliance
21* Information Security
22 Market Position
23 Operational Risk Assessment
24* Climate Governance Response
25 Taxation and Accounting

Supply Chain Management Aspect

26* Supply Chain Management
27* Procurement Practices

▲

Note:
In 2023, "Education and Training" was identified as a material topic (it was not a material topic in 2022). Additionally, the 2022 material topics of "Emission of Hazardous Substances," "Human Rights Assessment," and "Social Participation" were downgraded to general topics. Furthermore, "Water Resource Management" and "Energy Management" were merged into one material topic, and "Supply Chain Management" and "Procurement Practices" were merged into one material topic.

◄

Note:
Environmental, social, governance, and supply chain management topics are distinguished by color. Material topics are marked with an asterisk (*). As listed above, the topics of "Biodegradability" and "Animal Protection" were added to the 2023 survey.

2.2 Material Topics Management Approach GRI:3-3

2023 Relationship Between Material Topics and Corum's Value Chain

Material Topic	Importance to operations	GRI Standards	Material topic, value chain, impact boundaries							Management guidelines, disclosed chapters	Page
			Corum		Customer / Dealer	Competent Authority	Supplier/ Contractor/ Outsourcer	Media	Director/ Board of Directors		
			Head quarters	Chiayi factory							
GHG Emissions (E)	The global trend towards carbon reduction increases the survival pressure on businesses. To achieve net-zero carbon emissions goals, GHG emissions serve as a key metric for the Company's carbon reduction efforts. Monitoring, managing, and improving GHG emissions are essential actions.	GRI 3-3 GRI 305-1~305-7	●	●	●	●	●		●	5.2 TCFD Report: GHG Emissions	87
Water Resource and Energy Management (E)	Corum is committed to enhancing the use and management of various energy resources. This is to ensure the sustainability and recyclability of water resources; to increase energy efficiency, reduce waste, and promote the application of water conservation measures and energy-saving technologies.	GRI 3-3 GRI 302-1~302-5 GRI 303-1~303-5	●	●	●	●		●		5.4 Water Resource Management 5.5 Energy Resource Management	98 100
Product liability (S)	As a manufacturer of cosmetic raw materials, Corum emphasizes user health and safety. We strictly control safety, efficacy, stability, and compliance with various national cosmetic regulations, maintaining high quality and safety throughout the research, development, production, and sales stages, ensuring that our products meet customer quality and efficacy requirements.	GRI 3-3 GRI 417-1~417-3	●	●	●	●		●		3.1 Product Liability	34
Customer service (S)	With excellent product quality and innovative R&D capability, we offer consumers more diverse, healthy products. We listen to customer feedback, address issues, and meet customer needs, continually enhancing customer satisfaction through circular quality management.	GRI 3-3 GRI 416-1~416-2	●	●	●			●		3.4 Customer Service	43
Occupational safety and health (S)	Fostering a healthy workplace culture through safety and health management is very important. Through the operation and promotion of the management system, we can effectively decrease potential risks, prevent accidents, and protect the workers' physical and mental well-being, as well as the Company's assets and operations.	GRI 3-3 GRI 403-1~403-10	●	●	●	●				6.2 Occupational Safety and Health	115

2023 Relationship Between Material Topics and Corum's Value Chain

Material Topic	Importance to operations	GRI Standards	Material topic, value chain, impact boundaries							Management guidelines, disclosed chapters	Page
			Corum		Customer / Dealer	Competent Authority	Supplier/ Contractor/ Outsourcer	Media	Director/ Board of Directors		
			Head quarters	Chiayi factory							
Education and Training (S)	Talents are the bedrock of corporate development, hence cultivating talents generates competitive advantages. To enhance employee capabilities, we actively participate in various government talent development projects and implement annual internal and external training plans across departments, fostering growth for both employees and the Company.	GRI 3-3 GRI 404-1~403-2	●	●						6.3 Workplace Health Promotion	120
Business Ethics (G)	Business ethics is a manifestation of integrity in business operations, a crucial means of gaining trust, and the foundation for establishing meaningful, long-term partnerships with various stakeholders. It embodies the philosophy of sustainable business at Corum.	GRI 2-23~2-26 GRI 3-3 GRI 205-1~205-3 GRI 206-1	●	●	●	●	●	●	●	4.2 Business Ethics	52
Legal compliance (G)	Legal compliance is the foundation of corporate responsibility Regulatory compliance is the baseline of corporate responsibility. Implementing regulatory compliance helps avoid legal liabilities and penalties, builds a positive corporate image, and ensures steady growth and sustainable operations.	GRI 2-23~2-27 GRI 3-3	●	●	●	●	●	●	●	4.3 Legal Compliance	54
Information security (G)	Information security incidents cause disruptions in the Company's operations and lead to data breaches. Preventing information damage and protecting sensitive information is an unavoidable topic in enhancing information security management.	GRI 3-3 GRI 418-1	●	●		●				4.4 Information Security	56
Climate Governance Response (G)	Climate change is closely related to the sustainability and survival of all organisms and human beings on Earth, and it has an impact on corporate sustainability.	GRI 201-2 GRI 3-3	●	●	●	●	●		●	5.1 TCFD Report: Climate Governance Response	63
Supply Chain Management and Procurement Practices (SC,G)	In the era of globalization, the supply chain becomes an extension of corporate social responsibility, where the human rights and environmental requirements of the suppliers are an integral part of the enterprises' sustainability goals.	GRI 204-1 GRI 3-3 GRI 308-1~308-2 GRI 409-1 GRI 414-1~414-2	●	●	●		●			3.2 Procurement Practices 3.3 Supply Chain Management	38 41

2.3 Stakeholder Engagement and Approach GRI2:2-25,2-29

2.3.1 Types of Stakeholders and Their Significance

Corum evaluates all potentially affected parties, including individuals, groups, organizations, and society.In our 2023 Sustainability Report, we identified six categories of stakeholders.Throughout the sustainable management process, we continuously monitor and update the stakeholder list to ensure that all relevant stakeholders are included.

Employees

Talent is the foundation of our enterprise, and employees are our business partners. It is essential to offer competitive remuneration, comprehensive benefits, and a comfortable and safe working environment to attract outstanding talent and grow together. For the Company, employees are the key to its sustainable development.

Customer/Dealer

Customers are important business partners for the Company. We value customer feedback and provide appropriate solutions, maintaining professional services and keeping abreast of industry trends to achieve customer goals and sustain the Company's survival and development with appropriate profits.

Supplier/Contractor/Outsourcer

We ensure that the services provided by suppliers, contractors, and subcontractors meet the Company's standards and philosophy, satisfying our customers and building long-term cooperative partnerships to jointly pursue sustainable development.

Competent authority

Corum adheres to the relevant regulations set by government agencies and actively cooperates with policy implementation. Through transparent, two-way communication, we gain the trust, support, and cooperation of the government.

Media

The media is the most direct and fast channel for conveying brand image. Through reports, press releases, and interviews, the Company communicates its values, product advantages, and service strengths to the public, shaping a positive brand image. Therefore, media reporting and communication aim to appropriately respond to stakeholder concerns, understand market needs, improve products and services, correct mistakes, and achieve continuous progress.

Director/Board of Directors

The Board of Directors plays a crucial role in the Company's sustainable development. They lead the formulation of sustainability strategies, oversee the Company's sustainability performance, identify various risks, promote innovative systems, encourage sustainable practices, and evaluate the Company's sustainability performance.

2.3.2 **Communication Strategy Goals**

Corum engages with stakeholders through various channels, addressing their concerns and actively proposing corresponding strategies and actions.

Understand stakeholder needs

Analyze stakeholder rights and interests

Continuously communicate and improve

Engage in exchanges and participation

Demonstrate a responsible approach to decision-making

We welcome your valuable feedback through our sustainability website: https://www.corum-esg.com/.

2.3.3 Communication Frequency and Methods

Type	Concerned topics	Communication Channels (Frequency)	2023 Communication Achievements and Response Measures
1. Employees	• Occupational Safety and Health • Legal Compliance • Emission of Hazardous • Substances • Labor/Employer Relations	Department Meetings (as needed)	Internal meetings held by department supervisors to manage work objectives and progress.
		Executive Book Clubs	Held 10 sessions where speakers shared knowledge and experience from books.
		Corum E-newsletter, Social Media Platforms (Monthly)	Published at least one bilingual e-newsletter each month, shared via email, WeChat, Line official account, LinkedIn corporate account (a total of 60 bilingual e-newsletters were issued in 2023).
		Material Topic Level of Concern Questionnaire (Annually)	Material Topic Concern Survey: Once (Note: starting in 2024, this survey will be conducted biennially).
		Environmental Health and Safety Proposals Incentives (Quarterly/Annually)	Promoted 6S practices, with quarterly and annual awards given to winners in the form of bonuses or gift vouchers as encouragement. Number of sessions held in 2023: 4 sessions.
		OHSC (Occupational Health and Safety Committee) (Quarterly)	OHSC (Occupational Health and Safety Committee) meetings:4
		Health Promotion Lectures (Biannually)	Health promotion lectures:2
		Labor-Management Meetings (Quarterly)Education and Training (As needed)	Labor-management meetings:4
		Education and Training (As needed)	New employee education and training and pre-employment testing.
		Website Updates (As needed)	Published at least one bilingual (Chinese and English) update on the Company's website each month (A total of 68 bilingual updates were published in 2023).
		Employee Satisfaction Survey (Biennially)	The next employee satisfaction survey is scheduled for 2024.
2. Customer/ Dealer	• Information security • Legal compliance • Customer service • Product liability • Innovative R&D and Forward Thinking • Supply Chain Management • Business Ethics	Customer Satisfaction Survey (Annually)	Customer satisfaction survey: Once
		Material Topic Level of Concern Questionnaire (Annually)	Material Topic Concern Survey: Once (Note: starting in 2024, this survey will be conducted biennially).
		Corum E-newsletter, Social Media Platforms (Monthly)	Published at least one bilingual e-newsletter each month, shared via email, WeChat, Line official account, LinkedIn corporate account (Note: starting in 2024, this survey will be conducted biennially).
		Customer Complaint Handling (Real-time)	Customer complaints in 2023:7 (The complaints were related to product appearance and packaging methods, all of which have been effectively resolved.)
		Responses on official website and raw material platform, product information updates (Real-time)	In 2023, the Company received 610 inquiries through the website and raw material platform, an increase of 181 inquiries from the previous year.
		Quality regulatory statements, inspection reports, product briefing sessions, assistance and support for participation in international exhibitions, and business visits (As needed). Employee Satisfaction Survey (Biennially)	Provided inspection reports and statements based on customer needs and company announcements. From time to time, we organize product seminars in cooperation with domestic customers and local distribution agents in each country. In 2023,participated in and supported 16 international raw material exhibitions and agent/distributor briefings. Indonesia Seminar 2023 / Vietnam Seminar 2023 / Philippines Seminar 2023 / CosmeWeek Tokyo 2023 PCHi GUANGZHOU 2023 / In-cosmetics Global 2023 / NYSCC 2023 / CITE Japan 2023 / In-cosmetics Korea 2023 / CosChem South Africa 2023 online presentation Organized and held the 2023 Skin Health Management and Aesthetic Medicine Seminar HPCi Warsaw 2023 / In-cosmetics Latin America 2023 / In-cosmetics Asia 2023 SCS Formulate UK 2023 / Making Cosmetics Milan 2023

2.3.3 Communication Frequency and Methods

| Type	Concerned topics	Communication Channels (Frequency)	2023 Communication Achievements and Response Measures
3. Competent authority	• Occupational safety and health • Emission of Hazardous • Substances • Use of Raw Materials • Biodiversity • Innovative R&D and Forward Thinking • Social engagement • Economic Performance • Business Ethics • Legal compliance • Information security	Questionnaire on material topics of concern (Annually)	Material Topic Concern Survey: Once (Note: starting in 2024, this survey will be conducted biennially).
		Waste declaration, occupational accident monthly report declaration (Monthly)	Waste declaration:12 times │Occupational accident monthly report: 12 times
		Domestic chemical substance manufacturing and import declaration (Annually)	Chemical substance annual declaration and registration: Once
		Registration or declaration in other countries or international sustainability organizations (Annually)	REACH Certification:Once│ Halal certification: Once │ COSMOS/EcoCert certification:Once RSPO member certification:Once│ NaTrue Certification:Once
		Participation in public symposiums and seminars, official correspondence, and public information (As needed).	Actively participate in relevant conferences and courses, and promptly respond to inquiries from competent authorities. Attended the "Coastal Adoption Recognition Ceremony" by the New Taipei City Environmental Protection Bureau, and the "Workplace Safety and Smart Disaster Prevention Seminar" by the Occupational Safety and Health Administration of the Ministry of Labor.
4. Supplier/ Contractor/ Outsourcer	• Legal compliance • Supply Chain Management • Market Position • Business Ethics • Occupational safety and health • Customer service	Questionnaire on material topics of concern (Annually)	Material Topic Concern Survey: Once (Note: starting in 2024, this survey will be conducted biennially).
		Supplier evaluation (Annually)	Supplier evaluation:Once
		Signing of "Supplier Corporate Social Responsibility Commitment" (Real-time)	Signing of "Supplier Corporate Social Responsibility Commitment" by new suppliers.
5. Media	• GHG Emissions • Occupational safety and healt • Legal compliance • Product liability • Customer service	Questionnaire on material topics of concern (Annually)	Material Topic Concern Survey: Once (Note: starting in 2024, this survey will be conducted biennially).
		Press Releases (As needed)	Issued one press release for media coverage: Corum was invited to deliver a speech at the "2023 Workplace Safety and Intelligent Disaster Prevention Seminar" and shared occupational safety and health management policies.
		Interviews or feature reports in international cosmetics magazines (As needed)	International cosmetic magazine feature reports: Little book:1 feature COSMETIC TECHNOLOGY:1 feature Happi China International Personal Care Journal:1 feature
		Social Media Updates (As needed)	Published at least one bilingual (Chinese and English) update each month on social media platforms (a total of 60 bilingual e-newsletters were issued in 2023).
6. Director/ Board of Directors	• Use of Raw Materials • Product liability • Customer service • Labor/Employer Relations • Economic Performance	Questionnaire on material topics of concern (Annually)	Material Topic Concern Survey:once (Note: starting in 2024, this survey will be conducted biennially).
		Board of Directors meetings, training workshops, internal documents (as needed)	Board of Directors meetings: Financial reports, business reports, strategic plans, risk assessments, and relevant regulations

03 Product Management
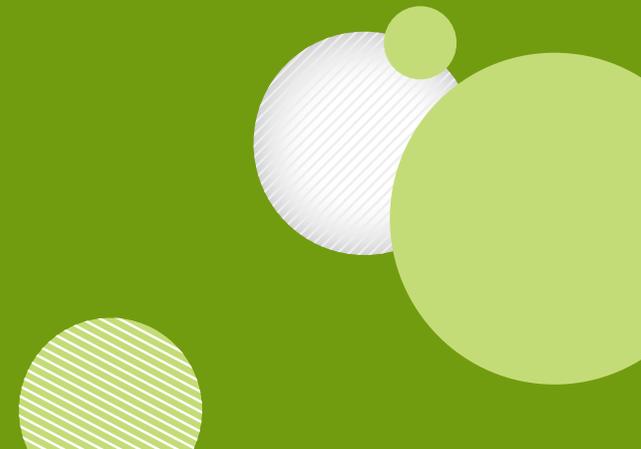
3.1 Product Liability GRI:3-3,417-1,417-2,417-3

① Importance to the Company

As a manufacturer of cosmetic raw materials, Corum emphasizes user health and safety. We strictly control safety, efficacy, stability, and compliance with various national cosmetic regulations, maintaining high quality and safety throughout the research, development, production, and sales stages, ensuring that our products meet customer quality and efficacy requirements.

② Commitments and Policies

"Inspire to Discover New Efficacy" is Corum's corporate slogan and shared goal.

The Company has developed five major policies (operational principles) based on this goal to shape corporate culture and align with sustainable business objectives: Quality first, extraordinary production, R&D innovation, ongoing improvement, and customer satisfaction.

③ Short-term Goals (within 3 years)

- Ensure Corum's products are 100% compliant with health and safety regulations.
- Ensure Corum's products are 100% compliant with product information and labeling regulations.

④ Medium-term Goals (3- 6 years)

- Establish a quality management system compliant with PIC/S GMP standards for active pharmaceutical ingredients (API) and pass inspections.
- Establish a quality management system compliant with EFfCI GMP Standards for cosmetic raw materials and pass inspections.
- Promote product natural certification.

⑤ Long-term Goals (over 6 years)

- Continuously optimize product development processes and compatibility research.
- Ensure compliance with health and safety regulations for products.
- Continuously pass ISO 9001, EFfCI GMP, and PIC/S GMP quality management system certifications.

⑥ Annual resources invested and specific outcome

- In 2023, no products violated any health and safety regulations.
- For the past three years, there were no incidents of violations related to product information and labeling regulations.
- Annually review and update product safety data sheets and regulatory data sheets to comply with the latest regulatory requirements.
- In 2023, two products received natural raw material certifications: Et-VC® and Corum 5089.
- In 2023, one product received trademark registration: Epi-On®.
- In 2023, one product passed the Japanese quasi-drug specification inspection:IP-VCTM.

⑦ Department responsible and grievance mechanism

- Department responsible:
  The Quality Assurance (QA) and Quality Control (QC) of the Quality Departments are dedicated units responsible for the Company's product responsibility, reporting directly to the Chairman.
- Grievance mechanism:
  Via telephone or email.

⑧ Evaluation mechanism and performance

- Evaluation mechanism:
  Quality management and review meeting.
- Performance:
  Continued investment in optimizing product development to meet ISO quality management objectives.
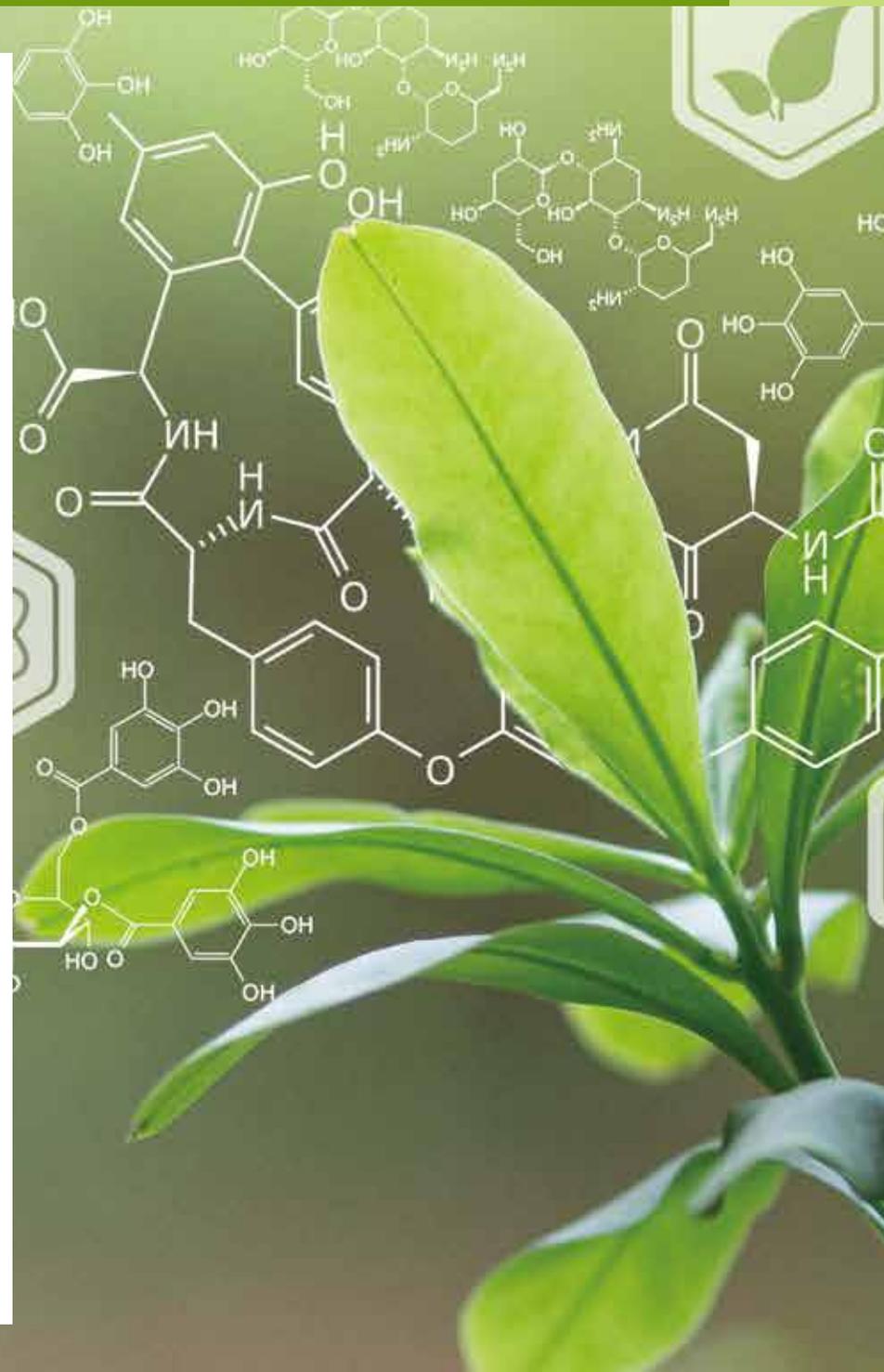
3.1.1 Product Information

Cosmetic Ingredients and Active Pharmaceutical Ingredients (API) are our two major business units. Up to date, we have developed over a hundred cosmetic ingredients. Our product line includes: Anti-aging active peptides, innovative vitamin C derivatives, thermosensitive agents, cooling agents, patented whitening peptides, patented anti-dandruff ingredients, patented anti-hair loss ingredients, brightening and anti-acne active compounds, multi-functional moisturizing and oil-control active ingredients that enhance skin barrier function, patented active ingredients that accelerate skin renewal, amino acid surfactants, mild surfactants, water-based oils, emollient esters, surface-modified functional powders, and naturally sourced alkane oils. Our focus lies in the upstream supply chain of the personal care and beauty and cosmetics industry. We are dedicated to innovating research and development of raw materials, efficacy, and technological applications to provide consumers with healthier, more efficient, and ecologically sustainable lifestyles.

Customized development of active pharmaceutical ingredients and drug intermediates began in 2004, with Corum collaborating with over 15 U.S. pharmaceutical companies on more than 200 projects. We provide commissioned R&D services of raw materials and critical intermediates under the Contract Research Organization (CRO) and Contract Development and Manufacturing Organization (CDMO) model. Our production scale can reach several hundred kilograms to meet the raw material requirements of pharmaceutical companies from pre-clinical to clinical trial stages.

To expand our business and services, we have constructed the Chiayi P2 Plant, a new 6-story factory that complies with Good Manufacturing Practices (GMP). The Chiayi P2 plant is in the process undergoing certification for PIC/S GMP standards and EFfCI standards, expected to be obtained between 2025-2026.

3.1.2 R&D and Innovation

In 2023, Corum expanded and relocated to a new R&D center in Xizhi, enhancing our research capabilities and introducing several advanced pieces of equipment. This new center integrates cell and molecular laboratories, organic synthesis laboratories, and formulation development and application research laboratories. Through cross-departmental collaboration and research management among these three laboratories, we fully leverage R&D resources, focusing on product innovation, optimization, green process development, and formulation application research.

Corum continues to innovate, with over 27 patents to date. We consistently refine and optimize our products, develop new formulation applications, obtain natural organic certifications, pass regulatory registration processes, and complete product trademark registrations. These efforts align with market trends, meeting customer demands and enhancing product and brand competitiveness.

In terms of R&D management, we have established the following assessments and goals:

Stability and Physicochemical Assessments:
- All products undergo 100% rigorous physicochemical testing and meet stability testing standards.

Safety Assessment:
- We ensure that raw materials used in research and development are listed in the internationally recognized INCI (International Nomenclature Cosmetic Ingredient) and are periodically confirmed by responsible personnel as safe raw materials.
- Following the 12 Principles of Green Chemistry, we continue to optimize production processes to minimize the use of raw materials, chemicals, reagents, and energy resources, and assess more environmentally friendly solvents, catalysts, and reagents.

- We collaborate with internationally certified safety assessment laboratories for standard tests, including cytotoxicity, mutagenicity, skin irritation, eye irritation, and skin sensitization tests.

Efficacy Assessment:
- Develop a cell experimental platform to assess the efficacy of active ingredients specialty ingredients, as well as to identify their mechanisms of action and roadmaps.
- Collaborate with internationally certified efficacy research laboratories for in vivo tissue slice tests and human clinical trials to evaluate product efficacy Strictly prohibit animal testing.
- Strictly prohibit animal testing.

In 2023, we optimized multiple products, obtaining international natural certifications and approvals under relevant national cosmetic regulations. Achieving COSMOS and NaTrue certifications demonstrates the true natural credibility, verifiability, and international applicability of our raw materials. It also attests to the high-quality standards of Corum's raw materials and reflects our commitment to sustainable practices in the sourcing and manufacturing processes of natural ingredients.

Passing China's national approvals and Japan's national inspection standards is a concrete demonstration of our commitment to regulatory compliance and steadfast pursuit of excellence and quality.

2023 Product Optimization Cases

Et-VC®
Gradually optimized production processes and reduced solvent use, following the 12 Principles of Green Chemistry, achieving dual international natural certifications from COSMOS and NaTrue.

Corum 5089
Obtained international NaTrue certification.

IP-VC™
Received China's National Medical Products Administration's Inventory of Existing Cosmetic Ingredients in China (IECIC) approval for new cosmetic ingredients (NCI).

Epi-On®
Passed Japan's quasi-drug ingredient standard Japanese Standards of Quasi-Drug Ingredients (JSQI).

3.1.3 Intellectual Property Management

To effectively manage new products, applications, and technology research and development projects, Corum has implemented regular inspections of project plans. New products and production technologies are managed through KPIs and MBOs. To enhance employee awareness of intellectual property rights, protect the Company's R&D assets, and avoid legal violations, every employee signs a confidentiality agreement upon commencing employment with the Company. Additionally, Corum has established the "R&D Personnel Research and Development Achievement Reward Regulations," which outline key product R&D projects and reward mechanisms to stimulate research and innovation among R&D personnel.

3.1.4 Industry-Academia Collaboration

Corum collaborates with academic institutions such as the National Tsing Hua University Biotechnology Application Industry-Academia Alliance and Kaohsiung Medical University's — Natural Product Libraries and High-Throughput Screening Core (NPS Core) to analyze active ingredients and protein receptor molecular docking and modification, and high-throughput natural product screening. These collaborations help us build substance analysis management modules and strengthen innovative applications.

3.1.5 Production and Safety Control

Corum strictly oversees product manufacturing, safety control, storage, packaging, and transportation. We are committed to sustainable improvement in production and safety control systems and talent cultivation.

Our management objectives for production and manufacturing are as follows:

- Establish standard operating procedures, work instructions, and project implementation records to identify and regularly assess risks.
- Evaluate and implement measures according to cosmetic safety regulations to reduce the production of hazardous substances or their toxicity, safeguarding consumer health and safety.
- Continuously improve processes through craft optimization and adopt relevant measures to recover organic solvents. Since 2018, we have maintained an organic solvent recovery rate of 56%.
- Follow ISO 9001 quality management system procedures for production and manufacturing, with supervision and management by the Quality Assurance (QA) and Quality Control (QC) of the Quality Departments to ensure stable product quality.
- Perform final inspections according to inspection standards for each batch of products to confirm that quality and effectiveness meet regulatory and product claims.

Our management objectives for storage, packaging, and transportation are as follows:

- Develop emergency plans and response procedures for leakage and spill incidents.
- Train employees to safely handle and manage hazardous materials, raw materials, and finished products..
- Verify specifications and quantities upon warehouse entry based on warehouse entry forms and Quality Department inspection reports.
- Collaborate with qualified transport vendors for long-term shipment, conducting regular vendor evaluations to ensure smooth delivery and zero transport violations.
  In 2023, and over the past three years, there have been no related transport violations.

- Adopting 100% environmentally friendly recycled pulp for cartons, with a printed area of only 6.9%, far below the 50% recommended by the Environmental Protection Administration.
- Comply with labeling, hazardous materials labeling, storage, handling, and transportation regulations, with regular reviews to ensure updated material information labeling.
  In 2023, and over the past three years, there have been no regulatory violations.
- Use HDPE, the most easily recyclable material, for plastic packaging such as bottles and drums, with a four-sided recycling symbol and material abbreviation marked below the symbol to help customers identify materials and reduce environmental pollution.

3.1.6 Quality and Product Safety Management

Manufacturing cosmetic raw materials and active pharmaceutical ingredients (APIs) is closely related to regulations and user health and safety, so product regulations, effectiveness, safety, and stability must be carefully managed. Every batch of incoming materials is accurately counted and undergoes rigorous inspection by the QC of the Quality Department following inspection and identification management procedures before being stored. We carefully evaluate the natural sources of raw materials and avoid genetically modified substances and materials that pose potential health risks.

As a key international supplier of cosmetic active ingredients, Corum is committed to developing and producing high-quality APIs. Our production system is certified under multiple ISO standards, including ISO 9001 quality management, ISO 14001 environmental management, and ISO 45001 occupational health and safety management, to establish a high-standard safety production system and implement responsible manufacturing and product responsibility management.

Quality first is Corum's overriding operational principle. The Company has established quality risk management procedures, with each department annually submitting a "List of Internal and External Quality Issues and Stakeholder Needs," and "Risk and Opportunity Response Measures for Internal and External Quality Issues and Stakeholder Needs and Expectations," to conduct risk and opportunity assessments. Major quality issues are managed through "Corrective and Preventive Action Forms," "Customer Complaint Forms," "Customer Needs Identification Forms," or "Audit Corrective Forms" as sources, converted into "Quality Risk Management and Response Forms" by the Quality Department to take appropriate actions, meet customer needs, and enhance product competitiveness.

While providing high-quality, innovative products, we also ensure customer safety. Corum stringently insists on "conscientious production," with QC and QA departments responsible for quality control. We establish production process inspections, product safety inspections, product recall procedures, internal and external issue risk lists and plans, quality target projects, and quality risk management and response measures. The quality unit reports directly to the Chairman, with ISO 9001 certification ensuring internal management efficiency and establishing optimization and improvement mechanisms to maintain chemical safety and consistent product and service quality.

3.1.7 Marketing Labeling and Regulatory Compliance

Corum has extensive experience in compiling product documentation, registering, communicating with regulatory agencies, archiving customer raw material information, and responding to various product-related questions. We can provide global regulatory registration services for customers. The status of chemical registrations and cosmetic usage compliance in various countries is clearly disclosed in the Regulatory Information Sheet (RIS). The marketing department manages the TDS (Technical Data Sheet), SDS (Safety Data Sheet), and RIS, updating them as necessary to comply with UN GHS regulations, EU CLP regulations,

China's GHS regulations, and U.S. HCS regulations.

All Corum products have undergone 100% regulatory assessments, covering aspects such as raw material sources, hazardous substances, usage safety precautions, and recycling considerations. For the past three years, there were no incidents of violations related to product information and labeling regulations.

For each chemical substance we produce, we provide three essential accompanying documents: TDS (Technical Data Sheet), SDS (Safety Data Sheet), and RIS (Regulatory Information Sheet).

TDS serves to outline the specifications, characteristics, quality indicators, usage, and storage conditions of the product.

SDS is a document that provides information about the composition of a substance, its physical and chemical properties, explosive performance, toxicity, environmental hazards, as well as safe handling, storage conditions, recycling precautions, emergency response for leaks, and transportation regulatory requirements. Our SDS documents are prepared following the United Nations' 16-section format, adhering to hazard classification and labeling requirements as specified by the United Nations' GHS regulations, the EU's CLP regulations, China's GHS regulations, and the United States' HCS regulations.

RIS is a declaration of compliance for the use of substances in cosmetic products in various countries and is divided into five chapters. The first chapter describes the identification of the chemical name of the substance, the origin statement, the composition of the substance, the content of the natural source of ISO 16128, and the manufacturing process. The second chapter is the Precautionary Statement. 100% of the products have been tested and confirmed to be free of hazardous substances such as: Allergens/Fragrance Allergens, Bovine/Spongiform Encepha- lopathy Risk Factors, Carcinogenic/Mutagenic/Reproductive Toxicity, 1,4-Dioxane, Diethylene Glycol/Ethylene Glycol Ethers, Formaldehyde, Genetically Modified Organisms (GMOs), Heavy Metals, Hormones/Phthalates/Bisphenols, Latex, Microor- ganisms, Nanomaterials, Radiation, Parabens and Sulfates, Paraffin, Pesticides, Plastic Microbeads, Polycyclic Aromatic Hydrocarbons (PAHs), Silicone Oil, Volatile Organic Compounds (VOCs), Wheat and Gluten, etc. Chapter 3: Regulatory status of chemical and cosmetic substances in various countries, such as California Proposition 65, European Union Cosmetics Regulation and Restriction of Use Appendix, Southeast Asian Cosmetic Regulations, Canadian Cosmetic Restriction of Use Regulations, China Chemical/Cosmetic Directory Registration, Japanese Cosmetic Regulations, Taiwan Ministry of Health and Welfare Cosmetic Regulations, U.S. FDA Cosmetic Restriction of Use Regulations, Australian Cosmetic Regulations, Brazilian Cosmetic Regulations, Halal Certification, Kosher, Non-Animal Source / Vegan Declaration, Non-Animal Testing (Cruelty-Free), RSPO Certification, EU Substances of High Concern, and so on. Chapter 4 is about the status of registration of chemicals in UK and EU. Chapter 5 is the statement of Fair Trade, Biodiversity, Corporate Social Responsibility and Sustainable Development Goals.

We have long adhered to an attitude of integrity in our communication with customers. From product development, research and production, quality inspection, storage management, product introduction, labeling, to after-sales service, we maintain rigorous standards and invest significant resources to ensure product safety and reliability. We profoundly understand that building a brand requires consistent effort, while damaging a brand can happen in an instant. The pursuit of excellence has no shortcuts; it requires careful examination of each aspect and continuous improvement.

Through ongoing research and clinical testing, Corum's products adhere to the highest standards of efficacy verification and quality control. By maintaining rigorous scientific research, innovation, and quality assurance, we are able to today provide comprehensive and excellent products and services on a global scale, dedicated to offering the best solutions for skin beauty and health.

3.2 Procurement Practices GRI:3-3,204-1

① Importance to the Company

In the era of globalization, the supply chain becomes an extension of corporate social responsibility, where the human rights and environmental requirements of the suppliers are an integral part of the enterprises' sustainability goals.

② Policy and Commitment

The Company demands our suppliers to comply with local laws and regulations and the Corum Ethical Corporate Management Best Practice Principles. During procurement, we will take into account our social responsibilities and environmental benefits and prioritize the purchasing of eco-friendly products and services to strike a balance between economic and environmental benefits. We are committed to fulfilling corporate social responsibilities such as environmental protection, energy-saving, and carbon reduction with our upstream and downstream suppliers in an effort to create a sustainable supply chain.

③ Short-term Goals (within 3 years)

- Include sustainable development as an assessment criteria in supplier audits.
- Continue to materialize the signing of documents related to the supplier's commitment to sustainable development.
- Set a target for local procurement at 80%.
- Achieve a signing rate of 83% for the "Supplier Corporate Social Responsibility Commitment", with a goal of 85% within three years.

④ Medium-term Goals (3- 6 years)

- Encourage our suppliers to implement GHG audits.

⑤ Long-term Goals (over 6 years)

- Encourage suppliers to develop carbon reduction plans to achieve the national goal of net-zero greenhouse gas emissions by 2050.

⑥ Annual resources invested and specific outcome

- Promote the RSPO Certification project.

⑦ Department responsible and grievance mechanism

- Department responsible: Logistics Department
- Grievance mechanism: Via telephone or email

⑧ Evaluation mechanism and performance

- Evaluation mechanism: Management review meetings are held annually to conduct a rolling review of supplier performance.
- Performance: In 2023, the number of signed "Supplier Corporate Social Responsibility Commitment" reached 81.25%, an increase of 2.38% compared to 2022. The local procurement rate in 2023 reached 78.75%, up 2.97% from 2022.

Corum integrates sustainable procurement into the goals of social responsibility and sustainable development, taking on the mission of becoming a guardian of the green earth. This is achieved by incorporating concepts such as energy conservation and carbon reduction, climate change risk response, and occupational safety rights in procurement practices. We prioritize economic, social, and environmental sustainability indicators in our decision-making. Our procurement of raw materials and consumables adheres to relevant laws and regulations, as well as environmental and safety requirements. To achieve this goal, we have complied with the requirements of ISO 9001 international quality management system, ISO 14001 environmental management, and ISO 45001 occupational safety and health management system, as well as made ongoing improvements according to PDCA to attain corporate sustainability.

3.2.1 Procurement Policy:

STEP.1
Establishing Integrity in Business Operations and a Sustainable Supply Chain

Environmental and sustainability clauses are included in supplier contracts, emphasizing the supplier's commitment to employees and the environment. New suppliers are required to sign these clauses. Furthermore, sustainability clauses are incorporated into evaluation criteria, with priority given to suppliers that meet these conditions. The importance of sustainable procurement is continuously communicated to suppliers.

STEP.2
Localized Procurement

We have established a comprehensive supplier database and conducted a survey of supplier sources to prioritize local procurement. This approach aims to achieve timely, localized procurement, shorten delivery lead times, reduce transportation distances, and minimize greenhouse gas emissions during transportation, contributing to sustainable development while creating local employment opportunities and economic growth.

STEP.3
Stable Supply

We maintain at least two suppliers for each raw material, increasing the variety of substitute materials to ensure supply stability and reduce the risk of supply shortages.

STEP.4
Risk Management of Key Raw Materials

Key raw materials are defined based on factors such as high procurement cost, high procurement volume, critical nature of the raw material, and irreplaceability. Sustainability considerations are incorporated into the evaluation criteria to assess whether to continue procurement. Suppliers are regularly evaluated for performance in alignment with the Supplier Code of Conduct and other sustainability performance criteria. In case of discrepancies, suppliers are required to develop and implement appropriate corrective action plans. Suppliers are encouraged to contribute to environmental, health, safety, human rights, and labor policies, business ethics, and innovative solutions that help the Company achieve its sustainability goals.

STEP.5
Priority Procurement of Green and Environmentally Friendly Raw Materials

- Priority is given to procuring raw materials from natural sources (plant-based, especially those with relevant certifications like COSMOS) to maximize resource utilization and continuously increase procurement ratios while reducing environmental impact.
- Raw materials are carefully evaluated and approved to avoid the risk of using raw materials containing harmful substances.
- Continuous monitoring and adherence to the latest international standards are conducted to anticipate and avoid the use of potentially banned substances, ensuring compliance and safety.

- Suppliers are informed of our green procurement policy, and green raw materials are prioritized in procurement. Suppliers are expected to consider environmental issues, long-term energy conservation, carbon reduction plans, and future environmental strategies during raw material production, new equipment development, and product manufacturing. Equipment suppliers must ensure the energy efficiency of related equipment. Suppliers' potential for sustainable collaboration is periodically evaluated, with environmental aspects included in supplier performance evaluations.

STEP.6
Cost Control

Cost analysis is established, linking with international raw material prices to manage raw material costs effectively.

STEP.7
Procurement to Demand

Raw materials are procured based on demand (e.g., orders, forecasts, production batches) to avoid waste and resource loss.

STEP.8
Green Transportation

Preference is given to suppliers who can accommodate green logistics to reduce greenhouse gas emissions during transportation.

STEP.9
Enforcement of Management Regulations

Corum incorporates the social responsibility performance of suppliers into our performance evaluations, following ISO process mechanisms for management regulation.

Reference Document:
P-012 Supplier Management Procedure.

Introduction   Sustainable
                Business Strategy   Stakeholder
                                     Engagement   **Product
                                                   Management**   Corporate
                                                                   Governance   Environmental
                                                                                 Sustainability   Social Inclusion   Appendix

3.2.2 Supply Chain Integration and Risk Diversification Responses

Corum has always perceived suppliers as our strategic partners, and we believe in supporting our suppliers and growing with them. Corum's main production location is Taiwan, we choose to collaborate with local suppliers in a bid to foster local industrial clusters and developments in the regional economy. Our long-term suppliers have worked with the Company for numerous years, offering a stable supply source. Considering that our suppliers are changed from time to time due to circumstances such as raw material quality, price, and cooperation, we are not exposed to the risk of raw material supply interruptions caused by centralized purchasing from only a few suppliers.

3.2.3 Gradually Increasing Ratio of Localized Procurement

As technology continues to advance and industrial output continues to increase, damage to the environment is also on the rise, in turn evoking global attention on the topic of environmental protection. The objective of the 2015 United Nations Climate Change Conference (COP 21) is to achieve legally binding measures that can resolve the problem of climate change and mitigate global warming. Regarded as "the world's best last chance" to save Earth, COP21 vows to improve the deteriorating conditions of climate change by controlling average global warming to within 1.5°C above pre-industrial levels. The meeting is regarded as the most iconic international agreement on global warming in history, hence Corum also upholds the principle of COP21 by taking the suppliers' geographical location into consideration during the supplier selection process. Aside from considerations such as delivery period, timeliness, and shipping cost, we also aim to lower the environmental impact and damage generated by long-range transportation of raw materials.

Besides choosing local suppliers, we also need to consider the risk of centralized procurement from the same region. Our solution is to ensure the trucks and containers are fully loaded, and make use of ocean freight as much as possible while minimizing air freight because the CO_2 emissions generated by ships are far lower than that of air freight, which in turn reduces shipping-related CO_2 emissions. In 2023, Corum continued to implement improvement measures for opportunities identified in climate governance response. For specific performance details, please refer to section 5.1 TCFD Report: Climate Governance Response.

Corum has strengthened supply chain resilience through localized procurement and ESG risk management strategies. In 2023, localized procurement accounted for 78.75% of the annual supplier base, a 2.97% increase from the previous year. The goal is to achieve an 80% localized procurement ratio within three years.

Corum's Localized Procurement Ratio in 2023

Year	Localized Procurement Ratio
2021	70.00%
2022	75.78%
2023	78.75%

● Local suppliers

● Non-local suppliers

21.25%
Non-local suppliers

78.75%
Local suppliers

Note:
Local suppliers are defined as those based in Taiwan.

3.3 Supply Chain Management `GRI:3-3,308-1,308-2,409-1,414-1,414-2`

3.3.1 Principles of Sustainable Supply Chain Development

Corum has adopted the UN SDGs as the direction of our procurement practices and supply chain management, demonstrating our corporate social responsibility. To realize a sustainable supply chain, we have implemented supplier management and risk assessment practices. Before engaging in business with suppliers, we request them to provide self-declarations and complete assessment questionnaires. Based on our evaluations of suppliers in areas such as energy conservation, environmental protection, eco-labels, and sustainable procurement, we conduct annual assessments to improve business activities and establish sustainable value commitments. We also require our suppliers to adhere to internationally recognized standards concerning human rights, labor rights, regulatory compliance, anti-corruption, and anti-forced labor, which also enhancing the Company's positive social image.

When introducing new suppliers, Corum requires suppliers' management or top executives to sign the "Supplier Corporate Social Responsibility Commitment". This guideline is based on references such as the "Universal Declaration of Human Rights" and the "International Labour Organization Declaration on Fundamental Principles and Rights at Work". It encompasses labor standards, occupational health and safety, environmental standards, ethical norms, management system standards, and the preservation of biodiversity. By adhering to the "Corum Code of Business Integrity," this pledge ensures collaboration with suppliers, partners, and stakeholders to collectively promote sustainable development goals. Furthermore, in Corum's supplier contracts, beyond the traditional procurement considerations (e.g., price, quality, delivery coordination, reliability), the Company has also incorporated environmental issues, labor, and human rights concerns (e.g., working hours, living wages) into its supply chain management principles.
Reference Document: Supplier Contract Rules.

3.3.2 Creating the Cornerstone for Supply Chain Sustainability

Policy commitment	• Maintain a long-term, strategic alliance with the suppliers • Encourage the suppliers to fulfill their corporate social responsibilities and build a sustainable supply chain • Ensure quality, technology, and delivery capability
Resource integration	• Formulate diverse supply chain management procedures • Assemble a supplier evaluation team
Evaluation mechanism	• Supplier performance evaluation system • Annual supplier performance evaluation • Supplier sustainability and social responsibility audit

Corum completed an annual evaluation for 80 manufacturers in 2023, including the selection of 6 new suppliers and the annual evaluation of 74 existing suppliers, achieving a 100% audit rate. A sustainable procurement evaluation was conducted for 74 manufacturers, all of which have met the Company's requirements. Through a supplier selection process, Corum requires suppliers to provide raw materials and products that meet the necessary standards, establishing a comprehensive supplier list to fulfill all procurement needs.

Regarding the signing of the "Supplier Corporate Social Responsibility Commitment", 65 suppliers complied with the environmental and sustainability management requirements.

At the same time, we evaluated the "RAW MATERIAL SUPPLIER QUESTIONNAIRE FOR SUSTAINABLE PROCUREMENT" and "RAW MATERIAL SUPPLIER QUESTIONNAIRE" for the 80 suppliers. A total of 65 signed back the questionnaire, accounting for 81.25% of the overall supplier rate. The sign-back rate was higher than before. The annual increase was 2.38%, failing to reach the 100% signing target for 2023. After internal discussions, we re-examined the goals and achievement rate and set the target for the next year to be 83% achieved, gradually reaching 85% within three years.

Note:
As stated in the 2022 report, this figure includes foreign suppliers who have independently issued sustainability strategy statements that align with Corum's sustainability commitments. Corum continues to purchase from suppliers with higher environmental management scores using the supplier self-evaluation questionnaire mechanism.

"Supplier Corporate Social Responsibility Commitment" Signing Ratio	
2021	73.85%
2022	78.87%
2023	81.25%

3.3.3 Promoting RSPO Certification Project

RSPO, as a global certification system, ensures that palm oil, palm kernel oil, and their derivatives are produced sustainably without harming the environment. Corum became a member of this organization in 2019 and is now advancing a certification project under the Mass Balance (MB) supply chain model. This project aims to monitor and control the transactions of RSPO-certified palm oil products throughout the entire supply chain. The certification is expected to be completed by 2024.

3.3.4 Supply Chain Performance Evaluation

After becoming a qualified supplier to Corum, suppliers are required to undergo regular evaluations. The results of these evaluations serve as a critical basis for procurement strategies. The Procurement Department discusses with relevant departments to create a list of key raw material strategic suppliers. The list is updated every six months. Select strategic suppliers of key raw materials for various product lines and those who have been chosen as strategic suppliers will be given priority during the Company's procurement process to increase their purchase volume.

3.3.5 Sustainable Supply Chain Management Framework

In order to implement a sustainable supply chain management framework and establish a more comprehensive and holistic sustainable supply chain, Corum has established management strategy goals for both new and existing qualified suppliers; we have set up monitoring and evaluation mechanisms to ensure the achievement of sustainable development goals within the supply chain. The details are explained as follows:

New supplier selection:

- Except for customer-designated or specific material suppliers, Corum screens new suppliers based on ISO 9001 quality standards, local environmental protection regulations, and preventive management indicators. The Company ensures that 100% of new suppliers meet these stringent criteria before approval. New suppliers must be verified whether the specifications and quality of their raw materials are satisfactory through the supplier evaluation form mechanism. Furthermore, new suppliers are subject to random on-site visits or written reviews . After passing the two processes of the supplier evaluation form and design and development change order, a decision will be made on whether to select the supplier as Corum's supplier, where a "Supplier Corporate Social Responsibility Commitment" will be signed to become a qualified supplier of Corum.

Qualified Supplier Maintenance:

- We request our suppliers to guarantee complete service and delivery date, and unsatisfactory suppliers who cannot deliver products on time will be blacklisted. To implement sustainable management, we conduct annual on-site visits or written reviews on our suppliers to realize supply chain sustainability management. Corum increases its responsibility to the supply chain by disclosing the status of supplier management practices. At the same time, we elevate the awareness of our internal and external personnel and suppliers through employee and supplier education or training.

Note:
In 2023, Corum initiated on-site visits to suppliers and plans to conduct 2 supplier visits annually moving forward.

Corum supplier evaluation

Quality
- Increase quality
- Reduce the rejection rate of defective products
- Supplier corrective measures

Service
- Service team ability
- Overall cooperation
- Equipment status

Cost
- Cost leadership
- Payment terms
- Trade terms
- Cost competitiveness

Delivery date
- Delivery and supply ability
- On-time delivery ability
- Delivery period
- Defective product handling ability

3.3.6 Supplier Sustainable Governance

New supplier selection	Qualified Supplier Maintenance(Enter qualified supplier maintenance procedures)			
	ESG Evaluation	Risk Assessment	Improvements and Recommendations	Becoming a Strategic Supplier
• Basic Data Review: Company governance and financial audits, followed by on-site visits. • Sign a "Supplier Corporate Social Responsibility Commitment" • Complete supplier evaluation form. • Complete supplier basic information form.	• Written review. • On-site visit. • Complete questionnaire and sign-off.	• Supply chain sustainability risk assessment.	• Suppliers provide relevant reports, which Corum evaluates according to its assessment mechanisms and provides feedback for improvement.	• Create a list of key raw material strategic suppliers. The list is updated every six months.

3.4 Customer Service GRI:3-3,416-1,416-2

① Importance to the Company

With excellent product quality and innovative R&D capability, we offer consumers more diverse, healthy products. We listen to customer feedback, address issues, and meet customer needs, continually enhancing customer satisfaction through circular quality management.

② Policy and Commitment

Services that emphasize customer needs.

③ Short-term Goals (within 3 years)

- Customer satisfaction score reached 85 points.

④ Medium-term Goals (3- 6 years)

- Conduct annual customer satisfaction level surveys, reaching a score of over 90 points.

⑤ Long-term Goals (over 6 years)

- Maintain good customer relations and decrease customer complaints.

⑥ Annual resources invested and specific outcome

- In 2023, after adjusting the questionnaire process, the average score reached 91.5 points, meeting the target of over 90 points.
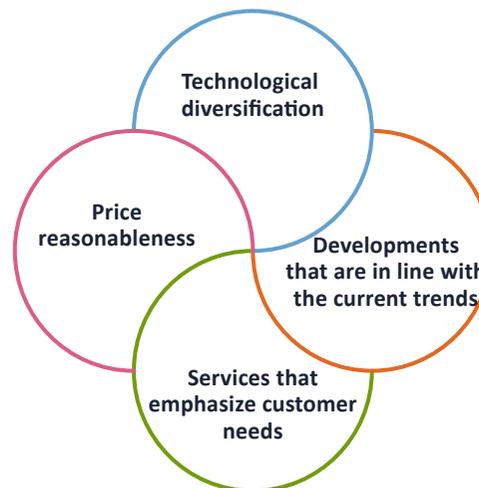
⑦ Department responsible and grievance mechanism

- Department responsible: Domestic/International Sales Department.
- Grievance mechanism: Via telephone or email.

⑧ Evaluation mechanism and performance

- Evaluation mechanism: Annual customer satisfaction survey.
- Performance: In 2023, the customer satisfaction score was 91.5, an increase of 2.2 points from 2022.

3.4.1 Four Major Development Directions of Corum to Enhance Customer Satisfaction

Outstanding customer service fosters long-term, stable customer relations, hence it is an integral part of corporate sustainability. In order to materialize "services that emphasize customer needs", Corum not only strives to meet the customers' needs in product quality and the R&D of new products but also values customer relations. We have invested resources to train our sales personnel's communication skills and attitude, listen to the customers' needs and expectations via diverse communication channels. By actively and swiftly addressing customer complaints, Corum ensures that customers trust the Company's quality and service, which is the driving force behind our ongoing operations.

Technological diversification
Price reasonableness
Developments that are in line with the current trends
Services that emphasize customer needs

3.4.2 Improve Service Quality

Provide customers with the best service and improve our service quality. The Sales Department conducts comprehensive sales personnel training by introducing the concept of "services that emphasize customer needs" and preparing the "Customer Service Management Manual" to ensure service quality and smooth communication. The objective is to resolve customers' problems quickly, protect their rights and cater to their needs to attain the greatest satisfaction.

Domestic/International Sales Department Service Process		
Education and training	**Communication channel**	**Corporate image**
• Professional education and training for honing the response and complaint-handling skills of our sales personnel and sales assistants.	• Regularly host product seminars.	• Offer customers comprehensive services to shape a good corporate image.
• Improve the concept of customer first for our sales personnel.	• The sales executive visits customers from time to time to gain insight into the service quality of the sales personnel and provide any necessary assistance.	• Establish a sustainable corporate culture.
• Regular internal education and training.	• Conduct joint visits with relevant departments.	

Principles of Product Service for Customer and Consumer Health & Safety

Principles	• Ensure that all products comply with health and safety standards during development and manufacturing. • Proactively identify and reduce harmful ingredients in products. • Regularly conduct product safety assessments and risk analyses.
Qualitative Goals	• Improve the safety of product usage and reduce the likelihood of adverse reactions during consumer use. • Increase internal training to raise awareness of health and safety standards among employees.
Quantitative Goals	• Zero violations of regulatory standards for products. • Zero customer complaints related to product health issues.

Promoting Sustainable Consumption of the Company's Products or Services

Principles	• Advocate for environmentally friendly and sustainable product design and manufacturing processes. • Support and promote the use of renewable energy. • Commit to using 100% recyclable materials in product packaging. • Collaborate with supply chain partners to achieve sustainable procurement and production processes.
Qualitative Goals	• Enhance consumer education and awareness of the importance of sustainable consumption. • Provide more sustainable product options to meet different consumer needs, such as offering natural versions of products and encouraging customers to choose Azeclair® P over Azeclair®.
Quantitative Goals	• Increase the sales of sustainable products (e.g., Azeclair® P) by 10% annually.

3.4.3 Customer Complaint Mechanism

Corum values our customers' valuable feedback, hence we have established clear customer grievance channels, product return/exchange, and compensation application procedures based on the ISO 9001: 2015 quality management system. Moreover, we collect customer feedback through customer visits, grievance channels on the Company website, email, and sales survey questionnaires. The sales unit will register the "Customer Needs Identification Form" or "Customer Complaint Handling Form" on the system, completely documenting feedback, needs, cause, and process, and the executive will assign a unit responsible for launching application research or analyzing the cause to propose suitable improvement solutions for the customers.

Customer complaint handling procedure

Customer feedback → The sales unit registers the complaint on the system → The executive assigns a relevant unit to be in charge → Make improvements and respond to the customers

Every customer can file a complaint through diverse channels, and each customer complaint involves the sales executive contacting the customer in person to understand the situation and follow up on the problem until improvements are made and responded to the customer. Every year, the statistical data is reviewed in the management review meeting and the results are followed-up and discussed to formulate relevant corrective and preventive measures.
Risk handling and opportunities are managed to prevent the same problems from occurring repeatedly. The Company's customer complaints over the last three years have been improved through corrective measures. A fast and effective customer service system can process the customers' problems quickly and directly to improve service quality, bolster customer satisfaction, and forge good customer relations, in turn making the Company a trusted, most preferred choice.

Customer complaint statistics for 2022-2023			
Year	Total number	Content	Improvement description
2022	0	No customer complaints were recorded	In 2022, no customer complaints were recorded.
2023	7	The customer complaints regarding the product's appearance and packaging have all been effectively addressed.	The seven customer complaints from 2023 have all been closed, with two of them being converted into quality management projects.

3.4.4 Customer Satisfaction Survey

Corum continues to conduct annual customer satisfaction surveys. In 2022, our customer satisfaction score reached 89.31, exceeding our target of 85. The customer satisfaction score for 2023 was 91.5 points, an increase of 2.2 points compared to 2022. We understand that meeting customer needs is the foundation of our business survival. Customers play a central role in our operations and are a vital value of our continued operations. As a result, we have established an internal mechanism for service quality and process management. Each year, we review our customer complaint management process and conduct customer satisfaction surveys.
Since 2021, we updated the Customer Satisfaction Operation Manual to refine our approach. We expanded the sample size of surveyed customers, revised the questionnaire set, and transitioned to using online electronic surveys for data collection. This change aims to gain a more comprehensive understanding of customer opinions and feedback, ensuring that all needs are properly addressed. By comprehensively measuring customer satisfaction with Corum's products and services, we are committed to continuous optimization of our service management processes. Based on customer satisfaction information, if there is a material quality topic, it will be turned into quality risk management and relevant response measures.

Customer Satisfaction Survey Process

Understand the customers' needs and generate feedback → Gain preliminary understanding, conductresource benefits analysis, and determine the cause → Propose action plans and suggest strategies → Respond to the customer and discuss follow-up matters → Document and close the case, effectiveness analysis,and follow-up on the improvements made

The customer satisfaction survey questionnaire collects feedback information from customers on the four major aspects of Corum, namely, "corporate image, product quality, service quality, and overall evaluation", in order to analyze and reflect the Company's strengths that need to be

Introduction   Sustainable
Business Strategy   Stakeholder
Engagement   **Product
Management**   Corporate
Governance   Environmental
Sustainability   Social Inclusion   Appendix

reviewed and improved, and to confirm the existence of risks and opportunities, and to expand the survey to include both domestic and foreign customers. We utilize our CRM platform to establish Key Accounts and customer segmentation, applying a proportionate sampling approach for conducting surveys. The feedback received from customers is used to enhance our business capabilities, improve competitiveness, and elevate customer satisfaction across relevant departments. We aim to facilitate the understanding of our Company's values by customers through these surveys and gradually optimize internal performance.

Customer Satisfaction Survey for 2021-2023		
Year	Score	Improvement description
2021	84	The new customer satisfaction survey was conducted via online questionnaires, resulting in a total average score of 84.27 points, just shy of the annual target of 85 points. In 2022, the questionnaire survey will be administered in October and November to avoid the December holiday.
2022	89.31	In 2023, after adjusting the questionnaire process, the average score reached 89.31 points, meeting the target of over 85 points.
2023	91.5	The customer satisfaction score for 2023 was 91.5 points, an increase of 2.2 points compared to 2022.

Note:
In 2022, the questionnaire survey was administered in October and November to avoid the December holiday. Upon reviewing the low response rate of the customer satisfaction survey, the Company's management team discussed the issue and decided to take proactive measures. In the upcoming year, the survey timeline will be advanced to commence in the second quarter, allowing more time for the completion of the survey, analysis, and review.

3.4.5 Customer Service

In order to introduce Corum to a wider audience, we produced a corporate image video in the year 2022. This video provides insight into our Company's developmental journey, core values, operational principles, and our commitment to sustainability. We hope that through this video, you will gain a deeper understanding of our dedication to creating a world filled with care, health, and beauty. Additionally, we have actively participated in international exhibitions, aiming for Corum to shine on the global stage. In 2023, following the easing of the COVID-19 pandemic, Corum participated in and supported 16 international raw material exhibitions and agent/distributor seminars, an increase of 10 events compared to 2022. These events, held both online and in person, enhanced customer service and engagement.
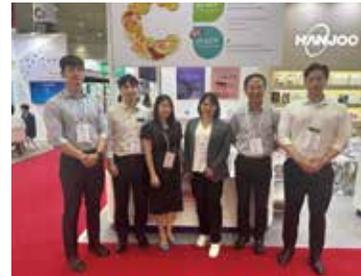
Corporate Image Video:
https://www.youtube.com/watch?v=Gv0Sy27IjEE

▼ **In 2023, Corum participated in international raw material exhibitions and agent/distributor briefings.**

Philippines Seminar 2023

▲
Indonesia Seminar 2023

▼
Vietnam Seminar 2023

▲
CosChem South Africa 2023
online presentation

◄
CosmeWeek Tokyo 2023

▲
• NYSCC 2023

• In-cosmetics Korea 2023

►
Organized and held the
2023 Skin Health
Management and
Aesthetic Medicine Seminar

▼ **In 2023, Corum participated in international raw material exhibitions and agent/distributor briefings.**

◄ In-cosmetics Latin America 2023

▼
• SCS Formulate UK 2023
• PCHi GUANGZHOU 2023

▼
• Making Cosmetics Milan 2023
• In-cosmetics Global 2023

In-cosmetics Asia 2023 ▼

▲ HPCi Warsaw 2023
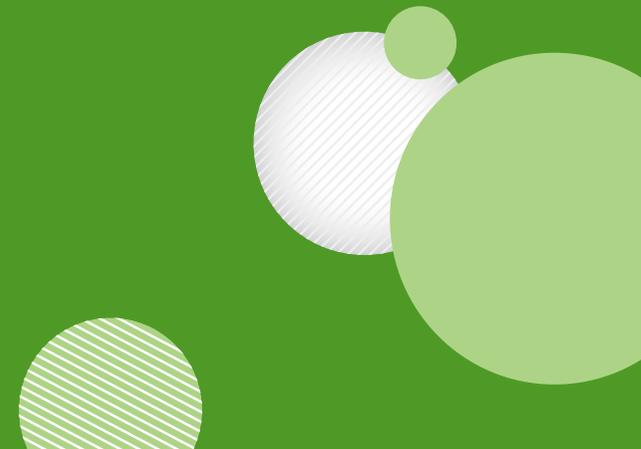
▲ CITE Japan 2023

04 Corporate Governance

4.1 Corporate Governance GRI:2-9,2-10,2-11,2-12,2-13,2-15,2-17,2-18,2-19,2-20,2-21

4.1.1 Core Objectives and Governance Vision

Corum's highest governance body is the Board of Directors, which is responsible for overseeing the execution of the Company's various operations and plays a leadership role in the sustainable development of the business. We uphold principles of ethical business conduct and regulatory compliance while balancing the interests of all stakeholders, including employees, customers, suppliers, the environment, and society, actively fulfilling corporate social responsibility.

4.1.2 Board Composition and Diversity

In 2023, Corum's Board of Directors comprised four seats. If a director has any objections or reservations, these should be documented in the minutes of the board meeting. This practice aims to reconcile and manage conflicts of interest among various stakeholders, ensuring that directors can fulfill their responsibilities while enhancing the effectiveness of the Board's functions and the Company's overall performance.

Among the four directors, there are two female directors, accounting for 50% of the total. Furthermore, we have established standards for the professional knowledge, skills, experience, diversity of backgrounds including gender, and independence required for members of the Board of Directors and senior executives. The directors of Corum possess professional backgrounds in chemistry, cosmetics, environmental chemistry, etc. In the year 2021, external consultants were engaged to guide the preparation of the Sustainability Report, provide training on GRI Standards, TCFD Disclosure Guidelines, and SASB Standards. These initiatives aim to enhance the diversity and innovative thinking within the Board of Directors. Since Corum is not a publicly traded company, there is currently no established procedure for director elections.
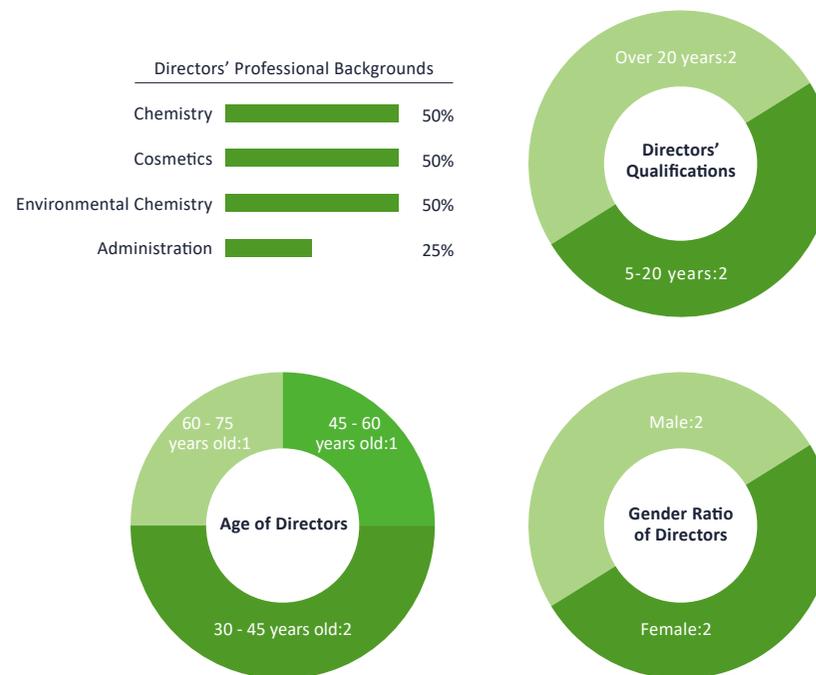
4.1.3 Board Operations and Performance Evaluation

Corum holds Board meetings regularly to review operational performance, discuss sustainability strategies, and address major topics such as economic, environmental, and social issues, risks, and opportunities. Following these meetings, the relevant units are assigned tasks, and follow-up reports are presented to adjust and make informed decisions. The Company also conducts regular performance reviews of the Board and its functional committees, evaluating operations, internal and external relationships. The results are compiled internally, reported during Board meetings, and used to identify areas for improvement.

4.1.4 Continuing Education of Directors

Corum arranges training courses for directors from time to time to enhance their skills and knowledge in various operational areas related to the economy, environment, and society. This helps the directors keep abreast of the latest trends and improve their expertise in these important domains. The training for directors is aligned with the annual strategic development priorities, ensuring that the courses offered are relevant and in line with the Company's strategic direction. To ensure that directors are well-informed about the Company's affairs, we regularly provide them with updates on revenue and the latest industry information. Additionally, we offer information related to economic, environmental, and social issues relevant to the Company from time to time.

Board Composition

Directors' Professional Backgrounds

Chemistry	50%
Cosmetics	50%
Environmental Chemistry	50%
Administration	25%

Directors' Qualifications
- Over 20 years:2
- 5-20 years:2

Age of Directors
- 60 - 75 years old:1
- 45 - 60 years old:1
- 30 - 45 years old:2

Gender Ratio of Directors
- Male:2
- Female:2

4.1.5 Remuneration Policy

● **Provide Competitive Remuneration Packages**

Corum has established a robust and employee-oriented human resource policy to create a secure working environment. Employee remuneration is aligned with the Company's operational objectives and profitability performance. It takes into account factors such as the employee's professional knowledge and skills, job responsibilities, performance achievements, and long-term commitments.

Corum is dedicated to talent recruitment and employs an open selection process to attract employees. We provide equal job opportunities regardless of gender, age, marital status, race, religion, or origin. Furthermore, we are committed to workplace equality, ensuring that both men and women have equal opportunities for fair competition and development. We actively promote gender equality and support workplace diversity to foster a more inclusive and diverse work environment. In order to uphold the rights of workers from disadvantaged groups, Corum actively employs individuals from disadvantaged backgrounds, including indigenous people and those with disabilities. We provide these individuals with equal job opportunities and the same salary and benefits as other employees. As of the end of 2023, Corum has employed a total of 1 person with disabilities.

Salary Information for Non-supervisory Full-time Employees			
Year	Number of non-supervisory full-time employees	Average salary for non-supervisory full-time employees (in NT$'000)	Median salary for non-supervisory full-time employees (in NT$'000)
2021	110	622	594
2022	140	629	594
2023	144	607	579
Difference between 2023 and 2022	+4	-22	-15

● **Directors' Remuneration and Senior Management Performance-based Remuneration**

The Board of Directors, in order to motivate senior management to pursue the achievement of the Company's performance and profit targets, while also focusing on the Company's long-term competitiveness and sustainable development. Senior management can be categorized into executives with business responsibilities and those with general staff responsibilities. In addition to their base salary, the compensation of senior management is linked to the achievement of performance indicators for their teams and results they lead, calculating performance bonuses. This helps to motivate teams to pursue excellence and improve corporate performance.

Gender Pay Ratio for 2021-2023						
	2021		2022		2023	
Employee Type	Fixed salary	Annual remuneration	Fixed salary	Annual remuneration	Fixed salary	Annual remuneration
Management level	73:100	72:100	78:100	83:100	76:100	78:100
Mid-management level	99:100	88:100	96:100	91:100	95:100	89:100
General staff	97:100	92:100	96:100	85:100	96:100	91:100

The pay gap between male and female employees at Corum has been gradually narrowing. This difference is due to the nature of the industry, where female employees are more likely to work in administrative roles, while male employees are more often engaged in factory operations, receiving additional allowances and project bonuses. As a result, the total compensation for male employees tends to be higher.

In 2023, the average salary for full-time employees not in managerial positions was NT$607,000, with a median salary of NT$579,000. This represents a slight decrease compared to 2022. However, the average monthly income remains more than twice the minimum wage in Taiwan, and the median salary is higher than the NT$518,000 median annual salary reported by the Directorate-General of Budget, Accounting, and Statistics (DGBAS) for 2022 in the industrial and service sectors. To continue attracting, developing, and retaining talent, Corum proceeded with the planned salary adjustments for 2023.

4.2 Business Ethics GRI:2-23,2-24, 2-25,2-26,3-3,205-1,205-2,205-3,206-1

① Importance to the Company

Business ethics is a manifestation of integrity in business operations, a crucial means of gaining trust, and the foundation for establishing meaningful, long-term partnerships with various stakeholders. It embodies the philosophy of sustainable business at Corum.

② Policy and Commitment

Based on the principle of ethical business conduct, Corum engages in commercial activities with fairness and transparency. We strictly prohibit bribery and corruption, and we strictly adhere to laws and regulations, refraining from providing illegal political contributions. We also reject any involvement in improper charitable donations or sponsorships, ensuring that our business practices are lawful and compliant, while safeguarding the Company's reputation. Unreasonable gifts, entertainment, or other improper benefits, infringement of intellectual property rights, and unfair competition, and preventing products or services from causing harm to stakeholders.

③ Short-term Goals (within 3 years)

- Overall coverage of "Ethical Business Conduct Education Training" for employees ≥ 90%
- Regularly announce updates or changes to regulations.

④ Medium-term Goals (3- 6 years)

- Regularly publish sustainability reports, continuously reviewing the Company's commitment to corporate social responsibility and efforts.

⑤ Long-term Goals (over 6 years)

- Establish a corporate culture of ethical business conduct and sound development.

⑥ Annual resources invested and specific outcome

- Regularly publish sustainability reports that disclose progress and achievements in business ethics and sustainable development.

⑦ Department responsible and grievance mechanism

- Department responsible:
  HR Department.
- Grievance mechanism:
  Via telephone or email.

⑧ Evaluation mechanism and performance

- Evaluation mechanism:
  High-level review meeting.
- Performance:
  Zero violation in 2023.

4.2.1 Ethical Business Management Guidelines

Business ethics is the display of honest management. Corum expects that its employees should explain the Company's ethical management policy and relevant regulations to the counterparty during the transaction process. Moreover, they may not provide, promise, demand, or accept any form of improper benefits either directly or indirectly. At the same time, transactions with unethical agents, suppliers, customers, or other business partners should be avoided. If the business or cooperative partners are found to exhibit unethical conduct, evaluations should be conducted to determine whether to blacklist them to materialize the Company's ethical management policy. Furthermore, we have included Corum's ethical management policy into both parties' contract terms, stipulating the relevant regulations and requirements in the contract. Should any party engage in business activities suspicious of unethical conduct, the other party reserves the right to unconditionally terminate or rescind the contract at any time.

Corum's HR Department is responsible for promoting the principle of ethical management. The "Corum Ethical Corporate Management Best Practice Principles" was formulated, and a corresponding contact person was appointed to let stakeholders express their opinions. If our employees have questions about the Company's integrity internal regulations, besides searching for relevant information on the official website, they can also consult the HR Department via diverse channels such as email or telephone. In addition to the "Corum Code of Business Integrity," we have established various codes of conduct tailored to different stakeholders, such as the Employee Code of Conduct, Supplier Code of Conduct, and Corporate Social Responsibility Statement. These guidelines aim to ensure the concrete implementation of ethical business practices across various aspects of our business operations. In the future, we will gradually evaluate external certification systems that incorporate business ethics, such as ISO 27000, RCMS (Responsible Care Management System), RC14001 (Responsible Care 14001), and other anti-corruption certifications such as Ethical Intelligence, Trace, and more.

4.2.2 Anti-corruption Rules, Regulations and Commitments

To ensure the implementation of ethical conduct and integrity in the Company, and to serve the purpose of sustainable development, Corum has established and regularly disseminates various codes of conduct. Through internal meetings, the Company promotes integrity and ethics as core values, which is manifested through a series of regulatory formulations, self-assessment practices, establishment of reporting channels, and protection mechanisms for whistleblowers, thereby constructing a robust compliance firewall. The management team leads by example, requiring every colleague to ensure that their conduct adhere to laws, company policies, and regulations. Through high-level review meetings, compliance is evaluated, and guidelines for conducting business are formulated. All employees of the Company, regardless of their positions, ranks, or locations, are required to abide by the "Corum Code of Business Integrity" and "Corum Human Rights Policy." These policies cover areas such as workplace standards, equal opportunities, confidentiality clauses, prohibition of dual employment and avoidance of conflicts of interest, prohibition of giving and receiving gifts, and adherence to proper business etiquette. We improve our corporate image through measures such as respecting employees and customers, whistleblower protection and immunity, etc. to ensure the Company's sustainable management and development.

In order to prevent the Company from being penalized for violating fair competition and antitrust laws and regulations, we take the above policies as a guideline for our management and employees to follow when engaging in business practices and to mitigate the risk of violating the law. We are committed to engaging in industry competition with integrity and fairness, fostering a corporate culture that complies with regulations, and building a trustworthy and respected company reputation. This approach provides our employees with clear direction when interacting with stakeholders.

4.2.3 Violations of Business Ethics

In 2023, the Company had no incidents involving fraud, insider trading, anti-competitive behavior, antitrust and monopoly actions, or market manipulation. Through internal assessments, the Company identified zero major corruption risks, legal disputes, or penalties. To embed ethical concepts in employees' business process, the HR Department will progressively devise online ethical training for in-service employees in the future, where senior executives will convey the importance of the Company's ethical culture to the employees during meetings.

4.2.4 Whistleblowing System and Protection Measures

Corum has established a corporate culture system that prioritizes integrity and transparency. This includes the establishment of dedicated units to handle and investigate reports, as well as the provision of reporting hotlines and email channels for both internal and external parties. Confidentiality of the whistleblower's identity is maintained, and any adverse personnel actions against internal employees who report wrongdoing are strictly prohibited. Anonymous reporting is also allowed, aiming to actively prevent acts of dishonesty, fraud, and criminal behavior. Meanwhile, we have set up diverse whistleblowing channels, allowing our stakeholders to file complaints via the Company website or the HR Department's email (anonymous and named). The facts and evidence of the report will be clarified, and the Company will take appropriate disciplinary measures depending on the seriousness of the circumstances. The content of the report and the whistleblower's identity will be kept confidential, and the Company will protect the whistleblower and employees partaking in the investigation process to prevent unfair retaliation or treatment.

4.2.5 Complaints/Whistleblowing Channel

Complaints/Whistleblowing Channel: +886-2-7737-2000 #2041:audit@corum.com.tw

Stakeholder Engagement Email:marketing.support@corum.com.tw

4.3 Legal Compliance GRI:2-23,2-24,2-25,2-26,2-27,3-3

① Importance to the Company

Legal compliance is the foundation of corporate responsibility Regulatory compliance is the baseline of corporate responsibility. Implementing regulatory compliance helps avoid legal liabilities and penalties, builds a positive corporate image, and ensures steady growth and sustainable operations.

② Policy and Commitment

Zero violation.

③ Short-term Goals (within 3 years)

- Annual ESG-related legal training reaches 90%.

④ Medium-term Goals (3- 6 years)

- ESG-related legal training reaches 100%.
- Zero violation of rules or regulations.

⑤ Long-term Goals (over 6 years)

- Maintain zero legal violations by the Company.

⑥ Annual resources invested and specific outcome

- Established legal identification and management system.
- No internal or external complaints regarding ESG regulatory violations.
- No legal violations were determined by regulatory authorities during the year.

⑦ Department responsible and grievance mechanism

- Department responsible: HR Department.
- Grievance mechanism: Via telephone or email.

⑧ Evaluation mechanism and performance

- Evaluation mechanism: High-level review meeting.
- Performance: Zero violation in 2023.

4.3.1 Regulatory Compliance and Actions Taken:

Compliance with regulations is a bedrock for the sustainable operation of an enterprise. To achieve the goal of sustainable business, all employees of Corum continuously monitor the legal norms and related developments within the scope of their responsibilities through the various departments or functional units within the organization. They also establish internal regulations based on the laws and regulations of the respective countries where the Company operates, and adhere to all laws relevant to the operation. This approach ensures the realization of Corum's goals and policies regarding regulatory compliance.

Operational Compliance	Compliance with Laws and Regulations
Business Operations and Marketing	Compliance with the Criminal Code, Fair Trade Act, Consumer Protection Act, Trademark Act, Copyright Act, international and domestic laws and regulations, and the Personal Data Protection Act.
Financial and Organizational Planning	Company Act and Money Laundering Control Act.
Internal and Customer Information Protection	Trade Secrets Act, Personal Data Protection Act.
HR Policy and Management	Labor Standards Act, Employment Services Act, Labor Incident Act, Gender Equality in Employment Act, and Labor Insurance Act.

When a new employee reports to work, Corum will inform him/her of the Company's internal regulations on business integrity requirements. Due to the extensive variety of regulations, each department stays informed about regulatory amendments through interactions with government agencies or media reports. Subsequently, each department provides education and training to respective employees to ensure the Company's operations comply with various regulations and to determine whether any violations constitute material breaches. In terms of overall occupational health and safety, Corum continues to adhere to corporate governance practices and is committed to enhancing the compliance awareness of its employees.

- In terms of education and training, in order to enhance employees' awareness of professional ethics and compliance with regulations, we establish internal regulations based on legal requirements. The HR Department collaborates with other responsible departments to provide regular regulatory training for employees of different departments and levels. We also continuously educate all employees through courses, seminars, case studies, and other methods to illustrate legal examples. This ensures that employees at all levels of the Company are familiar with various regulations and relevant laws. Training content is tailored to employees' varying roles and responsibilities, including aspects such as new employee orientation training, physical courses, cross-departmental awareness programs, and external training. We utilize methods such as posters and announcements on the Company's website to promote regulatory compliance guidelines, ensuring that employees have continuous access to regulatory information. This approach enables employees to stay informed about regulations at all times.

- Regarding occupational safety and health, Corum has introduced the ISO 14001 environmental management system and ISO 45001 occupational safety and health management system, and we have formulated the oversight, audit, and performance management regulations to ensure that the Company complies with environmental protection and occupational safety requirements during the product manufacturing process. Through an effective, circular operational environment and occupational safety management system, we can detect potential problems and take the appropriate management and preventive actions to protect the Company from damages.

4.3.2 **Regulatory Compliance and Actions Taken**

In response to international regulations and trends, apart from complying with the regulatory requirements of various national government agencies, such as EU/UK REACH registration and ECHA chemical regulations, Corum, is even more proactive in addressing international organizational certifications to meet customer demands. These certifications include Leaping Bunny, ECOCERT/COSMOS, NaTrue, Halal certification, and Roundtable on Sustainable Palm Oil (RSPO), among others.

In 2022, Corum completed NaTrue certification for Azelaic Acid for the first time, and we also plan to complete the promotion of other products in 2023. Furthermore, we also plan to promote the RSPO supply chain certification of products in response to the protection of biodiversity in palm oil plantations, the prohibition of deforestation for palm cultivation, the protection of land rights and labor rights, and the sustainable development of the economy.

In 2023, Corum recorded no instances involving violations of economic, environmental, or social regulations that resulted in penalties. There were also no incidents of corruption or illegal actions suppressing free market competition or unfair monopolistic behavior. Looking forward to 2024, Corum will continue to uphold regulatory compliance as a paramount principle and core value of its corporate governance. This commitment aims to achieve the goal of enforcing regulatory compliance and thereby mitigating potential legal risks, both direct and indirect, including but not limited to financial or reputational losses, that may arise in the course of its operations.

Year	Compliance with Laws and Regulations
2021	No violations recorded.
2022	One violation recorded (Waste Disposal Act), with fines paid and corrective actions implemented.
2023	No violations recorded.

4.4 Information Security GRI:3-3,418-1

❶ Importance to the Company

Information security incidents cause disruptions in the Company's operations and data leakage. In the information age, information security has become an inevitable topic.

❷ Policy and Commitment

Information security equals corporate security.

❸ Short-term Goals (within 3 years)

- Organize information security education and training to enhance the employees' awareness of information security and relevant responsibilities.

❹ Medium-term Goals (3- 6 years)

- Protect the Company's business activity information, and prevent unauthorized access and modification to ensure its accuracy and integrity.

❺ Long-term Goals (over 6 years)

- Ensure the Company's critical core systems maintain a certain level of system availability.

❻ Annual resources invested and specific outcome

- Form an information security team.
- Complete database inventory and backup, and restore ERP database to the test area annualy to ensure the feasibility of disaster recovery.
- Execute vulnerability scanning and emergency response.
- Introduce BI systems.

❼ Department responsible and grievance mechanism

- Department responsible:
  IT Department.
- Grievance mechanism:
  Via telephone or email.

❽ Evaluation mechanism and performance

- Evaluation mechanism:
  Information work meeting.
- Performance:
  Zero information security events in 2023.

With the high level of development in the information age, the Company is vulnerable to unpredictable security risks while enjoying the benefits of convenience. In serious cases, the Company's information network and business may be interrupted, causing enormous damage to the Company and the stakeholders. The Company's highest-ranking executive is the IT executive, who is in charge of planning and promoting the information security measures of the headquarters and factories. An "information security team" is formed consisting of executives from IT and other units. It must engage in security prevention, crisis handling, and audit operations.

4.4.1 Information Security Policy

✓ Abide by information security-related laws and provide adequate protection measures for the Company's information asset to ensure its confidentiality, integrity, and availability, acting as the highest guiding principle for the Company's information security management and operations.

✓ Regularly assess potential hazards' impact on the Company's information assets, formulate contingency and recovery plans for important information assets and key services. This is to make sure the ongoing operation of the Company.

✓ Encourage our employees to implement information security protection, establish relevant regulations and information security responsibilities, concepts, and conducts.

✓ Contractors, customers, or third-party personnel that have used or linked to the Company's information environment must adhere to the Company's information security policy and related regulations.

4.4.2 Information Security Management Mechanism and Solution

✓ User authorization management:The user must grant different authorizations according to different security levels.

✓ Operating system user authorization security management: Install the operating system in accordance with the Company's regulations and join the Company domain for centralized management. The operating system must receive regular security updates, while antivirus software must be installed on the Company's servers and computers. Furthermore, updates, scan engine, and virus codes are downloaded automatically every day. Measures for regularly renewing the user password.

✓ Application software security management: Besides installing the application software, tool software, and software suites needed for IT operations, installation of other special software requires separate applications and approval before it can be installed.

✓ Set up a screening mechanism for prohibited software and URLs in the firewall settings to deny access to prevent affecting network quality and security.

✓ Network communication security management: External VPN (remote) access and internal access (file transfer (FTP), instant messaging, special connection (HTTPS), and other network applications) must be reviewed by the information unit and approved by the executive in charge before access is granted.

✓ Application system security management: The information unit must restrict the access and update of the source code to authorized personnel, and set different program execution authorizations for different users based on the business needs.

✓ Backup management:System disaster recovery and database backup management-related measures are in place.

✓ Asset management:Conduct asset serial number management and regular inventory of equipment and personal computers in the data center.

✓ The online training method is applied to educate users on the security mechanism of operating system configuration and operation. The source and infection method of current viruses (Trojan horses, backdoors, worms, etc.) are explained to enhance the users' knowledge of security protection.

4.4.3 Zero Information Security Incidents

In 2023, there were zero reported information security incidents, and no penalties were imposed by regulatory authorities for personal data breaches. We regularly assess potential information security threats and the impact they may have on the Company's information assets.
We review our emergency response strategies and recovery plans to ensure the continuity of our operations.

4.4.4 Personal Data Protection

Corum has established a clear privacy policy on our official website, stating that we do not collect "personally identifiable information" through this site. We may collect "non-personally identifiable information," such as your domain name, browsing patterns on our website, the date and time you visited, demographic information, and the address from which you linked to our site. We may use the information provided by customers to create or deliver newsletters or market surveys that include product information, cosmetic ideas, or other promotional activities, and to develop marketing plans. However, we do not sell or rent your personal information to third parties without your consent. Corum is committed to safeguarding customer data. We have implemented various technical and organizational measures to protect your personal data from loss or misuse. Through these measures, we protect our systems according to applicable security controls in data security standards.

4.4.5 Introduction of Business Intelligence (BI) System

Following the comprehensive upgrade of Corum's Enterprise Resource Planning (ERP) system in 2022, which optimized IT architecture and maintenance operations, the BI system was introduced in May 2023 and officially launched in September 2023. The BI system simplifies repetitive tasks in information systems and enhances data integrity. It provides necessary reports for finance, logistics, sales, and other departments, improving relevant performance.

2023 CORUM ESG Report

4.5 Due Diligence on Operational Opportunities and Risk `GRI:2-25`

Global trends and environmental changes present risks and opportunities that could impact corporate profitability. The Corporate Governance Team within the Sustainability Committee is responsible for risk management planning activities. The scope of risk management includes corporate governance, environmental, and social aspects. Core departments carry out related risk assessments, evaluating risks based on their likelihood and impact on the Company. High-risk items are addressed through targeted risk responses, continually enhancing corporate competitiveness and influence. This ensures the Company is well poised to face various potential risks, seize business opportunities, and achieve sustainable operations.

Substantial financial or strategic impact, as defined by the Company's Finance Center, is calculated based on the following four major types of financial risks:

- **Operational risk:**
  For example, the losses incurred by one day of factory shutdown. Operational risks include personnel risk, system risk, procedural risk, equipment risk, and indirect cost risk.

- **Market risk:**
  Primarily stems from economic uncertainty or a general economic downturn. For example, currency risk caused by inflation, or deflation leading to reduced consumer spending and declining market momentum, which affects corporate revenue.

- **Credit risk:**
  Evaluate accounts payable (AP) and accounts receivable (AR) to manage cash flow and sufficient liquidity to sustain business and continued profitability.

- **Legal risk:**
  Tax compliance and possible changes in tax rules, tax incentives, fines, etc.

4.5.1 Corum's Risk Management Policy

Risk item	Responsible department	Risk business item
Strategic risk	Chairman's office	Stipulates the Company's future operational policy.
Investment Risk	Chairman's office	Risks include short-term investment market price fluctuations such as overconcentration of reinvestment targets, high-risk and high-leverage operations, derivative financial product transactions, and wealth management, as well as a long-term investment in the operation, regulation, and management of investee companies.
Operational and Market Risk	President Sales Department Various relevant departments	Execute product R&D, production, and sales based on the Company strategy, as well as commit to the improvement of production technology and quality, and the reduction of costs to increase the Company's profitability.
Financial and Liquidity Risk	Finance Department	Hedging of interest rates and exchange rates, bank transaction limit management, relationship maintenance, etc.
Customer credit risk	Finance Department	Customer credit limit formulation and review, management, and collection of AR.
Legal risk	Administration Department	Review contracts, Company authorization and decrease corporate legal risks to protect the Company's tangible and intangible assets.
Safety Risk of Workers	EHS Office	Focusing on the safety and health hazards and specific risk factors at the workplace as well as the safety and health policy, the Company has implemented safety and health management and enhanced its management performance.
Information security risk	IT Department	Risks such as conventional and digital information security and confidentiality, inability to verify information content and processing technique, inability to access information when needed, and the use of relevant assets.
Environmental risk	EHS Office	Risks such as GHG emissions management, carbon rights management, energy management, compliance with international and local environmental laws, or environmental evaluation requirements.
Human resources risk	HR Department	The human rights topics of employees or suppliers include but are not limited to labor relations, child labor, forced labor, and talent development management, including but not limited to risks related to talent recruitment, retention, and development.

4.5.2 Corum's Risk Items and Response Strategies for 2023

Risk aspect		Response Strategy
Corporate Governance Financial aspect	Interest rate fluctuations	The Company has exhibited a sound financial structure, and it is complemented by the conservative and prudent utilization of funds. Moreover, full-time personnel has been appointed to monitor financial information at all times, while financial tools are used to minimize the risk of interest rate fluctuations by applying a conservative and prudent approach.
	Exchange rate fluctuations	• Lower the net position of USD and RMB to decrease exchange rate risk. • The Company's financial personnel constantly gather exchange rate fluctuation-related information and refer to financial information provided by banks and investment institutions to monitor the exchange rate fluctuations in real-time. • Open a foreign currency deposit account and regulate the foreign currency positions based on capital needs and exchange rate trends.
	Credit risk	Dedicated personnel has been appointed for the determination of the other party's credit line, credit approval, and other monitoring procedures to ensure that appropriate actions have been adopted for the collection of overdue receivables. In addition, review the recoverable amount of each receivable to make sure that appropriate impairment losses for uncollectible receivables have been reported.
Product competition	Market competition	• Maintain close contact with our customers to understand and cater to their latest needs. Also, visit customers with R&D and technical personnel to gain insight into the future trends of our customers' products in order to respond by developing new products. • Innovation in R&D technology and obtaining patents to ensure we belong in the group of global leaders. • Obtain and maintain the trademark.
Corporate Governance	New infectious disease	• Form a task force. • Continue to monitor the pandemic information and make adjustments according to the government's regulations. • Implement the deputy mechanism. • Implement new infectious disease response measures and pandemic prevention mechanisms.
	Information security risk	• Manage file and equipment security, perform a regular backup of the entire system, and execute defragmentation to save disk space and increase the system's performance. • As far as equipment security is concerned, access control and data center control should be enforced, while data center equipment should be maintained and managed. In addition, data center security measures should be regularly inspected. • Set authorization management and realize the internal control cycle of information security. • Implement off-site backup systems. • Regularly outsource information security inspections.
Environmental aspect	Environmental pollution	• Abide by waste management regulations, regularly conduct a qualification review of waste disposal contractors and confirm the final destination of disposed waste to ensure that the waste generated by Corum can be adequately disposed of. • Implement environmental aspect risk identification and establish a control mechanism for potential sources of pollution. • Conduct quarterly OHSC (Occupational Health and Safety Committee) meetings to review environmental control performance. • Implement law identification and comply with the government's regulations.
	Climate change risk	• Concerning water resources management, we need to respond to water restrictions and water rotations during a water shortage. Consequently, besides collecting water reservoir intelligence, we must also monitor the water consumption trend and promote water-saving measures including the use of reclaimed water. • When a typhoon warning is issued, the typhoon prevention headquarters is established to monitor the typhoon's development and the current conditions in the factory. Typhoon forecasts are issued within the factory to allow our personnel to effectively understand the typhoon's conditions and implement typhoon prevention measures to minimize the impact of the typhoon. When a flood occurs, the typhoon prevention headquarters will coordinate manpower to respond to and resolve different situations, and implement post-flood recovery work. • Implemented ISO 14001 environmental management system. • Introduced TCFD climate change risk management, and a rolling review is conducted every year.

4.5.2 Corum's Risk Items and Response Strategies for 2023

Risk aspect		Response Strategy
Environmental aspect	Climate change risk	• In supporting the government's energy conservation policy, we plan to introduce ISO 14064-1: 2018 GHG audit in 2023. • Comply with government regulations and customer needs.
Social aspect	Occupational disaster risk	Employees are important assets, thus we strive to protect their workplace safety to prevent the potential costs and risks associated with occupational disasters. Continue to implement ISO 45001 management system to implement hazard identification and risk management. Regularly hold OHSC (Occupational Health and Safety Committee) meetings to propose recommendations on the employer's safety and health policy, as well as to review, coordinate, and recommend safety and health-related matters to let employees protect one another and work with peace of mind. We also aim to promote a disaster-free work hour record.
	Lack of manpower risk	• Vigorous promotion of equipment automation: The Company has vigorously promoted equipment automation to address a lack of labor. An equipment automation center was created to integrate and share equipment automation resources and expand investment in equipment automation, where machines are used to reduce manual labor intensity and simple, repetitive actions. • Strengthen personnel retention: Improve employee remuneration and benefits, pay attention to employee care, and strive to lower the employee turnover rate.
	Raw material supply risk	• To address the uncertainties associated with the supplier's supply of goods, in addition to the development and transfer of supplier countries, we have also adopted hedging procurement to minimize the risk of supply interruption. • Apply the logistics collection mechanism and demand our suppliers to increase the groupage ratio of container shipments and reduce the risk of loose cargo control.

4.5.3 Response Strategy to Key Events

- **Climate Governance Response Riskoperations:**
  In response to the global climate change crisis, the highest-level management position within Corum responsible for climate-related issues is the Chief Financial Officer (CFO), who serves as the Vice Chairman of the Corum Sustainability Committee. The CFO oversees the financial reporting system, regularly reporting to the Chairman, and conducts opportunity and risk analysis according to the TCFD framework. This includes managing the annual budget for climate governance activities, and overseeing operational expenditures related to low-carbon transition products, including R&D technologies. Climate-related issues are integrated into strategic planning, with direct reports to the Chairman assessing associated risks and opportunities. Additionally, Corum's Marketing Department is tasked with executing corporate sustainability initiatives as directed by the Board of Directors.
  This includes the publication of the Sustainability Report and responding to CDP assessments and EcoVadis supply chain sustainability assessments.

05 Environmental Sustainability
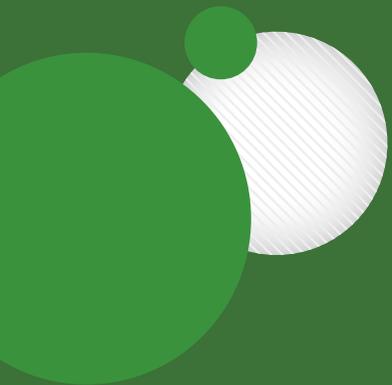
5.1 TCFD Report:Climate Governance Response GRI:201-2,3-3

1 Importance to the Company

Climate change is closely related to the sustainability and survival of all organisms and human beings on Earth, and it has an impact on corporate sustainability.

2 Policy and Commitment

All-hands participation and sustainable resources.

3 Short-term Goals (within 3 years)

Obtain approval for the Company's carbon reduction roadmap and targets from the Science Based Targets initiative (SBTi).

4 Medium-term Goals (3- 6 years)

Achieve an "A" rating in CDP - Climate Change Assessments.

5 Long-term Goals (over 6 years)

Ensure 100% effectiveness of TCFD risk measures and opportunity actions.

6 Annual resources invested and specific outcome

Resources invested in the year:
Continued management of TCFD-related climate change risk management, with annual rolling reviews.

Specific outcome and achievements:

- Reviewed and redefined TCFD risks and opportunities in 2023.
- Achieved a B- grade in the CDP assessment for 2023.

7 Department responsible and grievance mechanism

- Department responsible:
  Finance Department.
- Grievance mechanism:
  Via telephone or email.

8 Evaluation mechanism and performance

- Evaluation mechanism:
  Senior-Level Review Meetings.
- Performance:
  No material TCFD risk events occurred in 2023.

5.1.1 Introduction

Corum's climate governance vision is to establish itself in Taiwan while aligning with international standards, gradually achieving a low-carbon economic transition. In response to Taiwan's and the global 2050 net-zero emission policies, Corum refers to the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations issued by the Financial Stability Board (FSB) and relevant international ESG standards. We have established climate governance strategies, setting short-, medium-, and long-term goals to gradually perfect carbon inventory, carbon reduction improvements, and the identification and response to climate risks and opportunities. These efforts aim to integrate climate risk concepts into business services, ensuring that the Company possesses the necessary knowledge and capabilities to systematically and methodically achieve the 2050 net-zero emissions goal.

5.1.2 Governance

Climate change is now one of the most severe risks on a global scale. In this report, besides regularly reviewing material topics each year, Corum also adheres to the United Nations Sustainable Development Goals (SDGs) 13 on Climate Action and the TCFD recommendations by disclosing climate governance responses through the four core factors: "Governance," "Strategy," "Risk Management," and "Metrics and Targets." Each year, the risks and opportunities related to climate governance are defined to help stakeholders understand Corum's performance and measures in climate governance, as well as to assist them in recognizing significant risks and potential opportunities for sustainable transformation within the industry's value chain.

- **Board Oversight of Climate-Related Risks and Opportunities:**
  Corum's Board of Directors serves as the highest-level organization overseeing climate-related risks and opportunities. The Board's Sustainability Committee identifies, evaluates, and manages climate change-related risks and opportunities, with decisions on these matters subject to Board approval. The Sustainability Committee is chaired by the Chairman, with the Vice Chairman being the CFO. It is supported by the Sustainability Office and three working groups: the Corporate Governance Team, the Sustainable Environment Team, and the Social Inclusion Team. The Sustainability Office is in charge of consolidating various work teams and generating TCFD assessment reports regularly for the Board of Directors as a reference for decision making.

- **Management's Role in Evaluating and Managing Climate-Related Risks and Opportunities:**
  The Sustainable Environment Team within the Sustainability Committee is the primary unit responsible for managing climate-related opportunities and risks. By implementing the ISO 14001 Environmental Management System, the team provides management recommendations for climate governance. Members of the Sustainable Environment Team include:Members from the EHS Office, R&D Center, Materials Management Department, Manufacturing Department, Facility Department, and Production Department, with the Sustainability Committee Executive Secretary (concurrently the Marketing Department Manager) reporting related work progress and outcomes to the Board.

Furthermore, Corum's Sustainability Office actively participates in external environmental initiatives and closely follows climate change issues and corporate disclosure standards.
In 2022, Corum proactively signed the TCFD Climate Governance Disclosure Initiative, and related information can be found on the TCFD official website's list of supporters.
https://www.fsb-tcfd.org/supporters/.

5.1.3 **Strategy**

Corum actively addresses the risks and opportunities brought about by climate change. In response to the significant theme of "Climate Governance," the Company has formulated four strategic actions to promote energy-saving and carbon-reducing sustainable governance, thereby fulfilling corporate social responsibility.

Developing Carbon-Reduction Products

Substitution with Natural Sources:
Corum is committed to replacing petrochemical materials with renewable natural sources, reducing environmental impact. Efforts are made to minimize the use and dependence on petrochemical ingredients, opting instead for natural, biodegradable, and renewable materials. This approach enhances the ISO16128 NOI (Natural Origin Index) of ingredients in our products. Many of these products have passed 100% natural certification audits by COSMOS or NaTrue, meeting consumer demand for sustainable ingredients.

Concentration and Miniaturization Improvements:
We are evaluating existing products to improve them towards concentration and miniaturization (lightweighting). Functionally speaking, this allows for higher concentrations of functional ingredients, making them more suitable for high-content formulas and enhancing skincare effectiveness. Environmentally, it reduces the volume of standard packaging, and the smaller packaging size further decreases transportation volume, improving transport efficiency and reducing CO_2 emissions. It also contributes to reducing plastic waste and storage space, achieving a win-win strategy for functionality and environmental sustainability.

Domestic Consolidated Shipping

Domestic Consolidated Shipping:
Since 2021, Corum has implemented domestic consolidated shipping measures. For domestic customers with more than 14 shipments in the previous year, the Domestic Sales Department communicates with them to regulate their shipping frequency and encourages order consolidation. This initiative aims to reduce the number of truck trips, lower mileage, decrease carbon emissions, reduce transportation costs, and improve operational performance.

Beach Cleanu Initiatives

Corum has been conducting beach cleanups since 2018. Starting in 2022, the Company officially signed an agreement with the New Taipei City Government to adopt the Zhongjiao Bay coastline in Jinshan District, New Taipei City, committing time and effort to maintaining the cleanliness of the coastline. The frequency of cleanups has been increased to twice a year, demonstrating a more proactive approach to protecting marine habitats. These activities also provide employees with ongoing opportunities to experience the joy of volunteer service and the value of giving back to society. Our beach cleanup events actively involve employees and their families, as well as inviting the public to participate. We emphasize the importance of waste reduction at the source and long-term environmental awareness to promote carbon-reducing lifestyles.

Office Energy-Saving Measures

Air Conditioning Temperature Control:
Corum references international air conditioning standards, maintaining indoor temperatures between 26-28°C. The administrative office regulates and promotes setting office air conditioning temperatures to no lower than 26°C to conserve energy and respond to energy-saving initiatives.

Lighting System Improvement:
Since 2023, Corum has been gradually replacing the lighting systems in its Taipei office and factory with energy-efficient LED lighting. The Company also promotes turning off unused lights to balance environmental protection and energy conservation. The process is two-thirds complete, with full completion expected in 2024.

Water-saving Fixtures:
Starting in 2023, Corum has been gradually replacing faucets in its Taipei office with water-saving fixtures, reducing water bills and waste, contributing to environmental protection.

5.1.4 Climate Change Risk and Opportunity Management

Corum follows the TCFD framework and the CDP Questionnaire for the chemical industry to identify climate-related risks and opportunities. Through a matrix of risks and opportunities, the Company determines critical issues and develops related regulatory plans, linking them with financial planning to implement risk control measures, aiming to minimize potential impacts.

Transition Risk
- Policies and Regulations
- Technology
- Market
- Reputation

Physical Risk
- Immediacy
- Long-term

Risks → **Strategic Planning/ Risk Management** → **Financial Impact**

Opportunities
- Resource Efficiency
- Energy Source
- Products and Services
- Market
- Resilience

Income / Expenditure → **Profit and Loss** ↔ **Cash Flow** ↔ **Balance** → Assets and Liabilities / Capital and Financing

1. Risk and Opportunity Identification Process:

01/
The Marketing Department collects sustainability trends in the beauty and cosmetics industry and climate change background information.governance, thereby fulfilling corporate social responsibility.

02/
The Marketing Department proposes a list of climate risks and opportunities, including types, themes, potential financial impacts, and company-specific descriptions.
After approval by the Sustainability Committee Chairperson (Company Chairman) and Vice Chairperson (CFO), the Marketing Department creates an internal operational impact and frequency survey questionnaire, which is distributed to department heads for feedback on impact, frequency, likelihood, timeframe, and risk/opportunity levels.

03/
Based on the signed climate risk and opportunity list, the Finance Center fills out Financial Impact Statements, response costs, and calculation explanations.

04/
The Marketing Department creates a TCFD climate risk and opportunity matrix using the survey results and financial impact statement, which is then submitted to the Sustainability Committee Chairperson (Company Chairman) and Vice Chairperson for approval. This determines the key risk and opportunity items.

05/
For key risk and opportunity items identified in step four, the Marketing Department distributes them to relevant departments to establish implementation strategies and goal settings. The effectiveness of these actions is reviewed and submitted to the Sustainability Committee Chairperson (Company Chairman) by the respective departments.

2.Climate Risk Scenario Analysis:

Corum's Sustainability Committee engages in discussions in the "TCFD climate change-related financial disclosure discussion meeting", which calls upon the members to discuss and identify climate change-related risks and opportunities. The structure recommended by TCFD is introduced to the discussion content, while transition risks (policies and regulations, technology, market, reputation), physical risks (immediate risks, long-term risks), and opportunities (resource efficiency, energy source, products/services, markets, and resilience) are discussed and identified.

- **Climate Scenario Analysis Basis and Short/Mid/Long-Term Timeframe Definition:**
  In response to the impact of climate-related risks and opportunities on the Company's strategy and financial plan, Corum has referred to TCFD's climate scenario analysis, implementing quantitative and qualitative climate scenario analyses to determine the response strategy. Corum has referenced the "Net Zero Emissions by 2050 Scenario" (NZE): It assumes that the global energy industry will achieve net-zero emissions by 2050. In this scenario, developed economies are expected to reach net-zero earlier than other economies, aiming to limit global temperature rise to 1.5°C. Corum's Sustainability Committee has discussed this scenario, using tools provided by the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) as a reference for evaluating physical risks associated with climate change. Ultimately, the Company decided to adopt the more ambitious 1.5°C scenario and the Representative Concentration Pathway (RCP) 2.6 (low-emission scenario) as the basis for its climate risk scenario. This scenario considers the physical risks and regulatory transition risks related to climate change, analyzing the potential risks and opportunities the Company might face in achieving this climate scenario goal. The risks and opportunities relevant to Corum's operations were identified, with reference to TCFD reports in the chemical manufacturing industry. Corum has defined its timeframes for strategic planning as follows:
  short-term (within 3 years), medium-term (3-6 years), and long-term (over 6 years).

- **Physical Risk Scenario Analysis:**
  "Representative Concentration Pathways" (RCPs) use radiative forcing (the difference in energy between 2100 and 1750) as an indicator for analyzing future temperature and precipitation changes. RCP 2.6, with a radiative forcing increase of 2.6 W/m², represents a scenario aimed at mitigating global warming.
  According to data released by The Network of Central Banks and Supervisors for Greening the Financial System (NGFS), comparing 2050 with data from 1986-2006 under the RCP 2.6 scenario, the atmospheric CO_2 concentration is expected to reach 421 ppm by 2050, and Taiwan's labor force is projected to decrease by 2.3 percentage points (pp). Based on projections from the TCCIP, Taiwan's temperature is expected to increase by 0.92°C and daily rainfall to increase by 4.36 mm/day by 2050, compared to current weather conditions. With Taiwan's average rainfall currently at 6.0 mm/day, this increase represents a 73% rise in precipitation. The rise in temperature will necessitate the installation of cooling facilities at Corum's plants, while increased rainfall may lead to flooding, raising the risk of damage to production equipment and increasing the maintenance costs of drainage systems and waterproofing infrastructure. These costs would entail both preventive measures and post-event remediation, such as pumping and sediment removal.

- **Transition Risk Scenario Analysis:**
  According to the NGFS scenario analysis, if current conditions persist, global temperatures could rise by 1.5°C by 2030, 2°C by 2050, and 3°C by 2090. In a 3°C warming scenario, global labor productivity could decrease by 10%, river flooding could double, typhoons and cyclones could increase, and global GDP could decline by 2% by 2040. Conversely, if the goal of net-zero emissions by 2050 is achieved, global temperatures would still rise by 1.4°C by 2050, but there would be an opportunity to improve the living environment and economic conditions for future generations.

In the IEA 2DS scenario, the EU's carbon price surpassed €100 per tonne in February 2023, reaching the highest level since the establishment of the EU's Emissions Trading System (ETS) in 2005. Corum is not classified as a high carbon emissions industry (e.g., power plants, aviation, energy-intensive industries), and its products are not carbon-intensive nor subject to the EU's "carbon leakage" tariffs, under the current scenario analysis, the transition risks are deemed minimal. Nevertheless, the Company still faces potential transition risks due to the significant contribution of the EU market to the Company's revenue (approximately 26% of total sales). Corum must proactively plan to maintain its competitiveness in international trade in the face of potential future carbon taxes. Corum's response measures include conducting scenario analysis to pre-calculate the EU's carbon tax and gradually incorporating product carbon emissions. Assuming the EU adopts carbon pricing to achieve the IEA 2DS emissions reduction scenario (with global carbon emissions maintained at around 40 GtCO2 annually between 2045 and 2060), the EU's carbon price could rise to €196 per tCo2e by 2050. Based on this carbon price, Corum assesses the impact on transportation and logistics for EU-bound exports and EU-imported raw materials, ensuring that the Company remains competitive and compliant with emerging regulations.

3.Climate Risk and Opportunity Issues, Matrix Analysis, and Financial Impact List:

Corum has evaluated the likelihood of occurrence and the severity of financial impact for various risks and opportunities, defining any financial impact exceeding NT$100,000 as a material impact. We adopt the use of matrix analysis to quantify risk scores, categorizing them into three risk levels: 1-3 points for low risk, 4-6 points for medium risk, and 9 points for high risk. For short, medium, and long-term risks and opportunities, Corum has implemented corresponding management strategies, which include risk reduction, risk elimination, and risk acceptance. Priority is given to acute and severe risks, while chronic or minor risks are set as long-term observation targets.

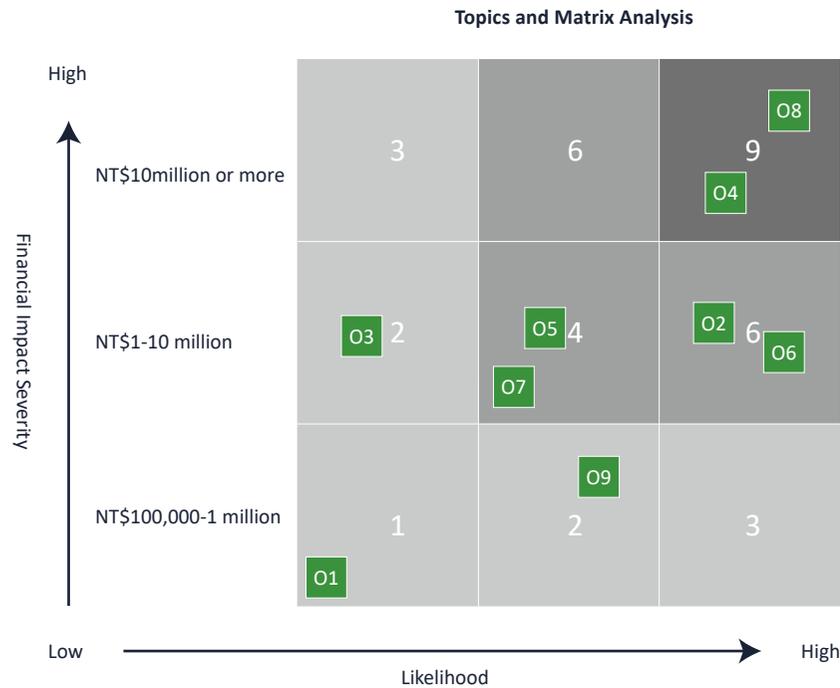**Corum's TCFD climate risk and opportunity matrix for 2023**

Topics and Matrix Analysis

Corresponding Risk Rating ● **Transition risk** ■ **Physical Risk**
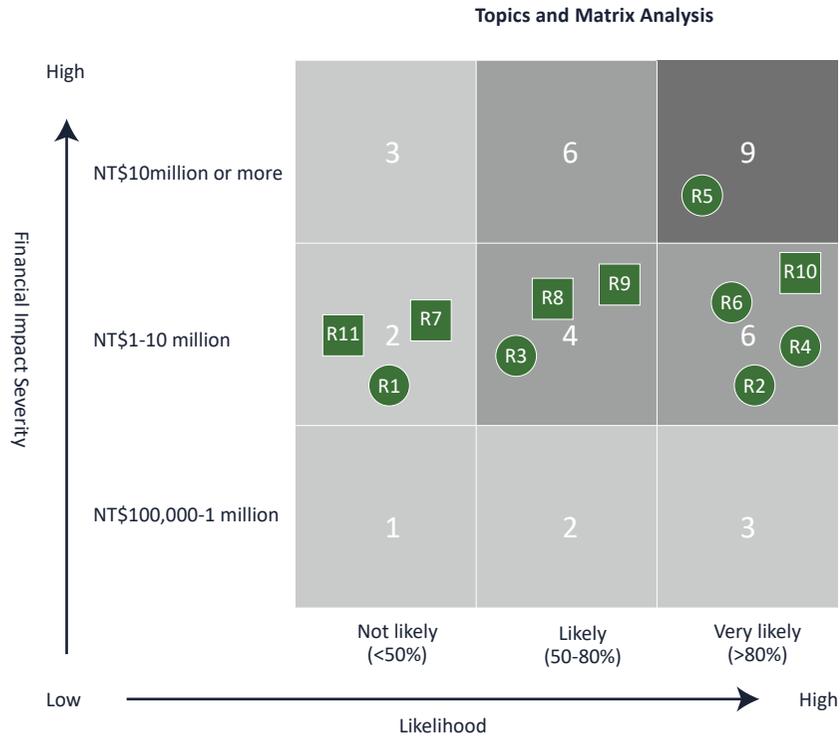
Serial number	Topic Description	Likelihood	Financial Impact
R1	Increasing GHG emission pricing, with governments planning to impose carbon taxes or fees	Low	Medium
R2	Enhanced emissions reporting obligations	High	Medium
R3	Requirements and regulations for existing products and services	Medium	Medium
R4	Replace existing products and services with low-carbon/low energy-consuming products	High	Medium
R5	Cost of Transition to Low-Carbon Technologies	High	High
R6	Changes in customer behavior, with customers demanding low-carbon strategies to meet emerging trends	High	Medium
R7	Climate change may lead to more extreme weather patterns, affecting the supply chain through disruptions in raw material supply, increased transportation costs, and potential delays. These disruptions could have a significant impact on production timelines and costs	Low	Medium
R8	Increased severity of extreme weather events (such as typhoons, floods, heavy rainfall, droughts, etc.) leads to a rise in work stoppages, impacting production, or the imposition of water usage fees during dry periods, thereby increasing operational costs	Medium	Medium
R9	Increase in raw material costs	Medium	Medium
R10	Average temperature increase, leading to increased electricity consumption	High	Medium
R11	Rising sea level	Low	Medium

■ 9 points : High Risk and Major Opportunities, Immediate action required.

■ 4-6 points : Medium Risk and Opportunities ,Requires continuous monitoring, no immediate action needed.

■ 1-3 points : Low Risk and Opportunities , Acceptable Risk.

Note:
1.Considering the Company's long-term development over a ten-year period, and referencing sustainability reports and TCFD reports from related manufacturing industries, the Company defines the Short-term within 3 years, the medium term as 3-6 years, and the long term as over 6 years.

2.In the matrix diagram, Circles represent transition risk themes, while squares represent physical risk themes, with R5 being a high-risk theme.

Corum's TCFD climate risk and opportunity matrix for 2023

Topics and Matrix Analysis

Financial Impact Severity — Likelihood

High			
NT$10million or more	3	6	9 / O8 / O4
NT$1-10 million	O3 2	O5 4 / O7	O2 6 / O6
NT$100,000-1 million	1 / O1	2 / O9	3
Low ————————→ High			

Corresponding Opportunity Rating

Serial number	Topic Description	Likelihood	Financial Impact
O1	Carbon trading tax and offset opportunities, participation in carbon trading market	Low	Low
O2	Increased stakeholder attention and positive feedback	High	Medium
O3	Recycling	Low	Medium
O4	Development of Low-Carbon New Products or Services Through R&D and Innovation	High	High
O5	Apply a more efficient production and distribution process	Medium	Medium
O6	Changes in Customer Preferences, Increased Demand for Environmentally Friendly Products	High	Medium
O7	Apply more efficient transportation methods	Medium	Medium
O8	Upgrade Plant Facilities or Office Spaces by Switching to Buildings with Higher Energy Efficiency	High	High
O9	Decrease water consumption	Medium	Low

9 points : High Risk and Major Opportunities, Immediate action required.

4-6 points : Medium Risk and Opportunities ,Requires continuous monitoring, no immediate action needed.

1-3 points : Low Risk and Opportunities , Acceptable Risk.

Note:
1.Considering the Company's long-term development over a ten-year period, and referencing sustainability reports and TCFD reports from related manufacturing industries, the Company defines the Short-term within 3 years, the medium term as 3-6 years, and the long term as over 6 years.

2.In the matrix diagram, O4 and O8 are major opportunity themes.

• **Financial Impact Assessment of Risk Topics**

Serial number	2023 Climate-Related Risks	Risk category	Impact Scope	Potential Financial Impact	Company-Specific Description and Management Measures (Eliminate Risk, Reduce Risk, Accept Risk)	Financial Impact Statement	Risk level	Time frame
R1	Increasing GHG emission pricing, with governments planning to impose carbon taxes or fees	Emerging Regulations	Operational	Indirect (operational) cost increase	In January 2023, the Taiwanese government officially passed a bill to rename the "Greenhouse Gas Reduction and Management Act" to the "Climate Change Response Act," establishing a target of net-zero emissions by 2050 and initiating complementary carbon fee collection measures. Regarding carbon fee collection, the Company assesses that the potential financial impact is minimal because the Company's total greenhouse gas emissions from Scope 1 and Scope 2 are far below the government's high emission standard: 25,000 metric tons. Additionally, the Company's industry and products are not currently subject to regulation or taxation under the act, so the overall impact on company operations is minor. However, the European Union's Carbon Border Adjustment Mechanism (CBAM), which started in October 2023, requires carbon-intensive products entering the EU to report their production process emissions and obtain CBAM certificates. This has prompted other countries to begin evaluating carbon tariffs, which is noteworthy for our export-oriented business. From 2024, Taiwan will also start implementing carbon fee collection, initially proposing a free quota of 25,000 metric tons with a starting rate of NT$500 per metric ton, with plans to increase carbon pricing to NT$1,200-1,800 per metric ton by 2030. **Management Measures:** ● **ISO14064-1 Organizational Greenhouse Gas Inventory:** Since 2022, we have voluntarily conducted a greenhouse gas inventory according to ISO14064-1 standards, covering Scopes 1, 2, and 3, and will proceed with ISO14064-1 guidance and verification in 2024-2025 to fully present the Company's carbon emissions across all operational aspects, establishing verifiable data collection and tracking mechanisms. ● **CDP Carbon Disclosure Assessment:** To effectively manage greenhouse gas emission data, since 2018, we have participated in the CDP's climate change assessment upon customer invitation. Through the management of CDP questionnaires, climate change information, carbon risk management, and low-carbon strategies are integrated into operational decision-making.	The Company is not a major carbon emitter, with 2023 greenhouse gas emissions totaling approximately 5273.25 metric tons. Given that the government plans to exempt up to 25,000 metric tons from taxation, the financial impact of carbon fee collection is low. In the future, if the government establishes and opens a carbon ledger and carbon trading system, it could help the Company achieve its net-zero goals early, enhancing its resilience in carbon reduction. Other potential financial impacts include expenses related to the CDP questionnaire evaluation and ISO14064-1 guidance and verification.	Low	Medium-term

• **Financial Impact Assessment of Risk Topics**

Serial number	2023 Climate-Related Risks	Risk category	Impact Scope	Potential Financial Impact	Company-Specific Description and Management Measures (Eliminate Risk, Reduce Risk, Accept Risk)	Financial Impact Statement	Risk level	Time frame
R2	Enhanced emissions reporting obligations	Emerging Regulations	Operational	Indirect (operational) cost increase	The Financial Supervisory Commission (FSC) of Taiwan issued the latest version of the "Sustainable Development Action Plans for TWSE and TPEx Listed Companies" in March 2023, which requires listed companies with paid-in capital of less than NT$2 billion to prepare a sustainability report starting in 2025. Although Corum is not currently a listed company and is not subject to FSC regulations, we have proactively prepared and published an annual corporate sustainability report since 2021. We have gradually disclosed Scope 1, 2, and 3 greenhouse gas emission data to strengthen the Company's emission reporting responsibility and to implement ESG sustainable governance. **Management Measures:** ● **Publish Corporate Sustainability Reports in both Chinese and English:** Since 2021, we have prepared and published corporate sustainability reports annually in both Chinese and English. ● **Establish and Manage a Corporate Sustainability Website in Both Chinese and English:** TIn 2023, we established a corporate sustainability website to enhance communication with stakeholders, increase the transparency of ESG management information, and elevate corporate sustainability value. ● **SBTi Emission Reduction Target Review:** We plan to apply for SBTi verification of carbon emission reduction targets and action plans to strengthen our emission reporting obligations and to implement climate governance and emission reduction goals.	If Corum becomes publicly listed in TWSE or TPEx in the future, regulations require the Company to disclose carbon emissions reports, TCFD reports, or corporate sustainability governance content, we will have the necessary data and documents ready for submission, so the financial impact is assessed as low. Other potential financial impacts include the cost of publishing the corporate sustainability report, maintaining the corporate sustainability website, and conducting SBTi review operations.	Medium	Long-term
R3	Requirements and regulations for existing products and services	Current regulations	Operational	Revenue reduction due to decreased demand for products and services	International regulations on cosmetic ingredients are becoming increasingly stringent. In addition to requirements regarding ingredient stability, microbial content, toxicological safety of ingredients, and related substance information, regulations on ingredient testing methods and safety assessments are constantly evolving. Additionally, monitoring and predictive assessments of banned and restricted substances, non-animal testing alternatives, toxicological concern thresholds, bioactivity, and exposure ratios are frequently revised and updated. Since each country has established its own respective regulations regarding the declaration and supervision of cosmetic ingredients, constant attention is required.	We conduct regulatory evaluations in areas such as raw material sources, production processes, impurities, human and environmental hazards, safety precautions for use, GHS labeling, and recycling considerations.	Medium	Medium-term

● **Financial Impact Assessment of Risk Topics**

Serial number	2023 Climate-Related Risks	Risk category	Impact Scope	Potential Financial Impact	Company-Specific Description and Management Measures (Eliminate Risk, Reduce Risk, Accept Risk)	Financial Impact Statement	Risk level	Time frame
R3	Requirements and regulations for existing products and services	Current regulations	Operational	Revenue reduction due to decreased demand for products and services	The Company's marketing department is responsible for managing product regulations, including compliance, registration or filing, testing and certification, patent and trademark applications, substance safety, and global compliance of cosmetics. The marketing department works closely with the quality/quality control department to continuously review, optimize and respond to the latest regulatory requirements for products. In addition, our raw materials are sold in over forty markets worldwide, with exclusive partnerships established with agent distributors in each country. These agent distributors and customers continuously provide feedback on local regulatory updates, which the marketing department consolidates and responds to. **Management Measures:** ● **Preparation and management of product regulatory and safety documents:** We prepare and manage RIS (Regulatory Information Sheet), SDS (Safety Data Sheet), TDS (Technical Data Sheet), and various declarations to ensure product compliance with regulations and certifications. We also plan to prepare raw material safety evaluation reports to better serve our customers. ● **Identification of Quality Issues and Response to Risk Opportunities:** Following ISO9001 quality management, we identify internal and external quality issues within the organization and stakeholder needs, conducting product inspections or improvements to reduce or eliminate current regulatory risks. ● **External Cooperation with Legal Consultants:** We collaborate with professional external legal consultants, patent offices, trademark offices, EU chemical management sole representatives, and third-party inspection agencies to plan and maintain product intellectual property rights and provide legal compliance consultation to ensure that products comply with current regulations and meet customer expectations.	In 2023, there were no incidents of violating any health and safety-related regulations, and there have been no violations of product information and labeling regulations in the past three years. Therefore, the potential financial impact of this risk is assessed as medium. For the past three years, there were no incidents of violations related to product information and labeling regulations.	Medium	Medium-term
R4	Replace existing products and services with low-carbon/low energy-consuming products	Technology	Upstream Operational	Revenue reduction due to decreased demand for products and services	In terms of production processes, the Company needs to introduce new technologies, equipment, or energy to optimize processes and products, focusing on product concentration and miniaturization, reducing waste in processes, using clean energy, reducing energy consumption, or improving energy efficiency to lower carbon emissions.	Low-carbon products are an emerging and inevitable trend.	Medium	Long-term

• **Financial Impact Assessment of Risk Topics**

Serial number	2023 Climate-Related Risks	Risk category	Impact Scope	Potential Financial Impact	Company-Specific Description and Management Measures (Eliminate Risk, Reduce Risk, Accept Risk)	Financial Impact Statement	Risk level	Time frame
R4	Replace existing products and services with low-carbon/low energy-consuming products	Technology	Upstream Operational	Revenue reduction due to decreased demand for products and services	In terms of upstream raw material procurement, we actively seek biodegradable materials, particularly plant-based sources. Since plants are renewable, they can absorb carbon dioxide during growth, reducing the accumulation of greenhouse gases and addressing the depletion of earth's resources. This also meets low-carbon requirements. Therefore, replacing petrochemical-based materials with plant-based materials can significantly reduce the carbon emissions. **Management Measures:** ● **Develop environmentally friendly alternative products, replacing petrochemical-based materials with natural-origin materials, and product concentration and miniaturization:** We have gradually reduced the carbon emissions of many existing products through natural-origin substitutions and product concentration and miniaturization, including Azeclair® P, AmiMild SLG, Corum 5081, Corum 5028, Corum 9230, Corum Azelaic Acid, Et-VC®, and Corum 5089, among others. Additionally, we are actively developing more environmentally friendly alternative raw materials, such as 100% natural plant-based light oils and functional surface-modified powders, ensuring they are all biodegradable, allowing raw materials to return to nature after use. Replacing petrochemical-based raw materials with biodegradable materials helps maintain carbon dioxide in an organic carbon state, with plants absorbing carbon dioxide during growth and converting it into organic carbon, thereby helping to mitigate climate change.	As Corum continues to improve product carbon emissions and develop low-carbon products, with a research and development reward mechanism in place, following the 12 Principles of Green Chemistry, the financial impact of this risk is assessed as medium.	Medium	Long-term
★ R5	Cost of Transition to Low-Carbon Technologies	Technology	Upstream Operational	Increased capital expenditures	Our R&D center relocated and expanded in August 2023, introducing new equipment and technologies for low-carbon technology transition. We have also established a research and development reward system to encourage process optimization and low-carbon technology development. Our P2 plant has introduced smart meters and abnormal power consumption detection systems, allowing real-time and historical power usage and analysis to be queried remotely via smartphone apps or computer web. Abnormal power conditions (including current, voltage, etc.) are set according to equipment conditions, and when an abnormality occurs, notifications are automatically sent.adjustments to promote low-carbon transformation.	Low-carbon products are an emerging and inevitable trend. As Corum continues to improve product carbon emissions and develop low-carbon products, with a research and development reward mechanism in place, following the 12 Principles of Green Chemistry, the financial impact of this risk is assessed as medium.	High	Medium-term

• **Financial Impact Assessment of Risk Topics**

Serial number	2023 Climate-Related Risks	Risk category	Impact Scope	Potential Financial Impact	Company-Specific Description and Management Measures (Eliminate Risk, Reduce Risk, Accept Risk)	Financial Impact Statement	Risk level	Time frame
★ R5	Cost of Transition to Low-Carbon Technologies	Technology	Upstream Operational	Increased capital expenditures	Furthermore, the factory plant plans to evaluate other energy/resource management systems for data collection and analysis, including smart water meters, abnormal water consumption detection, smart gas meters, energy-saving analysis, carbon emission calculation, process hours, and real-time equipment efficiency statistics, to prepare for future product carbon emissions calculation and energy consumption analysis, prioritizing high-emission products for technical adjustments to promote low-carbon transformation. Furthermore, in 2023, we applied to enter the Chiayi Science Park in Taiwan, planning to develop low-carbon transformation technologies such as plant tissue culture and plant stem cell extraction. The application was approved in January 2024, officially granting us entry into the park. **Management Measures:** ● **Regulations Governing Research and Development Incentives** ● **R&D Center expansion and integration for low-Carbon technology research** ● **Factory equipment efficiency audit** ● **Apply to enter the Chiayi Science Park to develop new technologies and low-carbon products.** ● **Industry-academia collaboration to research new processes and technologies**	The low-carbon technology transition is proposed and planned by our R&D center, with the Chairman and Finance Center jointly overseeing the implementation. The factory plant is also conducting a comprehensive review of space and equipment to facilitate the introduction of new technologies. The plant construction plan at Chiayi Science Park has already commenced preparations. Industry-academia collaboration research projects are also ongoing. The cost of transitioning to low-carbon technology, including technical research, process development, scaling, trial runs, verification, mass production, and new plant construction, represents a significant financial impact.	High	Medium-term
R6	Changes in customer behavior, with customers demanding low-carbon strategies or rating certifications to meet emerging trends	Market Position	Operational Downstream	Revenue reduction due to decreased demand for products and services	The Company manages and records each visit's information, meeting content, project progress tracking, and analyzes customer forecast orders, actual orders, unfulfilled orders, actual sales, and estimated sales using three measures: the Customer Relationship Management System (CRM System), the ERP's Monthly Rolling Forecast System, and the Quarterly Report System. This helps promptly detect changes in customer behavior and serves as a crucial reference for the procurement and logistics units in scheduling production and preparing materials.	The Company's IT Department is responsible for establishing and maintaining the management software systems mentioned above.	Medium	Medium-term

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R6	Changes in customer behavior, with customers demanding low-carbon strategies or rating certifications to meet emerging trends	Market Position	Operational Downstream	Revenue reduction due to decreased demand for products and services	Besides consolidating and tracking business meetings or visit records in the CRM platform, the Company has also implemented the BI Business Intelligence System integrated with DigiWin's ERP System. This integration allows for timely and efficient consolidation of detailed business data across ERP and CRM modules, generating highly aggregated management KPI indicators or providing multi-dimensional data that can be queried across business areas, product lines, departments, and company organizations. This meets the data management needs of mid-to-high-level management, assisting managers in making informed decisions. The BI system was introduced in May 2023 and officially launched in September 2023. The BI system simplifies repetitive tasks in information systems and enhances data integrity. It provides necessary reports for finance, logistics, sales, and other departments, improving relevant performance. The Finance Center compiles and reports a comprehensive financial status sheet every month, including the balance sheet, cash flow statement, comprehensive income statement, and order, delivery, and production data analysis of key products and raw materials. **Management Measures:** ● **Customer Relationship Management System (CRM System)** ● **ERP Monthly Rolling Forecast System** ● **Monthly Financial Report**	The software system expenses are recorded as unamortized costs and are amortized over three years by the Company. The associated training costs and system maintenance costs are considered necessary business expenses and are categorized as operating expenses. The remaining costs are related to each department's employees' job responsibilities and are classified as personnel expenses.	Medium	Medium-term
R7	Climate change may lead to more extreme weather patterns, affecting the supply chain through disruptions in raw material supply, increased transportation costs, and potential delays. These disruptions could have a significant impact on production timelines and costs	Extreme Natural Factors	Upstream Operational	Indirect (operational) cost increase	As part of our low-carbon transition strategy, we actively seek natural raw material alternatives. Plant growth is highly dependent on environmental and climate conditions. Extreme climate changes may result in reduced upstream raw material production, altered delivery schedules, transportation difficulties, or threats to biodiversity, which increases our supply chain management costs and affects production. **Management Measures:** Achieve faster product delivery and reduce climate risks associated with insufficient raw material supply ● **Establish a multi-layered supply chain and backup suppliers** ● **Maintain a safety stock of raw materials** ● **Develop a supplier database and risk profile ratings** ● **Develop a logistics vendor database and risk profile ratings** ● **Establish emergency procurement procedures**	Corum has already established a multi-layered supply chain and backup suppliers (including raw material procurement and logistics transport providers). We also conduct monthly rolling reviews, scheduling, and arrangement of raw material safety stocks based on the rolling forecast and forecast accuracy analysis reports.	Low	Short-term

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R7	Climate change may lead to more extreme weather patterns, affecting the supply chain through disruptions in raw material supply, increased transportation costs, and potential delays. These disruptions could have a significant impact on production timelines and costs	Extreme Natural Factors	Upstream Operational	Indirect (operational) cost increase	As part of our low-carbon transition strategy, we actively seek natural raw material alternatives. Plant growth is highly dependent on environmental and climate conditions. Extreme climate changes may result in reduced upstream raw material production, altered delivery schedules, transportation difficulties, or threats to biodiversity, which increases our supply chain management costs and affects production. **Management Measures:** Achieve faster product delivery and reduce climate risks associated with insufficient raw material supply ● **Establish a multi-layered supply chain and backup suppliers** ● **Maintain a safety stock of raw materials** ● **Develop a supplier database and risk profile ratings** ● **Develop a logistics vendor database and risk profile ratings** ● **Establish emergency procurement procedures**	Additionally, we adhere to the ISO 9001 Quality Management System to conduct annual supplier performance evaluations to identify, retain, and strengthen outstanding suppliers while phasing out underperforming ones, ensuring compliance with our environmental and sustainability requirements.	Low	Short-term
R8	Increased severity of extreme weather events (such as typhoons, floods, heavy rainfall, droughts, etc.) leads to a rise in work stoppages, impacting production, or the imposition of water usage fees during dry periods, thereby increasing operational costs	Extreme Natural Factors	Operational	Increase of direct costs	The increase in extreme weather events such as typhoons, heavy rain, and floods may result in flooding and even announcements of business and school closures, impacting transportation and employee attendance, and consequently affecting production. Both Taiwan and various parts of the world have been experiencing an increase in the severity of extreme weather events, along with changing precipitation patterns. In 2023, the number of rainy days in Taiwan was 23.9 days fewer than the climatic average, making it the second-lowest number of rainy days since 1951. Additionally, there is a significant difference between wet and dry seasons, with rain concentrated in the East Asian rainy season (plum rain), typhoon season, and autumn. These changes in rainfall make Taiwan highly dependent on reservoir and groundwater storage; however, reservoir capacity poses another pressure issue. In response to extreme weather such as drought and water shortages, Taiwan's Water Resources Agency under the Ministry of Economic Affairs began imposing water consumption fees in February 2023. They designated November to April as the dry season, during which major water consumers using more than 9,000 cubic meters of water per month are charged an additional NT$3 per cubic meter for the excess. Additionally, since groundwater is an essential resource for drought resistance, users are charged NT$3 per cubic meter for all groundwater usage.	Although the Company currently assesses the potential financial impact of reduced rainfall and additional water consumption fees as low, it remains an operational risk in our climate governance.	Medium	Short-term

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• **Financial Impact Assessment of Risk Topics**

Serial number	2023 Climate-Related Risks	Risk category	Impact Scope	Potential Financial Impact	Company-Specific Description and Management Measures (Eliminate Risk, Reduce Risk, Accept Risk)	Financial Impact Statement	Risk level	Time frame
R8	Increased severity of extreme weather events (such as typhoons, floods, heavy rainfall, droughts, etc.) leads to a rise in work stoppages, impacting production, or the imposition of water usage fees during dry periods, thereby increasing operational costs	Extreme Natural Factors	Operational	Increase of direct costs	**Management Measures:** ● **In response to heavy rainfall, the Company conducts regular cleaning and maintenance of the drainage system** ● **The Company has developed an emergency response plan for heavy rainfall, which is included in daily safety education and drills** ● **To comply with the regulation of additional water consumption fees during the dry season, the Company ensures that the total monthly water consumption during the dry season does not exceed the limit** ● **Avoid the use of groundwater** ● **The Company actively participates in World Water Day on March 22 every year, promoting water conservation** ● **In 2023, water-saving devices were installed on faucets in the Taipei office; similar installations are planned for the Manufacturing Plant in 2024 to reduce domestic water consumption** ● **The plant has already installed water storage facilities**	Typhoon or heavy rain holidays (mandatory leave) directly lead to power outages and reduced working hours, affecting production scheduling and transportation arrangements. The Finance Center has evaluated production capacity flexibility, and if the power outage and mandatory leave days due to typhoons or other natural disasters are controlled within one day, the resulting production halt is unlikely to impact overall capacity. However, the indirect personnel costs (such as overtime pay) may still have a moderate financial impact. Additionally, the Company has established emergency evacuation measures, sheltering procedures, and material equipment management protocols to maintain productivity during emergencies.	Medium	Short-term
R9	Increase in raw material costs	Market Position	Operational	Increase of direct costs	Over the past five years, due to the impact of extreme weather events, energy transitions, the COVID-19 pandemic, and geopolitical conflicts, raw material costs have fluctuated significantly. Additionally, companies have increased their safety reserves, leading to a continuous rise in supply chain and energy costs.	By increasing the proportion of local raw material procurement, enhancing sustainability projects to identify supplier risk ratings, and establishing a multi-layered procurement system,	Medium	Medium-term

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Serial number	2023 Climate-Related Risks	Risk category	Impact Scope	Potential Financial Impact	Company-Specific Description and Management Measures (Eliminate Risk, Reduce Risk, Accept Risk)	Financial Impact Statement	Risk level	Time frame
R9	Increase in raw material costs	Market Position	Operational	Increase of direct costs	**Management Measures:** ● **Increase the proportion of local raw material procurement** ● **Increase sustainability items and criteria to evaluate and select suppliers** ● **Establish a multi-layered procurement system**	the Company aims to strengthen supply chain resilience and minimize cost increases due to raw material fluctuations.	Medium	Medium-term
R10	Average temperature increase, leading to increased electricity consumption	Long-term Natural Factors	Operational	Indirect (operational) cost increase	Rising average temperatures due to global warming are an undeniable environmental reality, posing the risk of increased electricity consumption. The increasingly hotter and longer summers lead to a significant rise in electricity demand, posing a challenge to Taiwan's stable power supply. Moreover, Taiwan has long faced energy shortages and must import large quantities of coal, oil, and natural gas from abroad. The prices of these energy sources fluctuate due to climate change, international market volatility, and supply-demand relationships, resulting in continuous increases in Taiwan's energy costs. From a government management perspective, as of 2023, the time-of-use electricity pricing schedule has been adjusted to promote self-regulated electricity management among enterprises and encourage them to adjust their operational schedules, shifting peak electricity usage to periods with lower rates. This policy, known as the "New Time-of-Use Tariff Measures," has been implemented to encourage companies to manage their electricity usage and conserve energy effectively. Furthermore, electricity rates are set to increase starting in 2024 to further incentivize users to improve their electricity management and energy-saving efforts. From a corporate management perspective, selecting energy-efficient equipment, promoting and implementing good energy-saving practices, evaluating time-of-use tariffs, and adjusting equipment operation schedules are all areas in which we are actively working. **Management Measures:** ● **Use of energy-efficient LED lighting** Starting in 2023, the Company began gradually replacing the lighting systems in factories and the Taipei office with energy-efficient LED lights, with completion expected in 2024. ● **Air conditioning temperature management at 26°C** The air conditioning in office areas is set at 26°C or above to save on cooling electricity usage and to promote energy conservation. ● **Encouraging turning off lights** Actively promoting the practice of turning off lights when not in use to ensure both environmental protection and energy conservation.	Corum has always emphasized the performance efficiency of operational equipment and the certification of energy-saving labels. Whenever possible, we select energy-efficient equipment with energy labels, including choosing air conditioners and water dispensers with Grade 1 energy efficiency labels to achieve energy conservation	Medium	Long-term

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Serial number	2023 Climate-Related Risks	Risk category	Impact Scope	Potential Financial Impact	Company-Specific Description and Management Measures (Eliminate Risk, Reduce Risk, Accept Risk)	Financial Impact Statement	Risk level	Time frame
R10	Average temperature increase, leading to increased electricity consumption	Long-term Natural Factors	Operational	Indirect (operational) cost increase	● **Evaluating time-of-use tariffs, adjusting production schedules and equipment operation times**	Corum has always emphasized the performance efficiency of operational equipment and the certification of energy-saving labels. Whenever possible, we select energy-efficient equipment with energy labels, including choosing air condition-ers and water dispensers with Grade 1 energy efficiency labels to achieve energy conservation	Medium	Long-term
R11	Rising sea level	Long-term Natural Factors	Operational	Indirect (operational) cost increase	Sea level rise is a long-term effect of climate change. Global warming accelerates the melting of icebergs, and the resulting influx of meltwater exacerbates sea level rise. Due to its geographic location and ocean currents, Taiwan's surrounding sea levels are rising at twice the global average rate. Therefore, we in Taiwan must actively reduce carbon emissions to delay this long-term threat. Our office areas, R&D centers, and factory locations are situated in higher-altitude regions of Taiwan, away from coastal areas and not near any rivers, so they are not in severe flood zones affected by rising sea levels in the short term. However, swiftly eliminating high-carbon-emission petrochemical raw materials is imperative and aligns with our proactive approach to transition-ing to low-carbon technology and natural-based products. We also continue to monitor local temperature fluctuations, sea level rise, and related facility maintenance, personnel manage-ment, and emergency procedures in Taiwan to fulfill its responsibility for oversight and management. Management Measures: ● **Promote active carbon reduction goals and implementation roadmaps** Our short-term climate governance goal is to have our corporate carbon reduction roadmap and targets reviewed and approved by SBTi. The intention is to regulate the Company's own carbon reduction planning based on scientific reductions.	Proposals for operational equipment maintenance and management are submitted by each unit and executed after review by the Chairman. The ISO14001 environmental management system is reviewed annually, evaluating the effectiveness of environmental risk and emergency response measures, and includes internal audit management and corrective preventive measures.	Low	Long-term

● **Financial Impact Assessment of Risk Topics**

Serial number	2023 Climate-Related Risks	Risk category	Impact Scope	Potential Financial Impact	Company-Specific Description and Management Measures (Eliminate Risk, Reduce Risk, Accept Risk)	Financial Impact Statement	Risk level	Time frame
R11	Rising sea level	Long-term Natural Factors	Operational	Indirect (operational) cost increase	● **Continued monitoring and management of sea level rise related climate risks by the Sustainable Environment Team of the Sustainability Committee** The Sustainable Environment Team within the Sustainability Committee is the primary unit responsible for managing climate-related opportunities and risks. By implementing the ISO 14001 Environmental Management System, the team provides management recommendations for climate governance. ● **Maintenance and replacement management of operational equipment** The Company maintains operational equipment at factories, R&D centers, and various office areas through maintenance, annual repairs, and replacement with more robust systems.	Proposals for operational equipment maintenance and management are submitted by each unit and executed after review by the Chairman. The ISO14001 environmental management system is reviewed annually, evaluating the effectiveness of environmental risk and emergency response measures, and includes internal audit management and corrective preventive measures.	Low	Long-term

• **Financial Impact Assessment of Opportunity Topics**

Serial number	2023 Climate-Related Opportunities	Opportunity category	Impact Scope	Potential Financial Impact	The Company's Specific Description and Management Measures (Investment to Realize Opportunity)	Financial Impact Statement	Opportunity level	Time frame
O1	Carbon trading tax and offset opportunities, participation in carbon trading market	Energy Source	Operational	Increase in assets (e.g., more investors favoring low-carbon manufacturers), reduced GHG emission risks.	In May 2024, SBTi announced that to accelerate the reduction of Scope 3 carbon emissions, it would relax the use of carbon offsets to achieve net-zero goals. This news is undoubtedly a major encouragement for us! Corum is already a very low-carbon specialty chemical manufacturer, and we are actively reducing reliance on petrochemical raw materials through innovation and technological improvements. We are also actively adopting natural plant-based alternatives, pursuing product natural certification, and conducting greenhouse gas inventories. To enhance the Company's resilience to climate change and its sustainability, while also meeting consumer expectations for sustainable cosmetic products. The Ministry of Environment in Taiwan established a carbon trading exchange in 2023, implementing a "Voluntary Emission Reduction Credit Trading" (non-cap-and-trade) system, allowing Taiwanese companies to trade carbon credits domestically and purchase international carbon credits domestically. However, in the global carbon trading market, Taiwan can only buy carbon credits from other countries but cannot sell them to other countries (because Taiwan is not a UN member). This means that voluntary reduction projects implemented in Taiwan can apply to the Ministry of Environment to obtain carbon credits for sale to domestic companies but cannot apply to the UN to obtain carbon credits for sale internationally. If SBTi allows for carbon offsets in the future, it may be possible to offset part of the Company's carbon emissions by purchasing carbon credits domestically, potentially achieving corporate carbon neutrality goals earlier. Passing SBTi's scientific review of corporate carbon reduction targets and pathways would also earn Taiwan's companies recognition in international carbon governance. **Management Measures:** ● **Evaluate the feasibility of purchasing carbon credits in Taiwan.** ● **Assess the feasibility of joining voluntary emission reduction projects.**	The Company will continue its transition to low-carbon products and technologies while evaluating opportunities and feasibility for carbon offsets. However, the primary focus remains on the Company's own carbon reduction actions. Therefore, the likelihood and financial impact of this opportunity are currently assessed as low.	Low	Long-term
O2	Increased stakeholder attention and positive feedback	Products and services	Operational	Enhancing corporate reputation and image to increase revenue	Increasing positive feedback from stakeholders can improve competitive positioning, enhance corporate competitiveness, and gain insights into shifts in consumer preferences through stakeholder feedback. This reduces information asymmetry between the Company and stakeholders, enabling the Company to make appropriate pricing strategies for existing products and services, and make suitable evaluations for the development of new products and services to maintain profitability.	We highly value continuous engagement with stakeholders and gathering their feedback.	Medium	Long-term

● **Financial Impact Assessment of Opportunity Topics**

Serial number	2023 Climate-Related Opportunities	Opportunity category	Impact Scope	Potential Financial Impact	The Company's Specific Description and Management Measures (Investment to Realize Opportunity)	Financial Impact Statement	Opportunity level	Time frame
O2	Increased stakeholder attention and positive feedback	Products and services	Operational	Enhancing corporate reputation and image to increase revenue	**Management Measures:** ● **Customer satisfaction surveys** ● **Stakeholder issue of concern surveys** ● **Publish sustainability reports** ● **Launch and manage official ESG website5** ● **Issue corporate newsletters, website updates, media press releases, and social media posts**	Meeting stakeholder needs can bring positive attention, allowing the Company to accumulate competitive advantages and visibility, which in turn increases product sales, revenue, and business performance.	Medium	Long-term
O3	Recycling	Resource Efficiency	Operational	Decrease of direct costs	Through process improvements and the application of new technologies, we maximize the reduction of raw material usage. The Company has established a research and development reward mechanism based on the "12 Principles of Green Chemistry" to encourage process optimization. Currently, several key products have achieved process optimization, utilizing more efficient production processes, such as reducing solvent use, increasing solvent recovery rates, and reducing energy consumption in equipment. **Management Measures:** ● **Establish a R&D incentive mechanism** Encourage process optimization based on the "12 Principles of Green Chemistry," including reducing energy consumption, minimizing waste generation, improving solvent recovery, enhancing purity and quality, increasing production efficiency, and increasing batch yields, thereby fundamentally improving resource efficiency.	Through process optimization, the solvent recovery rate for major products has reached 56%, effectively reducing costs, being environmentally friendly, and ensuring high quality and stable yields to meet the demands of high-end customers and the international market's emphasis on environmental sustainability.	Low	Long-term
★ O4	Development of Low-Carbon New Products or Services Through R&D and Innovation	Products and services	Operational Downstream	Increase revenue due to demand for low-carbon products and services	In addition to advancing its chemical synthesis research and development capabilities, the Company has, in recent years, also developed research capabilities in plant tissue culture and extraction, focusing on high-efficiency plant active ingredient research and the development of new products. **Management Measures:** ● **Apply to enter the Chiayi Science Park to develop new technologies and low-carbon products.** ● **Industry-academia collaboration**	The transformation towards low-carbon technologies and the development of new products requires significant resource investment. The demand for plant-based raw materials is strong, but their cultivation and growth are heavily influenced by climate conditions. Additionally, farming practices and pesticide use can impact the environment and biodiversity.	High	Long-term

● **Financial Impact Assessment of Opportunity Topics**

Serial number	2023 Climate-Related Opportunities	Opportunity category	Impact Scope	Potential Financial Impact	The Company's Specific Description and Management Measures (Investment to Realize Opportunity)	Financial Impact Statement	Opportunity level	Time frame
★ **O4**	Development of Low-Carbon New Products or Services Through R&D and Innovation	Products and services	Operational Downstream	Increase revenue due to demand for low-carbon products and services	In addition to advancing its chemical synthesis research and development capabilities, the Company has, in recent years, also developed research capabilities in plant tissue culture and extraction, focusing on high-efficiency plant active ingredient research and the development of new products. **Management Measures:** ● **Apply to enter the Chiayi Science Park to develop new technologies and low-carbon products.** ● **Industry-academia collaboration**	In response to these challenges, the Company is developing innovative extraction and cultivation technologies to produce plant-derived active ingredients for cosmetics. By overcoming these influencing factors and developing low-carbon new products, the Company is expected to increase revenue and meet consumer expectations and demand for sustainable beauty and cosmetics ingredients.	High	Long-term
O5	Apply a more efficient production and distribution process	Resource use efficiency	Operational Downstream	Beneficial for workforce management and planning (e.g., improved health and safety, employee satisfaction, etc.), reducing costs	In November 2021, we completed the expansion of the P2 factory, which officially began production in 2022. By introducing advanced equipment efficiency and optimizing existing production processes, we have improved production efficiency and capacity, reduced labor costs, increased workforce efficiency, enhanced supply chain resilience, and lowered overall costs. **Management Measures:** ● **Constructing the P2 factory plant** ● **Conducting an annual 6S occupational health and safety literacy competition** ● **Annually conducting ISO45001 and TOSHMS inspections and audits, with a re-certification audit every three years**	The P2 factory plant, equipped with more efficient production equipment, has undergone testing and adjustments and is now able to meet the growing demand for key product orders.	Medium	Long-term
O6	Changes in Customer Preferences, Increased Demand for Environmentally Friendly Products	Products and services	Operational Downstream	Increased revenue due to growing demand for products and services.	The intensifying natural disasters caused by climate change have heightened awareness of the importance of environmental sustainability. Corum has proactively and consistently invested in human resources and corporate resources to replace petrochemical-based ingredients with natural alternatives and obtain natural product certifications. This not only reduces reliance on petrochemical components but also lessens the environmental impact. Achieving sustainable cosmetic certifications also ensures that customers trust that Corum's ingredients are genuinely produced in line with sustainability standards.	Pursuing natural product certification labels increases costs and labor expenditure, but it aligns with shifting consumer demands and satisfies international market needs.	Medium	Long-term

• **Financial Impact Assessment of Opportunity Topics**

Serial number	2023 Climate-Related Opportunities	Opportunity category	Impact Scope	Potential Financial Impact	The Company's Specific Description and Management Measures (Investment to Realize Opportunity)	Financial Impact Statement	Opportunity level	Time frame
O6	Changes in Customer Preferences, Increased Demand for Environmentally Friendly Products	Products and services	Operational Downstream	Increased revenue due to growing demand for products and services.	**Management Measures:** ● **Obtain natural beauty and cosmetics ingredient certifications** ● **Establish environmental audit indicators for procurement (e.g., non-GMO, RSPO Certification, etc.)**	Through the definition and selection of various certification standards, we can also demonstrate that our product manufacturing processes are low-pollution, low-energy, environmentally friendly, and safe, giving customers greater confidence in their purchases. This initiative aligns with our company's goals and commitments to environmental sustainability and zero-carbon sustainability.	Medium	Long-term
O7	Apply more efficient transportation methods	Resource use efficiency	Operational	Indirect (operational) cost decrease	Since 2021, the Company has actively promoted and implemented measures to consolidate domestic shipments, aiming to consolidate shipments to reduce the number of trips. This initiative is intended to save on carbon emissions and energy consumption from transportation, serving as a practical approach to climate change governance. **Management Measures:** ● **Implementing domestic shipment consolidation measures** Targeting customers with more than 14 shipments per year for promotion and execution of the consolidation strategy, with specific goals set for each customer to reduce shipment frequency annually. Internally, the warehouse management unit will suggest shipment consolidation arrangements, which will be confirmed with customers through communication with the sales team. Internally, we have also proposed workflow optimization in 2024, with significant improvements expected in consolidated production scheduling by 2025. Effective internal management is key to ensuring that these consolidation measures achieve their intended benefits.	Promoting and implementing consolidated shipments with customers requires long-term and repeated communication. Practically, it is challenging to execute due to the need to meet customers' established production schedules and their storage capacity constraints. Cultivating customer habits and acceptance must be done without affecting sales performance and customer satisfaction. Financially, reducing the number of trips can directly lower the Company's domestic shipping expenses.	Medium	Medium-term

● **Financial Impact Assessment of Opportunity Topics**

Serial number	2023 Climate-Related Opportunities	Opportunity category	Impact Scope	Potential Financial Impact	The Company's Specific Description and Management Measures (Investment to Realize Opportunity)	Financial Impact Statement	Opportunity level	Time frame
★ O8	Upgrade Plant Facilities or Office Spaces by Switching to Buildings with Higher Energy Efficiency	Resource use efficiency	Operational	Increased fixed asset value (high-efficiency buildings)	In 2022, the Company acquired space at Farglory Xizhi U-Town to serve as the new location for Corum's R&D center. This expansion allowed for the scaling up of existing laboratories, the introduction of new technologies and equipment, and the reassessment and improvement of existing equipment. These enhancements increased R&D capacity and development speed, while also improving operational energy efficiency. The new R&D center was completed and relocated in the second quarter of 2023. Farglory Xizhi U-Town meets the certification standards for Taiwan's Ministry of the Interior Green Building Label and includes energy-saving, water resource, and waste management improvements. It also holds international certification for LLG Innovation Excellence in Architecture. Moving the R&D center to a higher energy-efficient building and optimizing R&D equipment reduces resource usage and pollution emissions, while also increasing asset value. **Management Measures:** ● **Select high-performance buildings with environmental and energy-saving certifications or green building certifications** ● **Continuously evaluate and replace high-energy-consuming equipment to improve energy efficiency**	The new R&D center enables more effective communication and technical discussions among the company's laboratories, across fields such as chemistry, biochemistry, molecular biology, plant and tissue studies, facilitating collaborative research and development of effective, safe, and stable active ingredients. This also aids in accelerating R&D speed, ensuring effective research, promoting product development, and driving future revenue growth.	High	Medium-term
O9	Decrease water consumption	Resource use efficiency	Operational	Lower operational costs	Through process optimization, we have launched a more environmentally friendly active ingredient, Azeclair® P, by improving the original liquid form of Azeclair® into a powder form. This change significantly increases purity, removes preservatives, reduces raw material weight, lowers carbon emissions from processing and transportation, and reduces water resource consumption. Miniaturization and concentration are among our strategies, balancing product quality upgrades, enhanced safety, and ease of use while meeting market sustainability demands and environmental ideals. Additionally, we are gradually adopting water-saving equipment to conserve domestic water usage. **Management Measures:** ● **Product concentration and miniaturization** ● **Optimize existing manufacturing processes** ● **Replace faucets with water-saving models to reduce domestic water consumption**	We actively introduce products that align with environmental principles and continuously evaluate feasible environmental water-saving solutions to reduce expenses and lower operational costs.	Low	Medium-term

4.Major Issue Identification Results:

- **Transition Risk - Identified 1 Major Risk: Cost of Transition to Low-Carbon Technologies:**
  We have identified the high-risk factor for climate governance response as "the cost of transitioning to low-carbon technologies." Developing carbon-reduction products is one of our action strategies in response to climate change, with specific actions including substituting natural sources and improving product concentration and miniaturization. To implement the development of low-carbon products and the transition of existing products to low-carbon production processes, we have expanded and relocated our R&D center, introduced new technologies and equipment, implemented a smart energy management system at the P2 plant, and applied to establish a new facility at the Chiayi Science Park to support the trial and mass production of low-carbon technologies.

  The low-carbon technology transition is proposed and planned by our R&D center, with the Chairman and Finance Center jointly overseeing the implementation. The factory plant is also conducting a comprehensive review of space and equipment to facilitate the introduction of new technologies. The plant construction plan at Chiayi Science Park has already commenced preparations. Industry-academia collaboration research projects are also ongoing. The cost of transitioning to low-carbon technology, including technical research, process development, scaling, trial runs, verification, mass production, and new plant construction, represents a significant financial impact.

- **Product and Service Opportunities - Identified 1 Major Opportunity: Development of Low-Carbon New Products or Services Through R&D and Innovation:**
  In addition to advancing its chemical synthesis research and development capabilities, we have in recent years also developed research capabilities in plant tissue culture and extraction, focusing on high-efficiency plant active ingredient research and the development of new products. The transformation towards low-carbon technologies and the development of new products requires significant resource investment. The demand for plant-based raw materials is strong, but their cultivation and growth are heavily influenced by climate conditions. Additionally, farming practices and pesticide use can impact the environment and biodiversity. Under these conditions, we are developing innovative extraction and cultivation technologies to produce plant-derived active ingredients for cosmetics. By overcoming these influencing factors and developing low-carbon new products, the Company is expected to increase revenue and meet consumer expectations and demand for sustainable beauty and cosmetics ingredients.

- **Resource Efficiency Opportunities - Identified 1 Major Opportunity: Upgrade Plant Facilities or Office Spaces by Switching to Buildings with Higher Energy Efficiency:**
  In 2023, we expanded and relocated our R&D center to the Far Eastern Xizhi U-Town, a building that meets the standards for Taiwan's Green Building Label and is certified for energy saving, water resources, and sewage and garbage improvement. It also holds the internationally recognized LLG Building Certification. We moved our R&D center to a more energy-efficient building and upgraded some R&D equipment, which helps reduce energy and resource consumption, reduce pollution emissions, and increase asset value.
  Additionally, the new R&D center enables more effective communication and technical discussions among the company's laboratories, across fields such as chemistry, biochemistry, molecular biology, plant and tissue studies, facilitating collaborative research and development of effective, safe, and stable active ingredients. This also aids in accelerating R&D speed, ensuring effective research, promoting product development, and driving future revenue growth.

5.1.5 Metrics and Targets

Corum embraces the transition opportunities brought by the climate governance response to climate change challenges and collaborates with clients to advance a low-carbon green economy transition to mitigate climate impacts. To concretely implement and promote sustainability, we have established various metrics and targets based on TCFD climate risks and opportunities, reviewing progress to achieve the goal of protecting the Earth's environment.

1.Corporate Carbon Reduction Goals:

Following the "2050 Net Zero Carbon Emissions (Carbon Neutral)" carbon reduction guidelines, the Company has designated 2022 as the new baseline year because we completed a comprehensive assessment in 2022 in accordance with ISO14064-1 and Taiwan's Greenhouse Gas Reduction and Management Act: Scope 1, Scope 2, and Scope 3 emissions were fully assessed across 15 categories. Therefore, 2022 was chosen as the baseline year for representativeness, and carbon reduction goals were established accordingly.

To meet the 2050 net zero carbon emissions target, we further strengthen our carbon reduction goal to annually reduce 4% of the intensity data for Scope 1 + Scope 2 + Scope 3 (unit: tCO_2e/ton of product) from the baseline year.
The baseline carbon emission intensity data for 2022 was 7.1751, with 4% being 0.2870. This means our target is to reduce the carbon emission intensity data by 0.2870 each year. By 2050, the cumulative reduction is expected to reach 8.036, surpassing the baseline carbon emission intensity of 7.1751.

2.Transition Risk and Opportunity Metrics and Targets:

- Achieve an average annual electricity saving rate of over 1%.
- Formulate the annual energy consumption standard value, improve and review energy consumption conditions every month, as well as allocate a budget for production process improvement and equipment replacement every year in a bid to lower energy consumption.
- Implement greenhouse gas inventory systems, energy management systems, and water resource management systems, and complete the product carbon emissions plan.
- Using 2022 as the baseline year, annually reduce 4% of carbon emissions (intensity unit: tCO_2e/ton of product) from Scope 1 + Scope 2 + Scope 3 to achieve the "2050 Net Zero Carbon Emissions (Carbon Neutral)" goal.
- Develop a circular economy concept and reduce waste generation, aiming to reduce waste per ton of production capacity by 1% in 2023 compared to 2021; by 2026, reduce waste per ton of production capacity by 3% compared to 2021.
- Evaluate the purchase of green electricity and the use of renewable energy to meet national reduction targets.

3.Physical Risk and Opportunity Metrics and Targets:

- Zero major disasters causing business disruption.
- Establish reward mechanisms and emergency disaster response drills to ensure risks are adequately controlled and to enhance operational resilience in response to extreme weather.
- Improve the internal execution management of consolidated transportation and implement consolidated production and shipping arrangements to ensure improved transportation efficiency.

4.GHG Emissions Disclosure:

	Target 1	Target 2	Target 3	Target 4	Target 5
Target	Achieve an average annual electricity saving rate of over 1% in Chiayi factory.	Formulate the annual energy consumption standard value, improve and review energy consumption conditions every month, as well as allocate a budget for production process improvement and equipment replacement every year in a bid to lower energy consumption in Chiayi factory.	Implement greenhouse gas emissions inventory in 2023 according to GHG protocol and complete the self-inventory greenhouse gas emissions report.	Annually reduce 4% of the intensity data for Scope 1 + Scope 2 + Scope 3 (unit: tCO2e/ton of product) from the baseline year 2022.	Continue to promote shipping consolidation policies. The goal is to decrease the number of customers with more than 14 annual shipments to less than 15.
2023 Achievement Status and Description	■ Achieve ☐ Not achieved **Description:** In 2023, overall energy consumption, including high-voltage electricity, decreased by 9.48% compared to 2022.	■ Achieve ☐ Not achieved **Description:** Starting in 2023, the lighting systems in the Taipei office and the Chiayi factory were progressively replaced with energy-efficient LED fixtures. Additionally, efforts were made to promote turning off lights when not in use to balance environmental protection and energy conservation. Aside from electricity savings, natural gas consumption in 2023 also decreased by 18.11% compared to 2022.	■ Achieve ☐ Not achieved **Description:** Starting from 2022, the Company has continued to conduct self-inventories, completing comprehensive Scope 1, 2, and 3 inventory statistics.	■ Achieve ☐ Not achieved **Description:** 2023 Carbon Inventory: Scope 1 emissions:439.26 tCO2e/year Scope 2 emissions:2,072.88 tCO2e/year Scope 3 emissions:2761.11 tCO2e/year Total emissions in 2023:5273.25 tCO2e/year Compared to 2022：Reduction Volume:949.23 tCO2e Reduction Percentage: 15.25%	☐ Achieve ■ Not achieved **Description:** The number of customers with over 14 shipments in 2023 remained at 34, requiring continued engagement efforts. The shipping consolidation measures were implemented for 36 customers in 2023, but the total carbon emissions increased by 20.43 tCO2e. Based on our reviews, it has been determined that the internal execution and management of shipping consolidation need improvement. The implementation of production and shipment consolidation arrangements must be enforced.

Note:

Corum supports the TCFD initiative, and the Company can be found on the TCFD official website under the supporters list: https://www.fsb-tcfd.org/supporters/.

5.2 TCFD Report Section:GHG Emissions GRI: 3-3, 305-1,305-2,305-3,305-4,305-5,305-6,305-7

① Importance to the Company

The global trend towards carbon reduction increases the survival pressure on businesses. To achieve net-zero carbon emissions goals, GHG emissions serve as a key metric for the Company's carbon reduction efforts. Monitoring, managing, and improving GHG emissions are essential actions.

② Policy and Commitment

All-hands participation, energy conservation and carbon reduction.

③ Short-term Goals (within 3 years)

- Complete ISO 14064-1 greenhouse gas verification.
- Pass SBTi verification of the Company's carbon reduction roadmap and targets.

④ Medium-term Goals (3- 6 years)

Complete product life cycle assessment (LCA).

⑤ Long-term Goals (over 6 years)

- Based on 2022 as the baseline year, annually reduce Scope 1 + Scope 2 + Scope 3 emissions by 4% (intensity unit: tCO2e/ton of product).
- Achieve carbon neutrality by 2050.

⑥ Annual resources invested and specific outcome

Resources invested in 2023: Continue to independently conduct comprehensive greenhouse gas (GHG) inventories (Scope 1, 2, and 3), fully covering all Corum operational sites.

2023 Specific Outcome and Achievements: The combined reduction of Scope 1 and Scope 2 emissions achieved a 16.71 % decrease compared to the previous year.

⑦ Department responsible and grievance mechanism

- Department responsible:
  EHS Office.
- Grievance mechanism:
  Via telephone or email.

⑧ Evaluation mechanism and performance

- Evaluation mechanism:
  Environmental Health and Safety Management Committee Review Meetings.
- Performance:
  The total greenhouse gas emissions in 2023 amounted to 5,273.25 metric tons, representing a carbon reduction of 949.23 metric tons compared to 2022, with a reduction rate of 15.25%.

5.2.1 Policy Commitment

In light of emerging environmental awareness, Corum expects to improve our performance in environmental protection and social values, as well as to achieve the benefits of environmental sustainability by incorporating green management and energy conservation plans into our business operations. The Company has introduced the ISO 14001: 2015 environmental management and obtained certificates from third-party accreditation units. In terms of environmental topics such as GHG, energy, air pollution, wastewater discharge, and waste disposal, we will continue to improve our performance in a bid to minimize environmental impact and damage.

In light of global climate change, the tightening of international carbon management regulations, and the increasing awareness of low-carbon consumption, governments, and enterprises around the world are beginning to place greater emphasis on environmental sustainability. In supporting the government's policy on environmental protection and energy conservation, Corum also sees them as one of the most important action goals in combating climate change. Under the leadership of the Sustainability Committee Chairman Li Pei-Min, the Company's approach to combating climate change is reviewed regularly, and the TCFD framework is applied to identify risks and opportunities. Metrics will be formulated based on the identification outcome to implement goal management in order to mitigate the financial impact of climate change on our operations.

After analyzing the risks and opportunities of climate change, we have formulated the policy commitment "Full Participation in Energy Conservation and Carbon Reduction" and plan to gradually adopt the following four assessments to verify our policy commitment:

- Conduct ISO 14064-1 GHG inventory verification.
- Engage in the SBTi Science-Based Targets initiative, including GHG Protocol inventory and carbon reduction pathway verification.
- Conduct Product Life Cycle Assessments (LCA).

We hope that through the above assessments, our customers can gain a better understanding of our company's operational emissions and the energy intensity of our products. This will enable more comprehensive emissions auditing and management, allowing us to negotiate the allocation of emissions with our customers based on credible, verified data and a solid foundation.

5.2.2 Carbon Neutrality Roadmap

2022 Carbon Emissions (Baseline Year):6,222.48 tCO2e
2023 Carbon Emissions (Unverified):5273.25 tCO2e
Reduction Volume:949.23 tCO2e, Reduction Percentage:15.25%

Corum Carbon Neutrality Roadmap
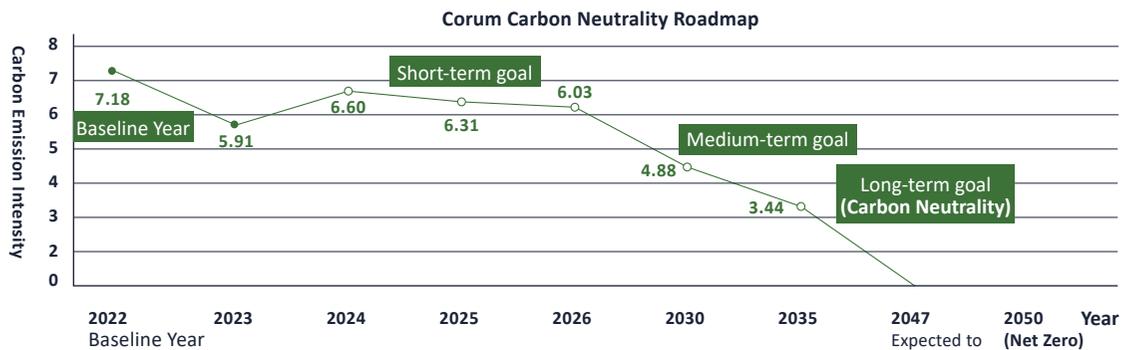
Since 2022, Corum independently conducted comprehensive greenhouse gas (GHG) inventories (Scope 1, 2, and 3), fully covering all Corum operational sites.
Based on 2022 as the baseline year, annually reduce Scope 1 + Scope 2 + Scope 3 emissions by 4% (intensity unit: tCO2e/ton of product).

Introduction   Sustainable
Business Strategy   Stakeholder
Engagement   Product
Management   Corporate
Governance   **Environmental
Sustainability**   Social Inclusion   Appendix

5.2.3 **GHG Emission Status**

Corum initiated a comprehensive carbon inventory in 2022, following the reporting standards of The Greenhouse Gas Protocol, covering Scope 1, 2, and 3. The operational boundary includes all Corum operational sites, including the Taipei headquarters (Taipei City), offices (Taichung City, Tainan City), the R&D center (New Taipei City), and the factory (Minsyong Industrial Park, Chiayi County). Through rigorous identification, data collection, and verification, the Company seeks energy-saving and carbon-reduction opportunities and reviews the feasibility and reasonableness of its targets.

In 2023, we completed a comprehensive inventory of 15 categories across Scope 1, 2, and 3, building the Company's GHG inventory capability to integrate the entire supply chain in achieving carbon reduction goals. This also strengthens the quality of sustainability report disclosures, enhances transparency, and ensures sound corporate governance.

To set reasonable targets and engage in voluntary reductions, we have adjusted the baseline year

to 2022. After reevaluation, we have adjusted the reduction targets and scope to reduce 4% annually (Scope 1, 2, and 3 combined intensity per ton of product). This not only meets CDP disclosure requirements but also aims to demonstrate consistency and transparency, ensuring meaningful comparisons of GHG inventories and reduction measures. In the future, based on audit principles, all related issues will be addressed factually and coherently, meeting the market's demand for a low-carbon economy and promoting climate change mitigation and adaptation.

The GHG emission data for the past three years are listed in the following table.
The reasons for successfully reducing the total emissions in 2023 are as follows:
The introduction of a smart meter system at the Chiayi P2 plant optimized energy usage across all areas, reducing the total GHG emissions in 2023 by 949.23 tCO2e, achieving a reduction rate of 15.25 %.
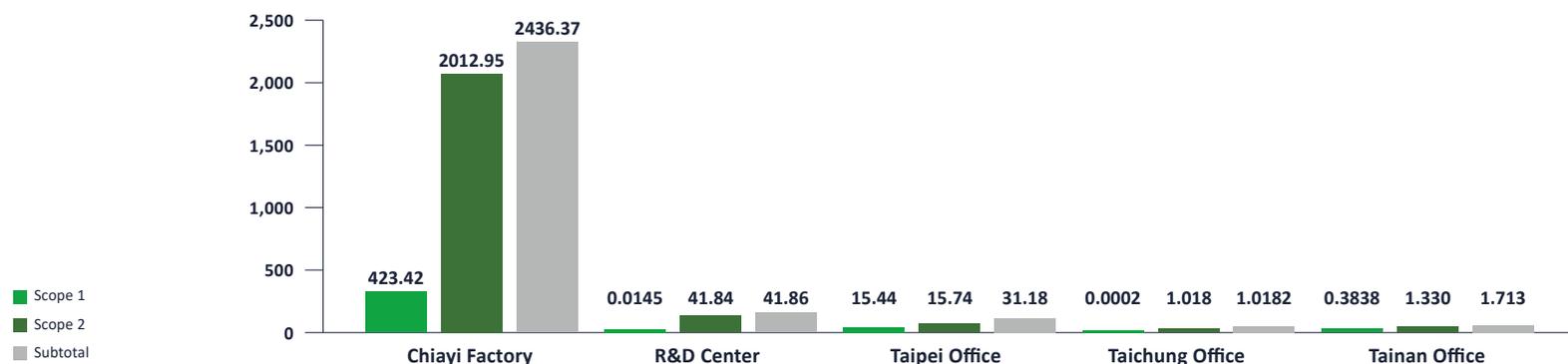
2021-2023 Total GHG Emissions Table

GHG Year	Scope 1 (tCO2e/year)	Scope 2 (tCO2e/year)	Scope 3 (tCO2e/year)	Total emissions (tCO2e/year)
2021 The ratio of various scopes	378.72	1,193.15	94.10	1,635.97
	21%	73%	6%	100%
2022 The ratio of various scopes	656.18	2,359.82	3,206.48	6,222.48
	10.55%	37.92%	51.53%	100%
2023 The ratio of various scopes	439.26	2,072.88	2,761.11	5,273.25
	8.33%	39.31%	52.36%	100%

Note:
1.The reporting boundary for 2023 covers Corum's entire business operations, including the Taipei headquarters (Taipei City), branch offices (Taichung City, Tainan City), R&D center (New Taipei City), and factory (Chiayi County Minsyong Industrial Park).

2.In addition to fixed energy sources, Scope 1 direct emissions now include fugitive emissions, mobile sources, and process emissions.

3.The Scope 3 inventory began in 2021, initially covering only Category 7 (Employee Commuting). The calculation method is

based on an internal survey of employee commuting modes, combined with data from the Ministry of Economic Affairs and the Industrial Technology Research Institute (ITRI) databases on average working days per year and transportation emission factors. Taking reference from the ITRI Carbon Footprint Information Platform, gasoline-powered passenger cars emit 0.115 kgCO2e per km, and motorcycles emit 0.0951 kgCO2e per km. Emissions are calculated using the formula: Emissions = Activity Data * Emission Factor * GWP (Global Warming Potential), with GWP values referenced from the IPCC's 6th Assessment Report.

4.From 2022 onwards, a comprehensive Scope 3 emissions tracking across 15 categories has been implemented. The approach adheres to due diligence principles, aiming to minimize uncertainty where possible and disclose relevant assumptions and scenario analysis based on factual data. This ensures meaningful comparisons and thorough documentation of all GHG emissions within the defined boundary, with explanations provided for any exclusions, thereby meeting the information needs of both internal and external stakeholders for decision-making purposes.

5.The GHG types included in the inventory are Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Sulfur Hexafluoride (SF6), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), and Nitrogen Trifluoride (NF3). The Company does not emit ozone-depleting substances (ODS) or other gases with significant environmental impacts. The 5% materiality threshold, as per ISO 14064-1 guidelines, is used to exclude immaterial emission sources from the calculations. The GHG inventory is compiled adopting the operational control approach.

6.Details of the greenhouse gas emissions accounting method:
[Scope 1 (Direct Emissions)]
Direct emissions from sources related to the production process, including fixed fuel combustion sources, process emissions, mobile sources, and fugitive emissions from processes or facilities. There are four categories accounted for:
● Refrigerants (Hydrofluorocarbons, HFCs) used in air conditioning, cooling, and refrigeration systems.
● Gas (Methane, CH_4) used in factory boilers.
● Fuel emissions (Carbon Dioxide, CO_2) from company vehicles and factory emergency generators.
● Fugitive emissions of odors (Methane, CH_4) from wastewater in septic tanks.

[Scope 2 (Indirect Emissions)]
Indirect emissions generated from the energy consumed by the company. One category is accounted for:
● Purchased electricity.
[Scope 3 (Other Indirect Emissions)]
Indirect emissions generated externally, covering all upstream and downstream sources. We systematically collect activity data for each of the 15 categories defined by the GHG Protocol and calculate the greenhouse gas emissions for each activity using the appropriate emission factors.

Scope 1 and 2 Emissions in 2023

Legend:
- Scope 1
- Scope 2
- Subtotal

Chiayi Factory: 423.42 (Scope 1), 2012.95 (Scope 2), 2436.37 (Subtotal)
R&D Center: 0.0145 (Scope 1), 41.84 (Scope 2), 41.86 (Subtotal)
Taipei Office: 15.44 (Scope 1), 15.74 (Scope 2), 31.18 (Subtotal)
Taichung Office: 0.0002 (Scope 1), 1.018 (Scope 2), 1.0182 (Subtotal)
Tainan Office: 0.3838 (Scope 1), 1.330 (Scope 2), 1.713 (Subtotal)

● **Scope 3 Emissions in 2023**

Scope 3 Item and Emissions Category	Relevance	Total Emissions (tCO2e/year)	Proportion of Total 2023 Carbon Emissions	Calculation Scope
Category 1: Purchased Goods and Services	Relevant, calculated	1660.14	31.4822%	The inventory time frame is for the year 2023, and Corum's procured goods and services can be categorized into three units: ● Raw Material Procurement (Logistics Department) ● Packaging Material Procurement (Warehouse, Process Engineering Department, Production Department) ● General Goods and Other Miscellaneous Goods Procurement (Administration Department, Factory Affairs Office, R&D Center, Marketing Dept.) We followed the "Scope 3 Greenhouse Gas Emissions Disclosure Guidelines and Reference Examples" set by the Taiwan Stock Exchange and TPEx, evaluated their applicability to our company, and individually identified and selected suitable calculation methods for the three procurement units. The emissions factors used are based on the carbon footprint factors published on the website of Taiwan's Ministry of Environment Details are as follows: ● **Raw Material Procurement** Calculated using the "Hybrid Method": Raw materials include primary raw materials, auxiliary materials, solvents, and additives. For suppliers whose raw material purchases account for over 64% of the total annual intake, we collected their Scope 1 and 2 emissions data. The emissions were calculated by multiplying the percentage of Corum's purchase value relative to the supplier's total revenue by their total Scope 1 and 2 emissions, plus the emissions derived from the raw material weight purchased using the relevant emission factor.

● **Scope 3 Emissions in 2023**

Scope 3 Item and Emissions Category	Relevance	Total Emissions (tCO2e/year)	Proportion of Total 2023 Carbon Emissions	Calculation Scope
Category 1: Purchased Goods and Services	Relevant, calculated	1660.14	31.4822%	● **Packaging Material Procurement** Calculated using the "Average Product Method": Emissions are calculated by multiplying the weight of the packaging materials procured during the year by the relevant industry average emission factors. Procured packaging materials included in statistical scope: HDPE plastic bottles and bags, bubble wrap and protective foam, PP plastic drums and sealing ties, LLDPE industrial plastic films and packing tapes, glass bottles, cartons, paper tubes, metal drums, and wooden pallets. ● **General Goods and Other Miscellaneous Goods Procurement** Calculated using the "Average Product Method": Emissions are calculated by multiplying the weight of goods procured during the year by the relevant industry average emission factors. Procured general goods included in statistical scope: Tissue paper, hand towels, photocopy paper, printed materials, glass bottles, and HDPE plastic containers.
Category 2: Capital Goods	Relevant, calculated	0.4860	0.0092%	The inventory scope covers the carbon emissions from the notebook computers procured by Corum in 2023.
Category 3: Fuel- and Energy-Related Activities (not included in Scope 1 or 2)	Not relevant	0	0%	The inventory scope for 2023 does not include fuel or energy activities that are not part of Scope 1 or 2 for Corum. As of the end of 2023, Corum has never procured coal, light distillate fuel oil, or engaged in energy extraction or transportation activities, so there are no emissions for this category.
Category 4: Upstream Transportation and Distribution	Relevant, excluded from calculation	0	0%	The inventory scope is the same as that described in Category 1. Since all transportation costs are paid by the suppliers, not by Corum, there are no emissions for this category.
Category 5: Waste Generated in Operations	Relevant, calculated	299.79	5.6851%	The inventory scope covers the carbon emissions from operational waste generated by Corum in 2023. Emissions from the Taipei headquarters, New Taipei R&D Center, and Taichung and Tainan offices are excluded due to their low contribution (<5%). Only emissions from operational waste at the Chiayi factory are calculated.
Category 6: Business Travel	Relevant, calculated	40.64	0.7707%	The inventory scope covers the carbon emissions from business travel and accommodation for Corum employees in 2023.

● **Scope 3 Emissions in 2023**

Scope 3 Item and Emissions Category	Relevance	Total Emissions (tCO2e/year)	Proportion of Total 2023 Carbon Emissions	Calculation Scope
Category 7: Employee Commuting	Relevant, calculated	102.37	1.9413 %	The inventory scope covers the carbon emissions from employee commuting transportation services at Corum in 2023.
Category 8: Upstream Leased Assets	Relevant, excluded from calculation	0	0%	We has identified three potential sources: (1) photocopiers, (2) water dispensers, and (3) air conditioning chillers. Photocopiers: After investigation, the company operated a total of 9 photocopiers across all its locations in 2023, all of which were leased. The energy source used is electricity, and the carbon emissions from electricity usage have already been accounted for under Scope 2. Currently, we are unable to separately identify the electricity consumption of the photocopiers. Therefore, the electricity usage for Scope 2 has been calculated based on the utility bills for all operational sites for the entire year, which includes the electricity consumed by the photocopiers. As a result, this item is excluded from Category 8. Water Dispensers: After investigation, the company operated a total of 8 water dispensers across all its locations in 2023, all of which were purchased. The energy source used is electricity, and the carbon emissions from electricity usage have already been accounted for under Scope 2. Since the equipment is not leased, this item is excluded from Category 8. Air Conditioning Chillers: After investigation, the company operated a total of 9 air conditioning chillers across all its locations in 2023, with only 1 of them being leased (part of the public facilities at the leased office in Taichung), while the remaining 8 were purchased. The energy sources used include electricity and refrigerants. The carbon emissions from the purchased chillers' electricity and refrigerants have already been accounted for under Scope 2 and Scope 1, respectively. Therefore, only the leased air conditioning chiller in the Taichung office building is included in Category 8. It has been confirmed that the air conditioning chiller in the leased Taichung office did not require any refrigerant refills in 2023. Additionally, according to the "Greenhouse Gas Reduction and Management Act," the responsibility for carbon emissions reporting typically falls on the owner or manager of the equipment. The lessee (our company) pays for management fees. As a result, the carbon emissions generated by the air conditioning chiller in the leased Taichung office building have been covered by the management fees paid to the building. Therefore, no carbon emissions from this source are included, and the calculation for Category 8 is zero.

● **Scope 3 Emissions in 2023**

Scope 3 Item and Emissions Category	Relevance	Total Emissions (tCO2e/year)	Proportion of Total 2023 Carbon Emissions	Calculation Scope
Category 9: **Downstream Transportation and Distribution**	Relevant, calculated	480.94	9.1205%	The inventory scope for 2023 includes the carbon emissions from domestic shipments of finished goods and samples sent by Corum. Since transportation for exports is paid for by customers or agents, only the domestic transportation paid for by Corum is included in this category.
Category 10: **Processing of Sold (Intermediate) Products**	Relevant, calculated	69.80	1.3237%	The inventory scope for 2023 includes 14 downstream customers selected based on criteria such as conducting their own greenhouse gas inventories, publishing sustainability reports, or being among Corum's top ten sales customers. The emissions are calculated by collecting the Scope 1 and 2 emissions of these customers and apportioning them according to the percentage of sales attributed to Corum.
Category 11: **Use of Sold Products**	Relevant, calculated	16.25	0.3082%	As a manufacturer of cosmetic raw materials, Corum conducted a scenario analysis to calculate the carbon emissions from refrigerants and electricity consumption required to store cold-chain products sold in 2023. The emissions are based on storing these raw materials in refrigerators for one year at the customer's site.
Category 12: **End-of-Life Treatment of Sold Products**	Relevant, excluded from calculation	0	0%	• Corum manufactures cosmetic raw materials. A small portion of sold raw materials are used for formulation testing, while most are incorporated into finished cosmetic products. • The small quantity used for testing is disposed of as general industrial waste by the customer, while the bulk is absorbed by the skin when the finished products are used by consumers. • Empty containers and packaging are recycled or discarded by consumers, unrelated to Corum's raw materials. • Unsold products within their shelf life are stored in the cosmetics retailer's warehouse; expired unsold products are collected and disposed of by the cosmetics retailer in accordance with local regulations. Therefore, the end-of-life treatment involves either absorption by the skin or disposal, and since Corum does not handle these processes, there are no emissions for this category.
Category 13: **Downstream Leased Assets**	Not relevant	0	0%	In the 2023 inventory, Corum did not identify any downstream leased assets generating greenhouse gas emissions. Corum does not lease its assets to others, so there are no emissions for this category.

● **Scope 3 Emissions in 2023**

Scope 3 Item and Emissions Category	Relevance	Total Emissions (tCO2e/year)	Proportion of Total 2023 Carbon Emissions	Calculation Scope
Category 14: Franchises and Licensed Distributors	Relevant, calculated	90.69	1.7197%	The inventory scope for 2023 includes 6 licensed distributors or franchisees selected based on their greenhouse gas inventory practices or their publication of sustainability reports. The emissions are calculated by collecting the Scope 1 and 2 emissions of these customers and apportioning them according to the percentage of sales attributed to Corum.
Category 15: Investments	Not relevant	0	0%	Corum did not identify any investments generating greenhouse gas emissions during the 2023 inventory, so there are no emissions for this category.
Scope 3 Total		2761.11	52.3607 %	

Note:

1.The reporting boundary for Scope 3 carbon emissions primarily includes the Taipei headquarters (Taipei City), business offices (Taichung City, Tainan City), R&D center (New Taipei City), and factory (Chiayi County Minsyong Industrial Park).

2.Scope 3 classifications are based on the GHG Protocol, in response to the CDP international questionnaire.

Through the Scope 3 inventory, we identified Category 1: Purchased Goods and Services as the largest emission source, underscoring the importance of engaging upstream suppliers in emission reduction efforts. We plan to develop proposals for emission reduction actions in this area and will consider suppliers' carbon management and targets when establishing a diversified procurement system.

For downstream customers and agent distributors, carbon emissions are mainly found in Categories 9, 10, and 14, with Category 9 having the largest emissions. We recognize the impact of transportation efficiency on operations and the environment, so since 2021, Corum has implemented annual measures for combined shipments to reduce domestic transportation carbon emissions. We continuously review and improve these measures to achieve year-on-year reduction targets.

Additionally, we focus on developing more low-carbon and environmentally friendly raw material products to meet customer demands and market trends. We also closely monitor import and export carbon tax policies or equivalent regulations and aim to establish reasonable carbon allocation rules based on stability, consistency, fairness, and representativeness.

5.2.4 CDP Carbon Disclosure Questionnaire Effectiveness Tracking

Corum's performance in the Carbon Disclosure Project (CDP) has improved year by year. To further attest to the effectiveness of our carbon reduction pathways, Corum plans to undergo a review of its targets by the Science-Based Targets initiative (SBTi) within the short term (1-3 years).

Year	CDP Climate Change Climate Change Rating		CDP Supplier Engagement Supplier Engagement Rating	
2021	D	Disclosure	C-	Awareness
2022	C	Awareness	B-	Management
2023	B-	Management	B-	Management

5.2.5 Carbon Performance Review

In light of the goal of achieving "Net-Zero Carbon Emissions (Carbon Neutrality) by 2050," we have established intensity-based carbon reduction targets, with the intensity unit being tCO2e/ton of product.
Scope Coverage and Exclusions: The targets cover Scope 1, 2, and 3 emissions, excluding categories 3, 13, and 15 within Scope 3, which are considered negligible.

Baseline Year 2022
Baseline Year Intensity Target: 7.1751 tCO2e/ton of product
Goal: To reduce the combined Scope 1, 2, and 3 carbon intensity by 4% annually (unit: tCO2e/ton of product), equating to a reduction of 0.2870 in intensity each year.

Reporting Year 2023
Carbon Reduction Achievement for the Reporting Year: A total reduction of 949.23 tCO2e was achieved, translating to an intensity reduction of 5.91, representing a 6.89% decrease, achieving a 17.7% reduction.

In addition to maintaining the four key carbon reduction strategies (product improvements, domestic consolidated shipping measures, beach clean-up activities, and energy-saving lighting), the company benefited in 2023 from energy-saving measures and advanced equipment at the new P2 plant. Moreover, the Taiwanese government (Ministry of Economic Affairs) lowered the electricity emission factor from 0.509 kg CO2e per kWh to 0.495 kg CO2e per kWh. These factors enabled us to significantly reduce total carbon emissions despite increased production, surpassing the targeted carbon reduction goals.

Carbon Reduction Initiatives	Cumulative carbon reduction by 2023	Calculation description
A Product Carbon Reduction	Cumulative reduction of 64 tCO2e was achieved.	The product Azeclair® was optimized into a lighter, low-carbon version called Azeclair® P, which significantly reduced plastic packaging use. The product weight was reduced by 70%, the combined weight with packaging by 33%, and the volume by 43%. Based on the load capacity of a 3.5-ton gasoline commercial truck, the carbon emission per kilogram of the original Azeclair® was 7.2 kgCO2e, while the optimized Azeclair® P emitted 4.2 kgCO2e per kilogram. From 2021 to 2023, this optimization resulted in a cumulative reduction of 64 tCO2e.
B Domestic Shipping Consolidation Measures	Cumulative reduction of 38.5 tCO2e was achieved.	According to the ITRI Product Carbon Footprint Information Platform and the Ministry of Economic Affairs Energy Bureau, a gasoline commercial truck emits 0.626 kgCO2e per kilometer. The shipping consolidation measures in 2023 were not effective in reducing mileage. However, from 2021 to 2023, Corum's domestic shipping consolidation measures cumulatively reduced mileage by 58,756 kilometers, resulting in a carbon reduction of 38.5 tCO2e.
C Beach Cleanup Activity	Cumulative reduction of 0.7416 tCO2e was achieved.	According to the Taiwan Carbon Footprint Information Platform of the Ministry of Environment, reducing waste by 1 kg (recycling 1 kg of waste) reduces approximately 2.06 kgCO2e in carbon emissions. In 2023, beach cleanup activities resulted in a reduction of 220 kg of waste, equating to a carbon reduction of 0.44 tCO2e. From 2018 to 2023, Corum's beach cleanup activities cumulatively reduced waste by 360 kg, resulting in a carbon reduction of 0.7416 tCO2e.
D Energy Saving	Cumulative reduction of 6.551 tCO2e was achieved.	In 2023, 110 LED lighting fixtures replaced traditional T8 lamps, reducing electricity consumption by 1,103 kWh per month. Based on the 2022 electricity carbon emission factor of 0.495, this resulted in an annual carbon reduction of approximately 6.551 tCO2e.

Carbon Reduction Initiatives	Cumulative carbon reduction by 2023	Calculation description
D **Energy Saving**	Cumulative reduction of 2.493 tCO2e was achieved.	In 2023, Corum's factory plant initiated an energy-saving plan for warehouse lighting, gradually replacing mercury lamps with LED fixtures, with 57 LED fixtures replaced. Two-thirds of the replacement was completed in 2023, with full completion expected by March 2024. Once fully implemented, an annual electricity saving of 7,554 kWh is expected. Based on the 2022 electricity carbon emission factor of 0.495, this resulted in a carbon reduction of approximately 2.493 tCO2e in 2023.
Total	Cumulative reduction of 112.29 tCO2e was achieved.	

Note:
In 2022, the Company conducted a comprehensive inventory in accordance with ISO 14064-1 and Taiwan's Greenhouse Gas Reduction and Management Act, making 2022 a representative baseline year.

5.3 Emission of Hazardous Substances `GRI:306-1,306-2,306-3,306-4,306-5`

Corum's Four Major Environmental Policies

Corum has established four major environmental policies to prevent waste generation from operational activities and along the value chain, and to manage the potential impact of waste. These policies include response indicators for hazardous substance emissions, such as waste reduction, air pollution prevention, and waste management. We follow the principles of proper management, prevention, and recycling of environmental waste and pollutants, minimizing their impact to reduce economic, social, and environmental effects. We continue to implement waste reduction measures, aiming to achieve a 1% reduction in waste by 2023 compared to 2021.

Four major environmental policies: Ongoing improvement, Legal compliance, Environmental sustainability, Risk management

5.3.1 Waste Rreduction

We promote the following waste reduction principles, focusing on waste sorting and rejecting the use of disposable tableware. Establish recycling bins to reduce domestic waste and cultivate environmental awareness to achieve the goal of waste reduction.

- **Waste Sorting:** Ensure waste is categorized into recyclables, compostables, and other waste.
- **Reduce Plastic Use:** Avoid using single-use plastic products such as plastic bags, bottles, and straws, opting for reusable alternatives like glass containers and stainless-steel straws.
- **Increase Recycling Rate:** Encourage and support recycling programs, ensuring recyclables enter the proper recycling process.
- **Reduce Household Waste:** Purchase appropriately portioned products to minimize food waste.
- **Cultivate Environmental Awareness:** Educate yourself and others about the importance of waste reduction and sustainable living. Raise environmental awareness through campaigns, educational activities, and community involvement.

5.3.2 Air Pollution Prevention

In air pollution management, Corum has established "Air Pollution Prevention Facility Operations Guidelines" in compliance with local Taiwanese regulations, obtaining the "Stationary Pollution Source Operating Permit" from local government agencies. Internally, we maintain cleanliness standards and establish ISO standard operating procedures for pollution prevention equipment, such as the "Stainless Steel Reaction Tank Operation Manual." We regularly analyze the quantity of major air pollutants and monitor environmental air quality. Scrubbers are installed to reduce air pollutant emissions, and we conduct regular staff training and third-party monitoring to ensure that air pollution management goals are met.

5.3.3 Waste Management

Corum manages industrial waste by categorizing and storing it based on its chemical properties, followed by entrusting qualified waste processing contractors for recycling and disposal.

• **Waste management principles**

Source reduction
Resource recycling
Reuse
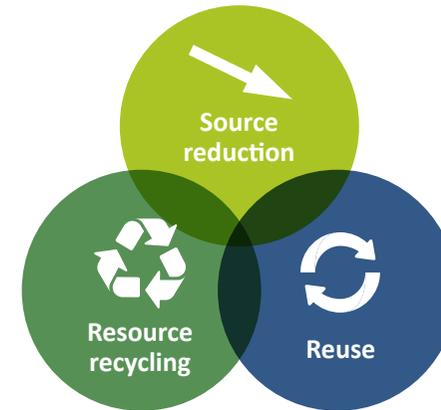
Waste management emphasizes source reduction followed by waste resource recycling and disposal by contractors in compliance with relevant laws and regulations. Before outsourcing waste disposal, we ensure proper sorting, collection, and storage within the plant. The waste is then handled by suitable waste processing contractors in accordance with environmental regulations, including flow reporting and monitoring, and is ultimately handed over to processing facilities. Currently, all wastes are processed domestically and there is no problem with international processing and waste leakage. Corum's waste is classified into general industrial waste and hazardous industrial waste.

2021-2023 Corum Annual Waste Generation (Metric Tons)

	2021	2022	2023
General business waste	647.52	784.97	740.20
Hazardous business waste	57.15	140.06	81.66

The total waste generated in 2023 was 821.86 tons. Although it did not meet the 2021 target of a 1% reduction by 2023 compared to 2021, it did decrease by 11.15% compared to 925.03 tons in 2022.

• 2021-2023 Waste Disposal and Transfer

Corum's waste is primarily generated from production processes or laboratories, along with employee domestic waste, scrap wood, and plastic. Once a certain volume is accumulated within the factory, we contract with environmental protection agency-registered waste disposal companies for processing and conduct regular annual audits to ensure the legal operation of these contractors.

	2021	2022	2023
Hazardous Industrial Waste (Tons)			
C-0301 (the flash point of the waste liquid is less than 60°C (except for alcohol waste with an ethanol volume concentration of less than 24%)	57.15	140.06	81.66
C-0299 (Other corrosive industrial waste mixtures)	0	0	0
General Industrial Waste (Tons)			
D-0299 (waste plastic or its mixture)	3.81	6.98	11.24
* D-0902 (inorganic sludge)	21.48	29.58	15.48
D-1504 (non-hazardous organic waste liquid or waste solvent)	609.38	711.86	681.42
D-2302 (non-halogenated organic waste chemicals)	0	0.76	0.44
* Waste paper	12.13	8.63	8.82
General waste	27.72	27.16	22.80
Total	731.67	925.03	821.86

Note:
All waste is disposed of externally, and in response to the new GRI standards, wastewater is excluded when compiling the total waste generated.

• 2023 Waste Disposal Methods

	2023
Hazardous Industrial Waste (Tons)	
Incineration	81.66
General Industrial Waste (Tons)	
Incineration	715.90
Thermal Treatment	15.48
Recycling	8.82
Total	821.86

Note:
Except for D-0902 (inorganic sludge) treated by thermal treatment and waste paper treated by recycling, all other waste is incinerated.

5.4 Water Resources Management GRI:3-3,303-1,303-2,303-3,303-4,303-5

Water Resources Management

① Importance to the Company

Corum is committed to enhancing the use and management of various energy resources. This is to ensure the sustainability and recyclability of water resources; to increase energy efficiency, reduce waste, and promote the application of water conservation measures and energy-saving technologies.

② Policy and Commitment

Improving water use efficiency and strengthening the upstream and downstream supply chain's risk management of water resources are key initiatives.

③ Short-term Goals (within 3 years) - - - - - - - - - - -

- Reduce wastewater discharge.
- Ensure water resource allocation to address potential risks associated with water resources.
- Actively manage and promote water-saving performance, such as installing water-saving devices and rainwater harvesting systems.

④ Medium-term Goals (3- 6 years) - - - - - - - - - -

Conduct water resource education and training to popularize the concept.

⑤ Long-term Goals (over 6 years)

Promote innovation in water resource management technologies and methods to improve water resource utilization efficiency and management levels.

⑥ Annual resources invested and specific outcome

Since 2022, Corum has recorded reclaimed water volumes and continues to develop products that require low water consumption during their production processes.

In 2023, Corum's Chiayi factory did not experience any violations of water quality and discharge regulations, and monthly wastewater treatment reports were submitted as required by law.

The total tap water consumption in 2023 was 12,303 tons, a 31% reduction compared to 2022.

⑦ Department responsible and grievance mechanism

- Department responsible:
  EHS Office
- Grievance mechanism:
  Via telephone or email.

⑧ Evaluation mechanism and performance

- Evaluation mechanism:
  Environmental Health and Safety Management Committee Review Meetings.
- Performance:
  There was no violation of laws and regulations on water quality and discharge requirements in 2023.

Energy Management

① Importance to the Company

Corum is committed to enhancing the use and management of various energy resources. This is to ensure the sustainability and recyclability of water resources; to increase energy efficiency, reduce waste, and promote the application of water conservation measures and energy-saving technologies.

② Policy and Commitment

Corum adheres to relevant regulations to improve energy efficiency and promote the use of green products and raw materials, with the aim of achieving established energy-saving targets.

③ Short-term Goals (within 3 years) - - - - - - - - - - -

- **For electricity usage:**
  Implement energy-saving lighting and air conditioning facilities.
- **For natural gas usage in factory plants:**
  Install high-efficiency equipment to replace older, less efficient models.

④ Medium-term Goals (3- 6 years) - - - - - - - - - -

For transportation measures:
Actively communicate with domestic and international customers to develop energy-saving transportation strategies.

⑤ Long-term Goals (over 6 years)

Evaluate the purchase of green power.

⑥ Annual resources invested and specific outcome

Since 2021, Corum has continued to implement measures to consolidate shipments for domestic deliveries, and, through the statistics gathered in Scope 3, the company is gradually exploring feasible carbon reduction solutions.

Since 2023, Corum has been gradually replacing the lighting systems in its Taipei office and factory with energy-efficient LED lighting. we also encourage turning off unused lights to balance environmental protection and energy conservation.

⑦ Department responsible and grievance mechanism

- Department responsible:
  EHS Office
- Grievance mechanism:
  Via telephone or email.

⑧ Evaluation mechanism and performance

- Evaluation mechanism:
  Environmental Health and Safety Management Committee Review Meetings.
- Performance:
  The domestic customer shipment consolidation plan in 2023 expanded the number of participating customers but saw limited efficiencies, with no energy conservation data available.

5.4.1 **Water Resources Management**

Corum places great emphasis on water quality testing and wastewater discharge management. The water intake at our offices and factory complies with legal standards and does not have a significant ecological impact on water sources. The Chiayi factory, located next to Niuchou River in Minsyong Township, Chiayi County, commissions qualified environmental testing agencies to conduct regular sampling and testing of discharge water. The discharge complies with the acceptance standards of the Minsyong Industrial Park Management Center's wastewater treatment plant under the Ministry of Economic Affairs' Industrial Development Bureau, where it undergoes final treatment. We are committed to enhancing our water resource efficiency management system and developing a circular water utilization model. The Chiayi factory employs a condensate recovery system for boiler water. Soft water produced by the water softening machine is supplied to the boiler via a daily water tank. The steam generated by the boiler is supplied to reaction equipment or heat exchangers, and the resulting condensate is returned to the daily water tank for recycling. Water use at our office buildings and service locations is limited to employees and some customers, with no significant impact on water sources, primarily used for drinking water, air conditioning systems, and cleaning purposes. In 2023, there were no incidents of violations related to water quality and discharge regulations at the Chiayi factory. Monthly wastewater treatment reports were submitted in compliance with the law, monitoring and managing wastewater treatment. The total wastewater treatment volume at the Chiayi factory in 2023 was 558.09 tons. Additionally, the total tap water intake in 2023 was 12,303 tons, a 31.40% reduction compared to 2022. The water usage at our operational offices decreased by 42.87% compared to 2022.

Corum will further develop long-term and short-term water resource plans, including identifying water resource needs, assessing water resource availability, and developing strategies for the development and utilization of water resources to ensure a sustainable supply. We also advocate for the following water conservation measures.

- **Water Resource Protection:**
  Reduce pollutant discharge and protect the ecological environment of water sources.

- **Water Resource Allocation:**
  Ensure the rational use of water resources, with stable allocation and management.

- **Water Conservation:**
  Promote water-saving devices and technologies to improve water resource utilization efficiency.

Corum's water consumption from 2021 to 2023 (m3)
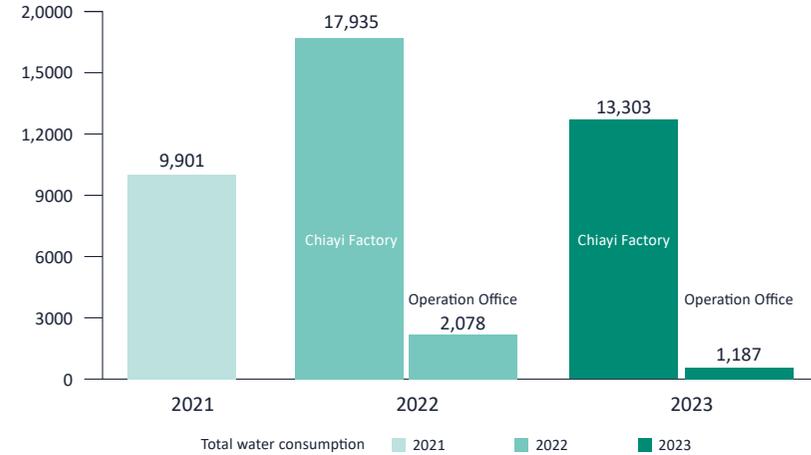
Item	Unit	2021 Chiayi Factory	2022 Chiayi Factory	2022 Operational offices	2023 Chiayi Factory	2023 Operational offices
Water consumption	Tons	2,970	3,587	0	6,477	0
Water discharge	Tons	6,931	14,348	2,078	5,826	1,187
Water intake	Tons	9,901	17,935	2,078	12,303	1,187

Note:

1.Water consumption = water intake - water discharge.

2.All water intake for Corum is sourced from Taiwan Water Corporation or Taipei Water Department, with no groundwater or other alternative water sources.

3.The calculation of water use at operational offices began in 2022, using the total water consumption in each area in 2022 multiplied by the employee allocation ratio for each area.

4.1 m3 = 1,000 liters = 1,000 kilograms = 1 ton.

5.5 Energy Resource Management `GRI:3-3, 302-1, 302-2, 302-3, 302-4, 305-5`

5.5.1 Energy Conservation and Carbon Reduction

In terms of energy management, the reporting boundary covers Taipei Headquarters (Taipei City), branch offices (Taichung City, Tainan City), R&D Center (New Taipei City), and the factory (Minsyong Industrial Park, Chiayi County), all of which use non-renewable energy. According to calculations by the Finance Center, energy consumption at the Chiayi factory accounted for 8.0% of its total operating costs in 2023. The table below summarizes the electricity and natural gas consumption of Corum from 2021 to 2023. In 2023, overall energy consumption decreased by 9.48% in electricity (including high-voltage power) and by 18.11% in natural gas compared to 2022.

Corum Energy Consumption Chart (2021-2023)

		2021	2022	2023
Electricity Usage (kWh)	Operational offices	No statistical data	219,249	121,082
	Chiayi Factory	2,376,800	4,407,040	4,066,563
Natural Gas Usage (m3)	Operational offices	No natural gas used	No natural gas used	No natural gas used
	Chiayi Factory	158,509	222,866	182,493

Corum Energy Consumption Chart (2021-2023)

Legend: ■ Natural gas (m3) ■ Power consumption (kWh)
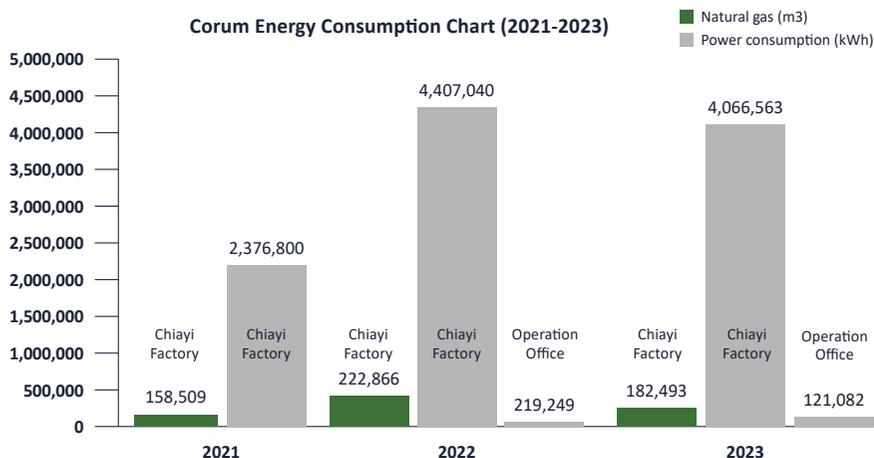
Note:

1.Corum does not use renewable energy sources or sell electricity, heat, cooling, or steam energy.

2.According to the CO2 electricity emission factor announced by the Bureau of Energy, Ministry of Economic Affairs, the electricity emission factor is 0.509 kg CO2e/kWh, and the natural gas emission factor is 2.2 kg CO2e/m3.

3.Starting from 2022, the calculation of electricity consumption of business offices is based on the following formula: total kWh of electricity consumption in each district in 2022 * the allocation ratio of the number of Corum employees in each region.

Corum's Energy Activities and Total Consumption (2022-2023)

Energy-related Activities (MWh)	2022	2023
Purchased or acquired electricity consumption	4,626.29	4,187.65
Purchased or acquired heat energy consumption	2,466.90	2108.25
Purchased or acquired cooling energy consumption	0.08	90.78
Total	7,093.27	6386.68

Note:

1.MWh stands for megawatt-hour, equivalent to one thousand kilowatt-hours.

2.Heat energy consumption refers to gas energy; 1 kWh of gas = 9520 kcal = 11.069 kWh = 0.011069 MWh.

3.Cooling energy consumption comes from the company's self-owned refrigerant-based cooling equipment (air conditioners, refrigerators, and chillers). The annual energy consumption is estimated based on the actual power capacity of the equipment.

5.5.2 Actual Energy Saving Case Study

As a Taiwanese enterprise, Corum views reducing carbon emissions as crucial to minimizing environmental impact and promoting sustainable operations. According to investigations, carbon dioxide (CO2) is the largest greenhouse gas emitted in Taiwan, accounting for 95.36% of emissions. Transportation ranks third, with 13.61% of emissions. Since completing the Scope 3 audit for the first time in 2022, we continued our self-audit in 2023 to review and plan energy-saving and carbon-reduction projects. However, these projects have not yet yielded specific carbon reduction benefits, and we will continue to monitor them. Please refer to this report: 5.2 TCFD Report Section: Carbon Performance Review of Greenhouse Gas Emissions.

● **Consolidated shipping**

Commitment: Starting in 2021, we implemented a shipment consolidation project targeting customers with more than 14 shipments in the previous year. The project aimed to reduce the number of truck trips, mileage, and transportation costs by regulating shipment frequency and encouraging customers to consolidate orders.

Risk management: The Domestic Sales Department communicates with chosen customers to convince them of the importance of consolidated shipping.

Year	Number of customers the measure was applied to	Mileage (km)	Carbon Emissions (tons)	Energy Consumption (kJ)	Growth in Sales Per Shipment (%)
2021	22	-28.134	-17.6	-68.495	+14
2022	22	-30.622	-20.9	-74.522	+18
2023	36	+32.642	+20.43	+79.469	-14

The energy-saving and carbon-reduction project achieved actual results in 2021-2022 when we regulated the same 22 customers. However, when we expanded the number of customers to 36 in 2023, total carbon emissions increased by 20.43 tCO2e. Based on our reviews, it has been determined that the internal execution and management of shipping consolidation need improvement. The implementation of production and shipment consolidation arrangements must be enforced. We will continue to carry out shipment consolidation measures for domestic customers and gradually develop feasible carbon-reduction plans through Scope 3 statistics.

Short-term Goals	**Medium-term Goals**	**Long-term Goals**
More than 14 annual shipments Fewer than 20 customers	More than 14 annual shipments Fewer than 18 customers	More than 14 annual shipments Fewer than 15 customers

Energy conservation goals

(1)Target: Convince customers with more than 14 shipments last year to consolidate their orders   to reduce the number of shipments.

(2)If the number of shipments of a single product after deducting the consolidated shipments still exceeds 5, the annual shipments of that particular product must be decreased by 15%, and the total shipments must be decreased by 10%.

Note:
Energy Saving Calculation Explanation, Data Source: ITRI Product Carbon Footprint Information Platform, Energy Bureau, Ministry of Economic Affairs.
1.Mileage was calculated based on the region with the highest number of shipments in 2022. The assumed transportation distance for each region was multiplied by the number of shipments for each region, then summed.
2.A gasoline commercial van emits 0.626 kgCO2e per kilometer.
3.Calculated based on small trucks with an engine displacement of 1.5L, consuming 0.0746 liters of fuel per kilometer
4.1 liter of gasoline = 7,800 kcal, and 1 kcal = 4.184 J.

● Energy Consumption Control at the Chiayi Factory
Commitment: The bulk of our energy consumption involves electricity, followed by gas and natural gas. Currently, the Chiayi factory employs a power monitoring method, installing sub-meters to monitor electricity usage in various areas. This approach allows us to accurately record energy consumption and regularly review changes to ensure we promptly capture dynamic information for efficiency analysis. We have also implemented process improvements on the production side to maximize energy efficiency and reduce energy consumption. In the future, we plan to gradually establish an energy monitoring system to provide real-time monitoring and data analysis of energy usage. This system will help us identify problems and improvement opportunities promptly. By leveraging the energy management system, we will implement energy measurement and track and manage energy indicators.

Risk management: The Chiayi factory controls and keeps a record of all energy consumption; if anomalies are discovered, the cause will be determined to implement improvement measures. Since the factory's GHG emissions are relatively low, simple carbon emissions values are recorded for control purposes.

● Energy Conservation Campaigns
Commitment: We actively promote the concept of energy conservation and carbon reduction among employees, encouraging them to develop the habit of turning off air conditioning when not in use. We also participate in global events such as "Earth Hour 60+" and "World Water Day" initiated by the World Wildlife Fund, raising awareness about global warming and the importance of energy conservation, thereby embodying the spirit of energy saving and carbon reduction.

Risk management: Corum will continue to support climate actions by organizing various energy conservation activities to decrease carbon emissions and energy consumption.

● Energy-Saving Measures in Office Environments
Commitment: We have set the office air conditioning temperature to a constant 26°C and plan to replace lighting with LED fixtures in 2023 to enhance energy efficiency and reduce carbon emissions, fulfilling our corporate social responsibility.

Risk Management: Corum regularly maintains and updates office environments with high-efficiency energy equipment to achieve energy-saving goals.

5.6 Use of Raw Materials

5.6.1 Green Procurement

More than 80% of the environmental impact of a product throughout its life cycle is determined at the design stage. Therefore, Corum proactively manages the use of chemicals during product production. We are committed to providing products free from Substances of Very High Concern (SVHC) as listed by the Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) regulations. We abide by the Restriction of Hazardous Substances (RoHS)'s environmental protection regulations to promote green procurement management. Apart from demanding our suppliers that their raw materials may not contain harmful substances, the Company never uses raw materials that contain harmful substances during production.

5.6.2 Green Product

Our main practices include following the 12 Principles of Green Chemistry, investing resources in the development of green chemical products, and aligning with the UN SDGs, such as using recycled solvents, with a current recycling rate of 56-60%. We identify and confirm that the Company's products comply with the safety regulations of various markets. Additionally, all our raw material inspections, production processes, intermediate product, and final product inspections are carried out according to the International Council for Harmonisation (ICH) guidelines and GMP regulations. Moreover, our product stability monitoring and testing have been verified. In 2022, Corum's products did not violate any product and safety regulations.

The 12 Principles of Green Chemistry

Waste prevention

Atom economy

Less hazardous chemical synthesis

Designing safer chemicals

Safer solvents & auxiliaries

Design for energy efficiency

Use of renewable feedstocks

Reduce derivatives

Catalysts

Design for degradation

Real-time pollution prevention

Safer chemistry for accident prevention

5.6.3 Developing a Circular Economy Concept

Sustainable raw material usage is crucial for business operations and supply chain management. In addition to following the 12 Principles of Green Chemistry, Corum advocates for developing a circular economy model, reducing resource consumption and waste generation through recycling and reusing materials.

We prioritize selecting renewable, recyclable, and environmentally friendly materials to reduce dependency on finite resources. Additionally, we aim to choose locally produced raw materials, which can lower transportation costs and carbon emissions, reduce time costs, shorten the development time of qadvanced processes, and create local employment opportunities.
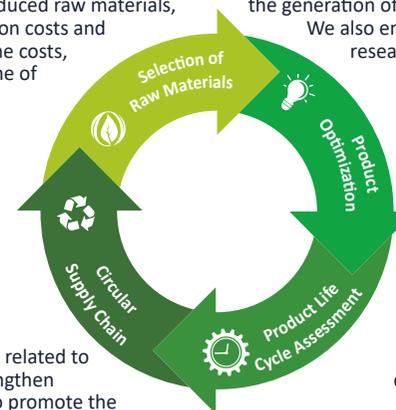
By optimizing production processes and engineering design, we enhance raw material utilization efficiency and reduce the generation of waste and by-products. We also encourage innovation and research and development to improve technology and processes, thereby minimizing raw material usage and environmental impact.

Selection of Raw Materials

Product Optimization

Product Life Cycle Assessment

Circular Supply Chain

Raw material usage is closely related to suppliers; therefore, we strengthen cooperation with suppliers to promote the establishment of a sustainable raw material supply chain.This includes formulating sustainable procurement policies with suppliers, assessing supply chain transparency and risks, and encouraging suppliers to improve their environmental and social responsibilities.

We plan to conduct life cycle assessments (LCA) of raw materials to understandtheir environmental and social impacts. This helps identify key areas for improvement and potential opportunities.

5.6.4 Safe Substance Management

Corum actively responds to international hazardous substance standards, reviewing the safety of raw materials and fulfilling corporate responsibilities. We stay aligned with international regulatory updates. In 2023, the European Commission issued several regulations, such as Commission Regulation (EU) 2023/1490 of 19 July 2023, amending Regulation (EC) No 1223/2009 of the European Parliament and of the Council concerning the use in cosmetic products of certain substances classified as carcinogenic, mutagenic, or toxic for reproduction. This regulation adds substances classified as carcinogenic, mutagenic, or toxic for reproduction (CMR substances), which are prohibited in cosmetic raw materials. Another significant regulation is COMMISSIONREGULA-TION (EU) 2023/1545 of 26 July 2023, amending Regulation (EC) No 1223/2009 of the European Parliament and of the Council concerning the labeling of fragrance allergens in cosmetic products. This regulation strengthens labeling requirements for fragrances and allergens, improving product transparency and consumer safety. Additionally, COMMISSION REGULATION (EU) 2023/2055 of 25 September 2023 amends Annex XVII to Regulation (EC) No 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) regarding synthetic polymer microparticles. This regulation enhances the management of synthetic polymer microparticles, reducing their negative environmental impact and promoting sustainable development and environmental protection.

5.7 Biodiversity Issues

5.6.5 Packaging Design

According to a 2016 research report by the World Economic Forum and the Ellen MacArthur Foundation, most packaging is used only once, and only 5% of the vast amount of plastic waste generated is effectively recycled. The importance of "sustainable packaging" is increasingly recognized. Corum's packaging design for cartons insists on using 100% recycled unbleached pulp, avoiding the use of single-use plastics. Additionally, the label printing area on the cartons has been reduced to 6.9%, which is significantly lower than the 50% recommended standard by the Environmental Protection Administration's "Guidelines for Reducing Environmental Packaging," further reducing ink waste. In the future, we plan to reduce waste in internal packaging space, such as standardizing packaging specifications, to decrease material usage by reducing the volume of packaging. While ensuring transportation safety, we aim to maximize space efficiency and reduce the damage caused by transporting products of different sizes simultaneously, thereby improving transportation efficiency.

5.6.6 Recycling and Regeneration Program

We are currently evaluating and planning a recycling and regeneration program to process discarded products and recover valuable materials. This will be achieved through chemical processing, physical separation, or other technologies, reducing the demand for new raw materials and minimizing the environmental impact at the end of the product's life cycle. The factory's packaging materials are purchased externally rather than produced in-house. The primary packaging materials are made from new raw materials, with the cartons being certified by the Forest Stewardship Council (FSC) and recyclable. In 2023, the percentage of materials procured for packaging (consumables) that were recycled and reused was 18.22%.

Note:
1.The recycled and reused material was cartons.
2.The percentage of recycled and reused materials = (total amount of recycled and reused materials/total material usage) * 100%.

5.7.1 Commitment to Biodiversity

The latest United Nations report states that promoting the sustainable management of biodiversity can build climate resilience and ensure ecosystems can support human needs, making it an indispensable part of sustainable action.

Corum manages sustainable development through its Sustainability Committee, which annually reviews performance in conjunction with the Sustainability Report at the management meetings chaired by the Chairman. Corum does not engage in manufacturing, production, or resource extraction in protected areas, endangered species habitats, or ecosystems.

Corum's research and development follow the 12 Principles of Green Chemistry to mitigate environmental impact while managing resource sustainability and responsible sourcing. Following Brazil's "Biodiversity Protection Law No. 13, 123/2015," we have established policies in procurement and quality to ensure that all raw materials used in our manufacturing process avoid genetic resources and genetically modified organisms, and comply with relevant regulations. This includes adherence to the Nagoya Protocol and the Convention on International Trade in Endangered Species (CITES), promoting the fair sharing of benefits arising from the use of genetic resources.

On our official website, we have published the "Corum Ethical Corporate Management Best Practice Principles" and "Corum Human Rights Policy," which outline our commitment to business integrity, fairness, legal compliance, ethical sourcing, and biodiversity-related principles. Our management team focuses on responsible consumption, fair trade, and sustainable sourcing and communicates with suppliers. In the supply chain management process, we conduct risk assessments of suppliers through self-declarations and annual assessment questionnaires to evaluate their performance, improve our business activities, and establish mutually sustainable value commitments To raise awareness of the importance of biodiversity, we have completed a revised version of the supplier assessment questionnaire, incorporating regulatory compliance and biodiversity, and have developed the "Supplier Code of Conduct," which requires suppliers to sign and comply with it, jointly protecting natural ecosystems.

In 2023, we conducted a "RAW MATERIAL SUPPLIER QUESTIONNAIRE FOR SUSTAINABLE PROCUREMENT" for 80 suppliers, with a total of 65 responses received. Among them, 27 suppliers acknowledged the importance of biodiversity and had established board-level oversight or senior management-level control, an 8.07% increase compared to 2022. Additionally, 6 suppliers indicated that they would gradually implement biodiversity management measures over the next two years, while the remaining 32 suppliers stated that they have not yet developed biodiversity-related plans.

After internal discussions, we concluded that there is generally a lack of understanding of biodiversity-related issues, and there should be an emphasis on strengthening related education and training. In the future, we will continue to implement the signing of sustainable procurement assessment questionnaires, develop internal policies through international initiatives and declarations, and conduct education and public awareness activities to raise awareness and participation among stakeholders on climate change, energy conservation, carbon reduction, fair trade, appropriate access to genetic resources, and the protection of biodiversity and ecosystems.

06 Social Inclusion
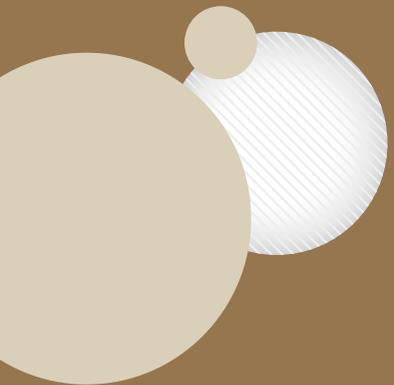
6.1 Care of Labor and Human Rights `GRI:2-7,2-8,2-23,2-24,401-1,401-2,401-3,402-1,405-1,406-1,407-1,408-1,409-1`

6.1.1 Employee Overview

Faced with increasing competition, Corum appreciates that growing with our employees is the only way to achieve corporate success. We are committed to providing generous benefits, comprehensive talent development programs, caring for employees' lives, and safeguarding labor rights to retain top talent, enhance overall company quality, and gain a competitive edge in the industry. We actively foster positive labor relations, engage in dialogue with stakeholders, and respect the rights of both parties.

Corum is a leading upstream R&D and manufacturer of raw materials for cosmetics, personal care, household products, and the pharmaceutical industry in Taiwan. Headquartered in Neihu Technology Park, Taipei, our factory is located inside the Minsyong Industrial Park in Chiayi. Our workforce is primarily based in Taiwan. As of the end of 2023, Corum employed 167 full-time employees on indefinite-term contracts and 5 on fixed-term contracts, with 94 male employees (56.3%) and 73 female employees (43.7%).

Gender Ratio of Corum Employees in 2023

43.7% | 73 ppl
56.3% | 94 ppl

● Female
● Male
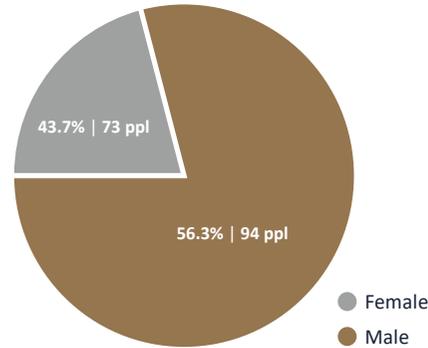
Employee Type Analysis from 2021-2023

2021

Employee analysis		Full-time	Part-time
Gender	Male	84	0
	Female	66	1
Employment contract and type		Non-fixed term	Fixed term
Gender	Male	84	0
	Female	67	0
Region	Taipei	45	
	Chiayi	106	

2022

Employee analysis		Full-time	Part-time
Gender	Male	92	0
	Female	72	0
Employment contract and type		Non-fixed term	Fixed term
Gender	Male	92	0
	Female	67	5
Region	Taipei	48	
	Chiayi	116	

2023

Employee analysis		Full-time	Part-time
Gender	Male	94	0
	Female	73	0
Employment contract and type		Non-fixed term	Fixed term
Gender	Male	94	0
	Female	68	5
Region	Taipei	50	
	Chiayi	117	

Note:

1. Labor contracts are divided into indefinite-term employees (permanent) and fixed-term employees (short-term).

2. Employee types are categorized into full-time (working hours meet legal requirements) and part-time (working hours do not meet legal requirements, only partial hours).

3. Compared to 2021, the overall number of employees in 2022 increased by 13, representing an 8.6% growth. There will be no significant changes in the overall number of personnel in 2023.

Employee Structure Analysis for 2022-2023

Diversified indicators			2022		2023	
			Number of people	Percentage	Number of people	Percentage
Employee	Middle and senior executive	Gender	Male	11	52%	10	56%
			Female	10	48%	8	44%
		Age	Under 30 years of age	0	0%	0	0%
			Between 30-50 years of age	9	43%	5	28%
			Over 50 years of age	12	57%	13	72%
		Education	Graduate school	13	62%	9	50%
			College and university	7	33%	8	44%
			Below senior high school	1	5%	1	6%
	Entry level executive	Gender	Male	11	61%	12	63%
			Female	7	39%	7	37%
		Age	Under 30 years of age	0	0%	0	0%
			Between 30-50 years of age	16	89%	14	74%
			Over 50 years of age	2	11%	5	26%
		Education	Graduate school	4	22%	3	16%
			College and university	14	78%	16	84%
			Below senior high school	0	0%	0	0%
	General staff	Gender	Male	70	56%	72	55%
			Female	55	44%	58	45%
		Age	Under 30 years of age	30	24%	37	28%
			Between 30-50 years of age	89	71%	86	66%
			Over 50 years of age	6	5%	7	5%
		Education	Graduate school	27	22%	28	22%
			College and university	82	66%	81	62%
			Below senior high school	16	13%	21	16%

Note:

1. Middle and senior executive: represents executive above the managerial level; entry level executive: represents executive below the section level; the rest are general staff.

2. Calculation method: Percentage of direct staff under 30 years of age = (total number of general staff under the age of 30 at the end of the year/total number of general staff at the end of the year) *100%.

6.1.2 Labor Relations

Analysis of New Employees and Separations from 2021-2023

New Employee Analysis		2021		
		Total employee number	Number of new employees	New Hire Rate
Total number of employees in the year		151	34	22%
Age	Under 30 years of age	25	15	60%
	Between 30-50 years of age	112	19	16%
	Over 50 years of age	14	0	0%
Gender	Male	84	19	22%
	Female	67	15	22%

Employee Separation Analysis		2021		
		Total employee number	Number of new employees	New Hire Rate
Total number of employees in the year		151	34	22%
Age	Under 30 years of age	25	14	56%
	Between 30-50 years of age	112	19	16%
	Over 50 years of age	14	1	7%
Gender	Male	84	19	22%
	Female	67	15	22%

New Employee Analysis		2022		
		Total employee number	Number of new employees	New Hire Rate
Total number of employees in the year		164	53	32%
Age	Under 30 years of age	30	18	60%
	Between 30-50 years of age	114	34	29%
	Over 50 years of age	20	1	5%
Gender	Male	92	19	20%
	Female	72	34	47%

Employee Separation Analysis		2022		
		Total employee number	Number of new employees	New Hire Rate
Total number of employees in the year		164	40	25%
Age	Under 30 years of age	30	11	36%
	Between 30-50 years of age	114	27	23%
	Over 50 years of age	20	2	10%
Gender	Male	92	12	13%
	Female	72	28	38%

New Employee Analysis		2023		
		Total employee number	Number of new employees	New Hire Rate
Total number of employees in the year		167	48	29%
Age	Under 30 years of age	37	22	59%
	Between 30-50 years of age	105	22	21%
	Over 50 years of age	25	4	20%
Gender	Male	94	25	27%
	Female	73	23	32%

Employee Separation Analysis		2023		
		Total employee number	Number of new employees	New Hire Rate
Total number of employees in the year		167	44	26%
Age	Under 30 years of age	37	12	32%
	Between 30-50 years of age	105	29	28%
	Over 50 years of age	25	3	12%
Gender	Male	94	24	26%
	Female	73	20	27%

Note:

1.New Hire Rate = (Total number of new employees in the category during the year / Total number of employees in the category during the year) * 100%.

2.Turnover rate = (total number of separated employees in the category in the year/total number of employees in the category in the year) *100%.

6.1.3 Maintaining a Healthy Turnover Rate

To ensure healthy talent mobility and meet long-term growth needs, Corum aims to maintain an employee turnover rate between 10% and 15%. The turnover rate for 2023 was 26%, representing a 1% increase compared to 2022, but recruitment significantly increased in 2023 compared to previous years.

While a moderate turnover rate can promote personnel renewal, excessive turnover can lead to high costs associated with recruiting, training, inefficiencies, and high losses due to new employees' unfamiliarity with their roles, which can erode company profits and hinder growth. Since 2022, the HR Department has initiated an online care survey for new hires and departing employees to explore internal and external factors, reflecting on and adjusting organizational actions in key areas such as recruitment, training, and performance evaluation to reduce turnover rates.

6.1.4 Corum's Diverse Recruitment Channels

In addition to posting online job ads, Corum recruits through various channels, including headhunting, internal referrals, campus recruitment, job fairs, and talent recruitment events organized by the Ministry of Labor and county and city governments.

6.1.5 Employee benefits

Corum offers a competitive remuneration and benefits system to attract exceptional talents. The remuneration standards of new employees are formulated according to criteria such as the education and experience of the talents required. The overall remuneration takes into consideration factors such as employees' professional knowledge and skills, performance, work quality and timeliness, innovativeness, and planning ability, formulating a reasonable and competitive remuneration system. Additionally, we offer Mid-Autumn Festival and Dragon Boat Festival, and Lunar New Year bonuses, wedding gifts, childbirth gifts, and bereavement condolences. The company and factory are equipped with breastfeeding rooms, and we regularly organize occupational safety, fire safety training, and health check-up activities. We have established a regular performance review system to facilitate continuous growth among colleagues at all levels. Every year, salary adjustments are made based on a comprehensive assessment of regional operational targets, business performance, and potential future business environment impacts, ensuring appropriate adjustments to employee compensation. Annual performance evaluations are conducted as a basis for salary adjustments, promotions, and performance bonuses, rewarding employees with outstanding performance and significant contributions.
The performance evaluations are conducted without gender discrimination, adhering to gender equality in treatment, with 100% of employees participating in regular performance reviews. Department heads are responsible for conducting performance evaluations and training for their teams, providing guidance, encouragement, support, and career counseling to help employees progress toward their career goals.

In addition to the statutory labor/health insurance and leave system, Corum's Welfare Committee also plans diverse welfare measures every year, ranging from subsidies for employee recreational activities, various bonuses, and subsidies, as well as employee shopping discounts from affiliated businesses. Due to the uncertainty surrounding the COVID-19 pandemic in 2022, the biennial employee trips were replaced with travel bonuses provided directly to employees. Since the two-year period has not yet been reached in 2023, the arrangements for employee trips or the travel subsidy method will be confirmed in 2024.

Employee welfare measures

Group accident insurance.	Good work environment.
Special leave, maternity leave, parental leave.	Free employee health examination.
Mid-Autumn Festival bonuses, Dragon Boat Festival bonuses, subsidies for weddings and bereavement condolences, year-end bonuses, and childbirth gifts.	Domestic and overseas company incentive trips or gift vouchers and subsidies.
Sales personnel are entitled to subsidies, parking subsidies, and company cell phones for using the private vehicles for company purposes.	Spring dinner party and year-end banquet lottery draw.
Flexible working hours system.	Employee discounts on purchases from affiliated companies.
Statutory retirement system.	Maternity and infant care and partner agencies.

- **Flexible Working Hours System**

  For indirect employees, the Company provides a flexible work period of half an hour before and after the fixed daily working hours. Under the premise that the total working hours remain unchanged, employees can adjust their start and end times flexibly, which not only enhances productivity and work efficiency but also helps employees balance work and personal life. Additionally, in response to the prevention of severe infectious diseases (such as COVID-19), the company has established zoned office work and work-from-home plans, along with corresponding regulations. These measures can be activated promptly in the event of another severe infectious disease outbreak, providing employees with flexible working arrangements.

● **Good work environment**

To improve employee work performance, the Company provides them with a bright, comfortable work environment, rest area, and employee cafeteria. Furthermore, independent, discreet breastfeeding rooms are available in various business locations for our female employees and mothers in need.

Taipei

● Breastfeeding room in Taipei   ● Conference area and rest area in Taipei

Chiayi

● Breastfeeding room in Chiayi Factory   ● Chiayi Factory Employee Canteen Area

● **Free employee health examination**

Corum cares about our employees' physical health, thus the Chiayi factory provides all the employees with free employee health examinations every year. The Factory Affairs Office is responsible for planning and arranging for employees to undergo health examinations at the designated medical care organizations. The outcome of the health examination will be monitored closely by the EHS Office, and the Factory Affairs Office will make arrangements for occupational nurses to conduct health consultations and care to look after the physical and mental health of our employees. Health examinations for employees in the rest of the Company are planned and arranged by the HR Department, with employees scheduled for health checks at contracted medical institutions based on their age as per regulations.

In 2023, 98.30% of our employees underwent health examinations. A total of 118 people participated in the health examination plan, of which 116 people completed the health examination.
Of the required 98 factory employees, 96 completed their health checks, while all 20 employees in other regions completed theirs.

● Regular general and special health hazard checks

Introduction   Sustainable
Business Strategy   Stakeholder
Engagement   Product
Management   Corporate
Governance   Environmental
Sustainability   **Social Inclusion**   Appendix

- **Domestic and overseas company incentive trips or gift vouchers and subsidies**

  The Employee Welfare Committee regularly organizes diverse employee activities, such as family days or employee trips. However, due to the impact of the pandemic, employee trips and family day events were suspended in 2022, with travel subsidies provided instead. These activities are expected to resume in 2024.

- **Departmental gatherings and Year End Gala Banquet with lucky draw**

  Corum provides annual "teambuilding subsidies" for departments to arrange group meals or entertainment, allowing employees to relax and build closer relationships with each other outside of work. To express gratitude for employees' hard work and to bridge the gap between management and staff, the Company allocates a budget each year for year-end banquets and lucky draw prizes.

  ▶

  Chiayi factory year-end gala banquet

  ▼

  Taipei HQ year-end gala banquet

- **Employee purchases from affiliated companies**

  Our employees are entitled to discounts for Fee's products from AMUN CORPORATION, an affiliated business of Corum. During the employee shopping month, each employee will receive NT$5,000 worth of employee discount for products contained in the list (at original prices).

- **Maternity and infant care and partner agencies**

  Corum has selected two partner childcare institutions, providing employees with childcare benefits at Tianxin Private Kindergarten in Chiayi County and Modern Kindergarten in Taipei. These benefits aim to address the childcare needs of employees with young children, allowing them to work with peace of mind.

- **Robust Retirement Pension System**

  Corum has designed a comprehensive retirement pension plan for its employees, which includes a defined benefit plan in accordance with Taiwan's Labor Standards Act and a contribution plan as per the Labor Pension Act. In addition to the legally required pension contributions, Corum conducts annual actuarial valuations through professional accounting consultants to ensure sufficient funding, safeguarding employees' future retirement benefits. In October 2022, Corum announced an option for all employees with accrued benefits under the old system to choose whether to receive their pension early, without having to meet the age and service conditions stipulated by the Labor Standards Act. This option allows employees to access their retirement funds flexibly while retaining their employment with the company. A total of 23 employees applied to settle their accrued benefits under the old system.

6.1.6 **Parental Leave**

● **Statistics for parental leave without pay and reinstatement upon expiration**

Regarding applications for parental leave without pay and reinstatement upon its expiration, Corum fully complies with relevant legal requirements. At the end of the leave period, employees can apply for reinstatement and return to work. Employees returning from parental leave without pay in 2023 had a 100% retention rate, both male and female. Corum continues to introduce more welfare programs aimed at addressing the declining birth rate and promoting gender equality, such as offering childbirth gift sets for newborns.

Item	Gender	2022	Gender	2023
Number of employees eligible for parental leave in the year (Note 1)	Male	1	Male	2
	Female	1	Female	0
	Total	2	Total	2
Number of employees applying for parental leave in the year	Male	0	Male	0
	Female	1	Female	0
	Total	1	Total	0
Number of employees expected to return from parental leave (A)	Male	0	Male	0
	Female	1	Female	0
	Total	1	Total	0
Number of employees who were expected to return and were reinstated after parental leave (B)	Male	0	Male	0
	Female	1	Female	0
	Total	1	Total	0
Reinstatement Rate (B/A) (Note 2)	Male	0%	Male	0
	Female	100%	Female	0
Number of employees expected to return from parental leave in the previous year and who were reinstated (C)	Male	0	Male	0
	Female	1	Female	0
	Total	1	Total	0
Number of employees who stayed for more than 12 months after returning from parental leave (D)	Male	0	Male	0
	Female	1	Female	0
	Total	1	Total	0
Retention Rate (D/C) (Note 3)	Male	0%	Male	0
	Female	100%	Female	0

Note:

1.Employees who have served for six months or more are eligible to apply for parental leave without pay for each child until the child reaches the age of three, with a maximum leave period of two years. If an employee is raising more than one child simultaneously, the parental leave without pay periods must be combined, with a maximum limit of two years for the youngest child being raised. This calculation is based on the same criteria as the maternity subsidy application.

2.Reinstatement Rate: Total number of employees who actually returned to work after parental leave (B) / Total number of employees expected to return to work after parental leave (A) x 100%.

3.Retention Rate: Retention rate = (Total number of employees who remained employed for 12 months after returning from parental leave (D) / Total number of employees who returned to work after parental leave during the previous reporting period (C) x 100%.

6.1.7 **Employee Rights**

Corum complies with all relevant domestic labor laws and adopts a "people-centric" approach in formulating and implementing human resources policies and internal regulations. We are committed to providing equal employment opportunities to all job seekers, fully adhering to the "Labor Standards Act," "Employment Service Act," "Gender Equality in Employment Act," and the "Regulations Governing the Implementation of Maternal Health Protection of Female Workers." We place a strong emphasis on human rights and occupational safety and health for employees, ensuring a safe workplace that fosters a friendly work environment. We strictly prohibit any form of sexual harassment or discrimination, abide by legal requirements, do not compel employees to work overtime, provide lawful wages, and respect employees' rights to freedom of association and collective bargaining. Corum also values input from internal partners, aiming to cultivate a positive and constructive labor-management relationship.

To support work-life balance for our employees, we offer a wide range of benefits and adhere to leave policies in accordance with the Labor Standards Act, striving to care for and support employees and their families while retaining talented young professionals. Retirees receive pensions in accordance with the "Employee Pension Payment Regulations," and employees who are laid off receive severance pay and advance notice payments in accordance with the work rules, helping them secure their livelihoods during retirement or job transitions. If operational changes occur, the notification periods are as follows:

1.For employees who have worked for more than three months but less than one year, a 10-day notice is required.

2.For employees who have worked for more than one year but less than three years, a 20-day notice is required.

3.For employees who have worked for more than three years, a 30-day notice is required.

6.1.8 Human Rights and Anti-discrimination

Corum is committed to ensuring that employees are not discriminated against or treated differently based on gender, age, religion, place of origin, birthplace, language, ideology, social status, physical or mental disability, race, political affiliation, sexual orientation, marital status, appearance, facial features, zodiac sign, blood type, or previous union membership. Furthermore, regarding ILO Conventions, Labor Standards Act, and the UN Convention on the Rights of the Child and Convention on the Elimination of All Forms of Discrimination against Women, Corum has published the "Corum Human Rights Policy." This policy is dedicated to adhering to human rights regulations, prohibiting discrimination, and ensuring the payment of lawful wages.

Corum Human Rights Policy

Legal Compliance
Prohibition of Discrimination
Freedom of Association and Collective Bargaining Rights
Prohibition of Child Labor
Legal Remuneration
Reasonable Working Hours
8hr
Establishment of a Friendly Workplace with Effective Communication
Workplace Safety
Support for Employee Well-being
Prohibition of Forced Labor

Corum respects the rights of employees to collective bargaining and association. To maintain positive labor relations and promote cooperation, the Company holds labor-management meetings each quarter. To safeguard employee rights, Corum has established complaint channels for addressing unlawful harm and sexual harassment. These channels include a dedicated hotline and a specialized email address, managed by the HR Department, which serves as the responsible unit. We strive to achieve the annual goal of "zero complaints" and create a friendly workplace. In 2023, there was one complaint regarding unlawful infringement, which was promptly addressed by a task force established by the HR Department.

2022-2023 Statistics on Complaints and Inquiries Regarding Unlawful Harm and Sexual Harassment:		
Item and year	2022	2023
Number of complaints concerning workplace abuse	1	1
Number of complaints concerning sexual harassment	0	0

The HR Department promotes human rights, equal rights, anti-discrimination awareness, as well as the type and method of grievance channel adopted by the Company to protect the employees to make sure they understand the concepts. In response to the 2018 "Code of Conduct Statement," Corum conducted five internal training sessions in 2019 for employees at the Chiayi factory and two additional sessions specifically for female employees. Thereafter, the HR Department conducts human rights and anti-discrimination training for new employees every year.

6.1.9 Anti-Child Labor (408-1)

Child labor refers to the employment of children in work that deprives them of their childhood, interferes with their ability to attend regular school, and is harmful to their physical, mental, social, or moral well-being. "Child labor" refers to the employment of anyone under the age of 15, or below the age of compulsory education, or below the minimum employment age set by the country/region (whichever is higher among the three). Corum prioritizes the health and education of children and prohibits the employment of child labor within its supply chain. Regular audits are conducted to ensure compliance. If child labor is found in the supply chain, the following corrective actions are implemented.

Corum's Anti-Child Labor Remediation Measures

- If child labor is discovered, the supplier must immediately remove the child from the workplace.

- The supplier must arrange for the child to undergo a health checkup at an occupational health institution to confirm no health issues have arisen from the work. If health issues are found, the supplier must cover all related medical and living expenses.

- The supplier must arrange for the child to be returned to their family and cover any associated transportation costs.

- The supplier must continue paying the child's wages until they reach the legal working age.

- The supplier must ensure the child completes their compulsory education and provide relevant evidence to Corum.

- The unit that has discovered an incidence of child labor shall notify the highest-level manager of the relevant business unit and discuss appropriate handling measures.

- Corum will conduct an unannounced audit within six months to confirm whether the supplier still poses a risk of employing child labor.
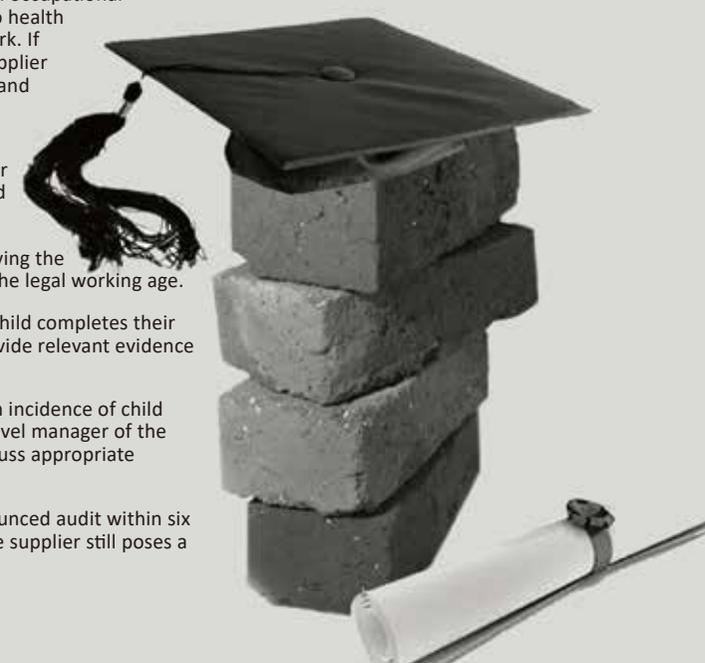
6.1.10 Employee Satisfaction

Employee satisfaction is crucial fostering long-term stability in organizational relationships, making it a crucial element of Corum's sustainability efforts. To uphold "employee human rights needs," Corum not only enhances employee benefits and internal regulations to boost satisfaction but also prioritizes strengthening internal organizational connections. We invest in training new supervisors on management, communication skills, and attitudes, utilizing various communication channels to listen to employee needs and expectations, and promptly address any issues raised. In 2022, Corum designed an employee satisfaction survey using online questionnaires to better understand employees' perceptions of the company.
The HR Department analyzes the results to guide future internal organizational adjustments. Employees are viewed as vital assets to the company, and optimizing internal policies leads to a positive cycle of growth.

Four major development directions of Corum to enhance Employees satisfaction

- Organizational Culture
- Salary and Bonuses
- Career Development
- Employee Welfare System

- **Enhancing Satisfaction**

  How a company treats its employees directly impacts how employees treat the company's customers. Employee satisfaction is directly linked to customer satisfaction. Therefore, fostering employee loyalty and understanding their level of satisfaction is crucial for implementing effective changes. The indirect goal is customer satisfaction, which is essential for the company's long-term stable development.

- **Satisfaction Surveys**

  At the end of each year, Corum proactively conducts an employee satisfaction survey. Starting from 2022, the survey process was planned, and an online questionnaire was developed.
  The HR Department distributes the questionnaire to employees, collects and consolidates the data, and then analyzes it to create an employee satisfaction report. Based on the insights gained, Corum formulates subsequent improvement action plans.

Employees Satisfaction Survey Process

Collecting employee feedback → Data consolidation and analysis → Propose action plans → Adjustments and finetuning → Performance tracking
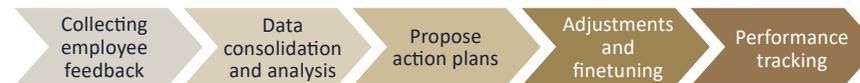
The satisfaction survey aims to gather feedback on the Company's organizational culture, career development opportunities, internal services, and overall evaluation of salary and benefits. The analysis provides insights into areas that can be adjusted and improved. The survey also helps the Company better understand its employees, with the ultimate goal of enhancing organizational satisfaction and progressing toward becoming a happy workplace.

Employees Satisfaction Survey for 2022-2023		
Year	Score	Improvement description
2022	70	The employee satisfaction survey was conducted online, yielding an average score of 68.13 points, which did not meet the annual target of 70 points. To address this, the survey period will be adjusted to September-October in 2024 to avoid the January-February Lunar New Year holiday.
2023	Not investigated	After internal discussions in 2023, the survey will now be conducted biennially instead of annually.

Note:
The 2022 online survey scored an average of 68.13 points, falling short of the 70-point target. The lower-than-expected response rate was identified as a key factor. To improve this, the survey period will be adjusted to avoid the holiday season in the future.

6.1.11 Corum Human Rights Policy Goals

Employees are Corum's most valuable partners, and harmonious labor relations are the foundation of our business development.
We are committed to creating a diverse, equitable, and healthy work environment, fostering growth and development alongside our employees.

● **Human Rights Policy**
To ensure sustainable development and protect the basic human rights of all employees, customers, and stakeholders, Corum adheres to the principles outlined in the United Nations Universal Declaration of Human Rights, the International Labour Organization conventions, and other international human rights agreements. We respect internationally recognized human rights, including freedom of association, care for vulnerable groups, elimination of all forms of forced labor, eradication of employment and occupational discrimination, and compliance with local labor laws. Corum fully complies with the Labor Standards Act, has never employed child labor under the age of 16, and has never engaged in forced labor since its establishment up to the end of 2023.

● **Human Rights Commitments**
Based on the fundamental human right of equal employment opportunity, Corum bases its hiring decisions on professional abilities and experience. We have never discriminated against employees or job candidates based on race, ideology, religion, political affiliation, place of origin, gender, sexual orientation, marital status, appearance, physical or mental disabilities, or past union membership. No violations of human rights or discrimination incidents were recorded in 2023. Talent is the cornerstone of our business. Attracting top talent and creating a friendly work environment are ongoing goals for Corum.
A strong labor-management relationship enhances employee loyalty and boosts productivity.

Human Rights Policy Goal Management Approach

Human Rights Policy	Assessment Subject	Source of Risk	Goal Management	Management and Risk Mitigation Measures
Workplace Inclusivity	Disabled Employees	During interviews (Interviewer and job applicant)	Adequate Hiring of Employees with Disabilities	According to the Persons with Disabilities Rights Protection Act: ● Strict adherence to the legal requirements for hiring employees with disabilities. ● Creating a barrier-free and accessible work environment for employees with disabilities.
Maternity Protection	Pregnant employees, those within one year post-childbirth (including but not limited to normal delivery), and breastfeeding employees.	● Workload ● Working hours	Ensuring that female employees can safely navigate pregnancy, childbirth, and breastfeeding.	● Compliance with company leave policies according to labor regulations. ● Strict adherence to labor laws, gender equality in employment, and maternal health protection laws. ● Provision of flexible breastfeeding arrangements and establishment of nursing rooms.
Child Labor Employment	Job applicants and new hires	During the interview and onboarding process	No employment of child labor	● Adherence to company employment policies as outlined in the regulations. ● Prohibition of employing individuals under the age of 16. ● During the interview process, ensure applicants provide accurate birth date documentation, and verify identification upon hiring.
Discrimination and Harassment	All employees	● During interviews (between interviewer and applicants) ● Interaction between supervisors and employees or between employees themselves ● Internal communication channels	No incidents of discrimination or harassment	● Compliance with the company's anti-harassment policy, including complaint investigation and resolution procedures. ● Adherence to anti-discrimination laws and regulations. ● Provision of gender equality information on the company website and an employee complaint mailbox for immediate feedback. ● Regular anti-harassment training sessions to enhance gender equality awareness among supervisors and employees. ● Establishment of an anti-harassment complaint committee to handle related cases impartially.

6.2 Occupational Safety and Health   GR:3-3,403-1,403-2,403-3,403-4,403-5,403-6,403-7,403-8,403-9,403-10

① Importance to the Company

Fostering a healthy workplace culture through safety and health management is very important. Through the operation and promotion of the management system, we can effectively decrease potential risks, prevent accidents, and protect the workers' physical and mental well-being, as well as the Company's assets and operations.

② Policy and Commitment

We emphasize risk management and regulatory compliance, continuously improving a healthy workplace.

③ Short-term Goals (within 3 years)

Zero major occupational accidents.

④ Medium-term Goals (3- 6 years)

Zero major occupational accidents.

⑤ Long-term Goals (over 6 years)

Zero major occupational accidents.

⑥ Annual resources invested and specific outcome

- Continuous implementation of ISO 45001 and Taiwan's Occupational Safety and Health Management System.
- Ongoing promotion of annual occupational safety and health training.
- In 2023, the Ministry of Labor invited us to participate in and share insights at the Occupational Safety and Intelligent Disaster Prevention Seminar at the National Chengchi University Center for Public and Business Administration Education.
- In 2023, Corum continued to achieve its goal of zero major occupational accidents, with a current cumulative record of 1,150,720 hours without accidents.

⑦ Department responsible and grievance mechanism

- Department responsible:
  EHS Office.
- Grievance mechanism:
  Via telephone or email.

⑧ Evaluation mechanism and performance

- Evaluation mechanism:
  The OHSC (Occupational Health and Safety Committee) is responsible for tracking and reviewing the Company's occupational safety and health performance on a quarterly basis.
- Performance:
  From 2017 to 2023, there were zero occupational accidents, and this record is being maintained.

Corum has implemented ISO 45001:2018 and Taiwan's Occupational Safety and Health System, and has been certified by a 3rd party verification body. The purpose of this system is to comprehensively explore hazards from operational, managerial, and operational perspectives through risk management. Every employee is actively involved in education, training, and emergency drills to reinforce and instill a strong safety awareness, aiming for zero occupational accidents, zero pandemic infections, and the promotion of employee health. The company's goal is to enhance workers' awareness through multiple health seminars.

Corum established the OHSC (Occupational Health and Safety Committee) according to the Occupational Safety and Health Act, which consists of 19 people including 11 members nominated by the factory: Chairman, Vice Chairperson, executives from various units, safety and health personnel, environmental protection specialist, and fire protection management personnel. The OHSC (Occupational Health and Safety Committee) convenes quarterly meetings focusing on labor safety and health matters, where proposals are discussed and the majority vote system is implemented to formulate target plans. Meeting minutes are also prepared. Resolutions passed in the meeting are monitored by the executive secretary, and a performance report will be presented in the next meeting in the hope of minimizing the employees' hazards and risks. Besides establishing the OHSC (Occupational Health and Safety Committee), weekly factory meetings and annual internal audits and review meetings are conducted for regular review purposes.

Workers Covered by the Occupational Safety and Health Management System in 2023			
Management system/law	Inspection type	Number of people	Ratio
Occupational Safety and Health Act	Labor inspection	92	100%
ISO 45001	Internal audit	92	100%
	External verification	92	100%

6.2.1 Occupational Safety and Health Policy Implementation

To comply with and implement the requirements of the Environmental, Safety, and Health (ESH) management system, we actively promote ESH management performance and continuous improvement. All employees are committed to executing the following ESH policies:

- **Compliance with ESH Regulations:**

  Adhere to relevant domestic and international ESH regulations and specific customer requirements, ensuring timely communication to employees, contractors, and visitors for compliance.

- **Prevention of Hazardous Incidents:**

  Implement effective risk management in factory environments, seek opportunities for improvement, promote health, and prevent environmental pollution, diseases, and injuries.

- **Enhancement of ESH Management Performance:**

  Strengthen bidirectional communication and employee participation, ensuring employees fully understand the company's philosophy and actively engage in improving management performance.

- **Continuous Improvement:**

  Regularly review the effectiveness of the ESH management system to ensure ongoing improvements.

01 **Procurement management**
Based on the supplier management procedures and procurement process, we select protective equipment, devices, and vendors that comply with Occupational Safety and Health Act regulations.

02 **Contractor management**
Establish and announce contractor management procedures to oversee the safety management of engineering contractors and maintain the quality of engineering projects within the facility.

03 **Emergency drills**
In accordance with the Emergency Response Management Procedures, we respond to sudden incidents. Additionally, we prepare and distribute incident investigation cards throughout the facility to ensure that all employees understand the process for handling incidents.

04 **Production equipment safety protection**
Following current regulations, we develop and announce management procedures for regular inspections of machinery, equipment, and electrical systems within the facility.

05 **Chemical management**
Hazardous chemicals are labeled, categorized, and stored according to regulations. We implement a graded management system for chemicals based on current laws and regulations, along with other required reporting tasks.

6.2.2 Emergency Response Measures

Corum has developed occupational safety and health emergency response procedures to address potential emergencies. Necessary training is conducted to ensure that personnel are equipped with the knowledge and skills needed to effectively manage disasters at various stages, minimizing losses. In case of an incident, the incident investigation procedures outline the investigation process clearly.

Internal and External Accidents (including transportation) Reporting Process

- The witness should notify the relevant department or unit executive immediately after an accident has taken place, provided that the individual can do so in a safe environment.If the executives cannot be reached, call the factory manager right away.

- For traffic accidents, one should first report it to the police before following the above procedure to notify the department or unit executives.

- If superiors cannot be reached in time, notify the department or unit executives via text message. Call the factory manager on the phone if necessary.

- If an accident takes place on a holiday, the subsequent document process should be completed on weekdays.

Grievance Channels for Illegal Practices at the Workplace

The Company's consultation and grievance channels for workplace abuse are as follows:

- Grievance hotline and dedicated email.

- The grievance mailbox is installed in the security office.

- The grievance mailbox of the Chiayi factory is installed in the suggestion box in the employee locker room.

Additionally, an emergency response team has been established specifically for our Chiayi factory. The team will respond to an exigent situation immediately. Every six months, we conduct crisis response training and fire drills. All new employees must practice using fire extinguishers and participate in simulated exercises to develop their ability to handle emergencies and manage their safety. These measures ensure that appropriate actions are taken before a crisis escalates, minimizing its impact and harm.

In 2023, Corum conducted four emergency drills as part of our emergency response plan, including an unannounced toxic chemical drill in coordination with the National Toxic Disaster Response Team, fire safety and evacuation drills, and chemical spill containment exercises. Employees are organized into teams for various roles, such as site command, rescue training, reporting and first aid, security communications, evacuation guidance, and safety protection. This organization ensures rapid and effective response to emergencies, reducing personnel injuries and environmental impacts.

6.2.3 **Occupational Safety and Health Accomplishments**

Corum's commitment to occupational safety and health policies yielded the following results in 2023:

01

Risk management and hazard identification

Corum has formulated occupational safety and health risk evaluation and management regulations, where each department conducts a risk evaluation in October every year according to the nature of its operations. High-risk hazards are identified and mitigated through elimination, substitution, engineering controls, and more, with work environment assessments conducted annually. Additionally, we actively participate in the Chiayi County Government's ESH Family activities to exchange information with other local businesses.

02

Occupational health service

Employees with over one year of service receive free annual health check-ups. Corum has partnered with Chiayi St. Martin De Porres Hospital for on-site occupational health services, offering one-on-one health consultations and advice based on health risk levels. Relevant units also organize health talks and promotion activities, covering topics such as human factors engineering, overloading, and health education on maternal protection and illegal assault in the workplace.

03

Education and training

At the end of each year, we develop the following year's training schedule based on the annual training needs assessment. In case of industry-related occupational incidents, we analyze the causes and conduct safety awareness campaigns for similar risks in our facility.
All training and consultation are provided free of charge, with records maintained, and attendance sheets and questionnaires distributed.

Through workplace hazard identification, evaluation, and control, Corum strives to minimize hazards in the work environment for the workers. Meanwhile, occupational injury case studies are prepared to educate our colleagues and elevate their safety and prevention awareness in an effort to achieve the safety management goal of "zero disasters", "zero violation", and "zero infection". In 2023, there were no process-related safety incidents or transportation accidents.

6.2.4 Occupational Safety Risk Identification and Specific Actions

To create an occupational safety risk map, Corum follows the ISO 45001 management system and related regulations to assess and address worker safety risks. We review existing policies and benefits, identify high-risk workers, and implement appropriate measures.

Identification Method	Risk Issue	Reason	Goal	Management Measures	Performance
In line with ISO 45001 Risk Identification, the Company's ESH risk assessment management procedures, evaluations are conducted through various communication channels, including surveys, self-inspections, and assessments.	Three High Chronic Diseases (High Blood Pressure, Cholesterol, and Blood Sugar)	These lifestyle diseases are caused by modern dietary habits and a lack of exercise.	Health Checkup Rate at 90%	• We have signed a contract with St. Martin de Porres Hospital to provide on-site occupational medical care and health care service in the factory. • Provide health checkup services. • Encourage employees to participate in marathon activities.	2023 Performance: Health checkup rate reached 98.30%, with two health promotion seminars held.
	Traffic Accidents	The risk associated with employee commutes and business trips.	Zero traffic accidents	• Conduct traffic safety awarenesscourses. • Establish a reporting mechanism. • Monitor individual health conditions. • Reduce unnecessary business trips and provide travel allowances.	In 2023, there were zero traffic accident fatalities; one injury incident.

6.2.5 Occupational Accident Statistics and Occupational Safety and Health Management Effectiveness

	2021	2022	2023
Disabling frequency rate (FR)	0	0	0
Disabling severity rate (SR)	0	0	0
Occupational disease rate (ODR)	0	0	0
Total number of fatal accidents	0	0	0
Traffic accidents	2	2	1

Note:

1.Calculation methods:
Disability Injury Frequency (FR) = (Total Number of Disability Injuries / Total Work Hours) × 106
Disability Injury Severity Rate (SR) = (Total Lost Days Due to Disability Injuries / Total Work Hours) × 106
Occupational Disease Rate (ODR) = (Total Number of Occupational Diseases / Total Employee Work Hours) × 200,000

2.Traffic accidents involved collisions and single-vehicle accidents. Defensive driving awareness for motorcycles/cars was sent to the injured. These are identified in the risk assessment form to educate employees on regular maintenance.

01 **2022 Corum's Zero Disaster Work Hour Record**

02 **2021:725,680 cumulative hours**
    2022:965,312 cumulative hours
    2023:1,150,720 cumulative hours

03 **Taiwan Occupational Safety and Health Management System Certification (TOSHMS)**

04 **ISO 45001: 2018 Certificate**

Introduction   Sustainable
Business Strategy   Stakeholder
Engagement   Product
Management   Corporate
Governance   Environmental
Sustainability   **Social Inclusion**   Appendix

6.3 Workplace Health Promotion GRI:3-3,404-1,404-2

① Importance to the Company

Talents are the bedrock of corporate development, and cultivating talents generates competitive advantages. To enhance employee capabilities, we actively participate in various government talent development projects and implement annual internal and external training plans across departments, fostering growth for both employees and the Company.

② Policy and Commitment

Locate suitable talents, propose a plan and devise an adequate talent development program to allow employees to grow with the Company.

③ Short-term Goals (within 3 years)

- On-time submission rate for the "Education and Training Requirement Form for the Following Year" in Q4, achieving a punctuality rate of 100%.
- All training requests in the Annual Training Needs Assessment were submitted using the "Provisional Education and Training Application Form", with a compliance rate of 100% was achieved.
- The internal training execution rate achieved 100%.
- The external training execution rate reached 95%.

④ Medium-term Goals (3- 6 years)

- Continued recruitment efforts to maintain a stable workforce.
- Proper planning for the transfer of experience between new and senior employees.

⑤ Long-term Goals (over 6 years)

Promoting intergenerational engagements and enhancing knowledge management efficiency within the Company.

⑥ Annual resources invested and specific outcome

- Continued health promotion seminars and the "6S Workplace - Five-Year Reward Program."
- A total of ten executive reading club meetings were held in 2023.
- The total training expenditure in 2023 was NT$171,320, an increase from NT$124,820 in 2022.
- Under the Youth Employment Flagship Program, 4 participants started training, and 3 completed it, totaling 720 days of training.

⑦ Department responsible and grievance mechanism

- Department responsible:
  HR Department.
- Grievance mechanism:
  Via telephone or email.

⑧ Evaluation mechanism and performance

- Evaluation mechanism:
  Training Execution Rate.
- Performance:
  Internal training execution rate: 100%.

  External training execution rate: 86% (though below the annual target of 95%, it marked a 5% increase compared to 2022).

With emerging shifts in society and the economy, the International Labour Organization (ILO) and World Health Organization (WHO) are advocating for workplace safety and health services as fundamental rights. In response, Corum has actively planned, promoted, and implemented health-related initiatives in compliance with these standards. These initiatives focus on three key areas:health services, health education, and a healthy work environment.

The Company hires occupational health nurses to provide on-site services on a weekly basis. The services include disease prevention and treatment promotion, health care promotion, health lectures, preventive health care
consultation, and employee health examination. Emphasis on health risk assessment, management, promotion, and workplace hazard evaluation, with educational services to ensure that health issues do not impact work performance and that employee health care is effectively implemented.

Biannual health promotion courses, covering topics like yoga, nutrition, tobacco, alcohol, betel nut, drug prevention, infectious diseases,
and AIDS, with extended participation in events like the Chiayi City National Half Marathon.

Taiwan is located in the Pacific Ring of Fire, prone to seismic activities, and it is also situated along the main path of typhoons in the northwest Pacific region. Due to these factors, our company places significant emphasis on the impact and management of extreme weather events like typhoons and floods. Our ability to respond to extreme climate events and flexibly adjust production is closely linked to our facility's occupational safety and health management performance and emergency preparedness training. Achieving a hazard-free, agile, and healthy factory plant relies on the daily adherence to safety policies by all employees, enabling timely and flexible production adjustments in response to short, medium, and long-term climate change challenges. Since 2019, under the ISO 45001 management framework, our ESH Committee has launched the "6S Workplace - Five-Year Reward Program." This program includes a reward system that offers quarterly and annual bonuses or gift vouchers to encourage every employee in the facility to enhance the effectiveness of occupational safety and health management.

Annual respiratory protective equipment fit testing.

Physician-led lectures on cardiovascular and cerebrovascular health.

Biannual environmental monitoring of workplace conditions.

Regular health promotion seminars.
Implementation of the Four Major Health Plans.

2023 6S Photos
Annual Championship Illustration.

For many years, Corum has been dedicated to creating a safe workplace and protecting employee health. In 2022, we were recommended by the Southern District Occupational Safety and Health and Environmental Protection Center to participate in the Ministry of Labor's National Safety and Health Awards competition. We were honored with the National Occupational Safety and Health Special Award for SMEs, recognizing our efforts over the past five years in promoting a friendly workplace, health initiatives, and the implementation of occupational safety measures. Additionally, at the end of 2023, we were invited by the Ministry of Labor to share our ESH management practices at the 2023 Occupational Safety and Intelligent Disaster Prevention Seminar at the National Chengchi University Center for Public and Business Administration Education.

In 2023, Corum was invited to attend the MOL's Occupational Safety and Intelligent Disaster Prevention Seminar

6.3.1 Description of annual education and training conditions in 2023

Having an adaptive learning and development system is the only way to realizing corporate sustainability, hence Corum has always valued our employees' growth and training. Corum continues to provide a comprehensive training structure including three major themes such as orientation training, professional training, and leadership and management skill training. We offer employees diverse learning and development resources during different stages of their careers. In addition to job-related professional requirements, we hope to let our employees cultivate cross-disciplinary thinking and learning capability. Faced with the fast-changing digital era, talent cultivation must respond quickly to trends, bridge the gap between talent demand supply, and maintain innovative thinking at all times in an effort to respond to the diverse needs associated with the changing industry in the future.

- **Youth's Employment Ultimate Program**
  Objective:
  Targeting young people aged 15 to 29 who lack work experience or professional skills, industrial resources are consolidated to allow the training unit to implement "job training" according to the needs of the hiring units, providing young people with practical vocational training.

  Achievement:
  Case number 49959: four people joined the training, and three people completed training, totaling 720 days of training.

- **Company annual training**
  Objective:
  We place great importance on employee education and training, enabling employees to discover their potential, enhance professional skills, and broaden their career horizons. Our goal is to cultivate future managers and leaders.

  Achievement:

  - Annual budget of NT$171,320.
  - Total training hours: 3,366 hours
  - Average training hours per employee: 27.8 hours.
  - Course completion rate: 100%.
  - Internal training execution rate: 100%.
  - External training execution rate: 86% (though below the annual target of 95%, it marked a 5% increase compared to 2022).
  - Training budget utilization rate: 88%.

2022 Training Hours				
		Number of people	Total training hours by group	Average training hours by group
Job grade	General staff	125	7,886	63.09
	Entry level executive	18	1,293	71.83
	Middle and senior executive	21	54	2.57
Gender	Male	92	2,436	26.48
	Entry level executive	72	6,797	94.40
Total		**164**	**9,233**	**56.29**

2023 Training Hours				
		Number of people	Total training hours by group	Average training hours by group
Job grade	General staff	130	2,809	21.61
	Entry level executive	19	305	16.05
	Middle and senior executive	18	252	14.00
Gender	Male	94	1,900	20.21
	Entry level executive	73	1,466	20.08
Total		**167**	**3,366**	**20.16**

Manufacturing Plant Employee Job Grade Classification Description		
Manufacturing Plant Employee Job Grade Classification		Number of people
General staff	General staff	96
Entry level executive	Section heads, team leaders, foremen	12
Middle and senior executive	Managers and above	9
Total		**117**

● **Executive reading club**

Objective:

From 08:30 to 09:00 on a chosen day in the middle of every month, executives above the section level and sales personnel are invited to listen to a keynote speaker sharing his/her thoughts on management and sales-related book in the form of a presentation.

The aim is to achieve the benefits of sharing experience and heritage.

Achievement:

• A total of ten executive reading club meetings were held in 2023.

• Books discussed:
Think Again, Stop Overthinking at Work, The Infinite Game of Negotiation, The Crux, Atomic Habits, The Supervisor's Manual, The Interviewer's Guide, Your Kindness Must Have an Edge, The Art of Price Increase, Rewire Your Brain with Atomic Habits.

6.4 Spreading CORUM's Vitality GRI:203-1, 413-1

6.4.1 2023 Corum Charity Activities

Participating group	Event description	Results
New Taipei City Government, Jinshan Sanitation Team	To increase awareness of marine pollution, Corum adopted a section of Taiwan's North Coast at Jinshan District, New Taipei City. We conducted beach cleanups twice a year, involving employees, their families, students, and the public.	In April and August 2023, we collected approximately 80 kg and 140 kg of marine waste, respectively, Equivalent to reducing carbon emissions by 0.44 tCO2e Note: According to the Taiwan Carbon Footprint Information Platform of the Ministry of Environment, reducing waste by 1 kg (recycling 1 kg of waste) reduces approximately 2.06 kgCO2e in carbon emissions.
Chung Hua Xinchuan Think Tank Association (Mingxiong Xinchuan Used Bookstore, Shuishang Branch, Dalin Branch, Yizhu Branch, Kaohsiung Branch)	We collaborated on the 3rd "Art in SCIENCE" Painting Competition.	Entries received: 77 Beneficiary rural schools: 15, including elementary, junior, senior high schools and vocational high schools. Scholarships: NT$24,000 Gifts: 66 items
	Book Donation Campaign – "Books for Hope, Love in Chiayi".	Total books donated: 549 books, estimated market value: Approx. NT$90,903
Reindeer Children's Home	We collaborated on the 3rd "Art in SCIENCE" Painting Competition.	Entries received: 18 Scholarships: NT$24,000 Gifts: 10 items
	Sponsorship and Support Program.	Personal care items: 164 Children's clothing: 34
Chiayi Local Police and Firefighters	Community Support Activities: In 2022, Corum provided beverages during festive seasons to support local police and fire stations.	In 2023, the focus shifted to supplying sports drinks to plant production, processing, facilities, and warehouse workers to prevent heatstroke during outdoor work.
World Water Day and Earth Hour	Promoted these events on social media to raise awareness about energy conservation and carbon reduction,	Encouraging stakeholders to engage with Corum in addressing these issues.
Empowering Talent Development	Industry-Academia Alliances and Collaboration with Government Agencies.	Corum partners with academic institutions, professional organizations, and other businesses to facilitate cross-disciplinary learning and talent exchange. Collaborations include partnerships with National Tsing Hua University and participation in industry-academia alliances, as well as government initiatives (TaiwanJobs), like the "Stable Employment Plan" through Taiwan Employment Service. Internally, we participate in corporate training programs and webinars hosted by clients and agents, encouraging employees to engage in challenging projects and roles. This approach helps us contribute knowledge back to society while also laying the groundwork for Corum's future manpower development.

● **Spreading Corum's Vitality - Social Inclusion Achievements:**

Corum has participated in the Environmental Protection Administration's coastal adoption program, and was awarded a Certificate of Appreciation by the New Taipei City Environmental Protection Bureau.
Since 2018, Corum has organized biennial beach cleanup volunteer activities, allowing employees to experience the joy of service and contribute to society.
Starting in 2022, Corum signed an agreement with the New Taipei City Government to adopt the Zhongjiao Bay coastline in Jinshan District, conducting beach cleanups twice a year in response to the city's invitation. In April and August 2023, the cleanups collected approximately 80 kg and 140 kg of marine waste, respectively, doubling and tripling the previous year's results. The results were reported to the Environmental Protection Administration's coastal cleanup adoption system for traceability.

The theme for the April 2023 cleanup was "Reject Single-Use Plastics," aligning with the EU's PFAS ban, and the event was publicized on a social media group ("We Love Taiwan Coastal Cleanup") to extend its impact. Participants included employees and a high school student who voluntarily joined the cleanup after learning about it. Seeing the plastic waste and fragments scattered across the beach, we were deeply reminded of the need to reject single-use plastic products, such as plastic cups, lids, and straws. Beyond our collaborative efforts in beach cleanups, the fundamental solution lies in continuously promoting the reduction of plastic product usage.

The August 2023 cleanup, themed "Summer Beach Cleanup Fun," was also publicized on the "We Love Taiwan Coastal Cleanup" social media platform. This event attracted 10 additional participants, including employees' family members, social enthusiasts, and students.
The activity was organized before the end of the summer vacation to provide an environmental education opportunity, encouraging employees to bring their families to witness the plastic waste left on the beach. We believe that "learning by doing" is the best way to cultivate environmental participation and teamwork. Beach cleanups are not just one-time events; they require continuous effort to reduce daily waste and environmental pollution.

Corum Honored by New Taipei City Environmental Protection Department
During the New Taipei City Environmental Protection Department's Coastal Adoption Recognition Ceremony and Beach Cleaning Seed Training Seminar, Corum was honored with a Certificate of Appreciation. Many companies and individuals enthusiastically participated in the event, contributing to the protection of coastal environments. Corum felt privileged to be part of this initiative and expressed its ongoing commitment to environmental issues by actively engaging in various green environmental protection activities. Corum remains steadfast in its commitment to sustainable development, not only by focusing on green environmental protection in product development but also by actively promoting environmental awareness among employees. This environmental consciousness is deeply integrated into the corporate culture. Looking forward, Corum will continue to focus on environmental issues, contribute to environmental protection, promote green development, and fulfill its corporate social responsibility.

SDG:
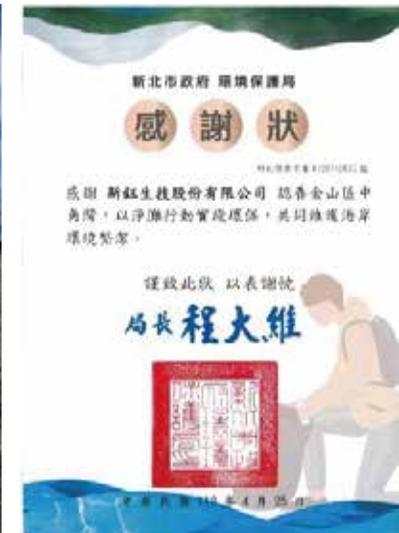
● **The 3rd "Art in SCIENCE" Painting Competition:**

Since 2021, Corum has collaborated with the Minxiong Xinchuan Think Tank Association—Minxiong Xinchuan Used Bookstore—to launch the first Corum Art in Science Award. In 2023, we continued this partnership and extended it to the Reindeer Children's Home in Taoyuan, joining forces with public welfare and social service organizations. This initiative provided a platform for disadvantaged students to learn about science and express their creativity, encouraging them to understand science education through a relaxed approach to painting, aligning with the UN SDGs.

This year's painting theme, " Disclosing The Secret of My Skin" introduced the basic structure and functions of the skin. It also aimed to convey the positive message that proper skin care—through cleaning, moisturizing, and protection—is essential for maintaining healthy skin. At the 3rd Corum Art in Science Award Ceremony, we introduced three special segments: "Champion Artwork Analysis," "Audience Comments for the Online Popularity Award," and the "Best Progress Award."

● **Champion Artwork Analysis:**
Judges provided detailed feedback on the composition and content of the winning piece, sharing their perspectives and thought processes. This segment also offered an opportunity for participating students to learn from each other.

● **Audience Comments for the Online Popularity Award:**
The number of votes for the Online Popularity Award in the 3rd Art in Science Award increased from 235 last year to 730 this year, more than triple the previous year. We were delighted to see this growth in participation. The voting survey received enthusiastic comments from Corum's network of agents and customers across more than 40 countries, offering significant support to the participating students and letting them know that their work was being recognized globally.

● **Best Progress Award:**
This award recognized students who showed significant improvement in their rankings, encouraging them to continue participating in future competitions.

SDG:

2023
The 3nd CORUM Art in Science Award

RCH High School Group Champion

RCH Group 7-9 Champion

RCH Group 5-6 Champion

RCH Group 1-4 Champion

**2023
The 3nd CORUM Art
in Science Award**

AWARD

| Xinchuan High School Group Champion | Xinchuan Group 7-9 Champion |
| Xinchuan Group 5-6 Champion | Xinchuan Group 1-4 Champion |

● **Reindeer Children's Home Sponsorship and Support Program:**

In 2023, the sponsorship and support program provided 164 Fee's children's personal care products and 34 pieces of Jacadi children's clothing to the Reindeer Children's Home. Through this collaboration, we were able to provide the necessary support and care to more children, bringing warmth and love into their lives. We hope to continue helping disadvantaged children in society, ensuring they can enjoy a better life.

SDG:

10 REDUCED INEQUALITIES

● **World Water Day and Earth Hour:**

World Water Day is an event advocated by the United Nations, aimed at raising awareness about water resource management and sustainable use. This day serves as a reminder of the importance of water resources and calls for action to protect and efficiently use water to address the global challenge of water scarcity.

Earth Hour, initiated by the World Wide Fund for Nature (WWF), is a climate action event encouraging the symbolic act of turning off unnecessary lights and electrical devices at a designated time. This event highlights concerns over climate change and energy waste while urging governments and businesses to take more substantial action to reduce carbon emissions and promote the use of renewable energy.

Corum actively participates in World Water Day and Earth Hour, demonstrating our commitment to environmental protection through tangible actions. We engage our employees by raising awareness about water conservation through educational initiatives and encourage them to practice water-saving measures. Additionally, we reduce energy consumption and lower carbon emissions by turning off unnecessary lights and equipment in our offices, contributing our part to the protection of the planet.

SDG:

13 CLIMATE ACTION

Introduction   Sustainable
                Business Strategy   Stakeholder
                                     Engagement   Product
                                                   Management   Corporate
                                                                 Governance   Environmental
                                                                               Sustainability   **Social Inclusion**   Appendix

- **"Books Bring Hope, Love in Chiayi":**

  Books Bring Hope The "Books Bring Hope, Love in Chiayi" initiative was launched in 2021, collecting unused second-hand books from companies and employees each year to donate to the Xingchuan Chiayi Second-hand Bookstore. This allows underprivileged children to access a wide range of books for free, enabling them to gain more knowledge. Through this initiative, we aim to bridge the educational resource gap between urban and rural areas and contribute to children's education and development. This initiative not only fulfills our corporate social responsibility but also aligns with two UN SDGs: "SDG 4: Quality Education" and "SDG 17: Partnerships for the Goals." Together, we are creating a shared philanthropic ecosystem.

  In 2023, Corum set up a book donation box in the lobby of its Taipei headquarters, encouraging neighboring businesses to participate in the initiative. We received a total of 549 donated books, with an estimated market value of around NT$90,000.

  We would like to extend special thanks to the following companies for their generous participation, which made this event a resounding success: Amun Corporation, Elgin Corporation, Egis Technology Inc., Chailease Construction and Development Co., Ltd., Litepoint Technology Limited Taiwan Branch, Vollmacht Enterprise Co., Ltd., Morrison Express, and Alltek Technology Corp. As a token of our appreciation, we prepared exquisite gift boxes from French brand LADUREE and certificates of appreciation to thank everyone for bringing more warmth and hope to the world.

- **Support for Factory Plant Personnel:**

  In 2021 and 2022, Corum established strong community relations by supporting local police and firefighters in Chiayi through our community outreach program. After evaluating the program, in 2023, we shifted our focus to support outdoor workers in our production, processing, plant operations, and warehouse teams by providing them with sports drinks to prevent heatstroke.

- **Empowering Talent Development:**

  Corum partners with academic institutions, professional organizations, and other businesses to facilitate cross-disciplinary learning and talent exchange. Collaborations include partnerships with National Tsing Hua University and participation in industry-academia alliances, as well as government initiatives (TaiwanJobs), like the "Stable Employment Plan" through Taiwan Employment Service. Internally, we participate in corporate training programs and webinars hosted by clients and agents, encouraging employees to engage in challenging projects and roles. This approach helps us contribute knowledge back to society while also laying the groundwork for Corum's future manpower development.

SDG:

6.5 Participation in External Initiatives and Associations GR:2-28

Corum actively engages with various professional groups, including participation in seminars and workshops. These events provide opportunities for learning new technologies, sharing experiences, and building closer connections with peers across different industries.

We not only sponsor and support various educational training programs, industry publication compilations, and information promotion activities organized by associations but also continuously learn and enhance our professional knowledge, staying attuned to new trends and technologies. This approach promotes the sustainable development of the industry. The table below details Corum's participation in associations and non-profit organizations in 2023.

- **Corum's participation in external organizations and initiatives**

Importers and Exporters Association of Taipei / member	**Chiayi Hsien Industrial Association/member**
Touqiao Industrial Zone United Manufacturers' Association/member	**BTHU Bio-App Biotechnology Industry and Research Alliance/member**
Roundtable on Sustainable Palm Oil (RSPO)/member	**Taiwan Halal Integrity Development Association/member**
Task Force on Climate-related Financial Disclosures (TCFD) /Supporter	**New Taipei City Cosmetics Industry Association/Supporter**

07 Appendix

- ISO 9001 certificate
- ISO 14001 certificate
- ISO 45001 certificate
- ISO 22716 certificate
- Taiwan Occupational Safety and Health Management System Certification (TOSHMS)
- Global Reporting Initiative's Sustainability Reporting Guidelines GRI Standards Index
- UN Global Compact Comparison Table
- ISO 26000 Social Responsibility Standards Comparison Table
- SASB Standards Comparison Table

ISO 9001 certificate

ISO 14001 certificate

ISO 45001 certificate

ISO 22716 certificate

Taiwan Occupational Safety and
Health Management System Certification (TOSHMS)

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Global Reporting Initiative's Sustainability Reporting Guidelines GRI Standards Index

Usage statement	Corum has reported content from January 1 to December 31, 2023 in compliance with GRI guidelines.
GRI	GRI 1: Foundation 2021

GRI2:General Disclosures 2021

★ **Material topics**

Topic	Disclosure Title	Explanation	Report Contents	Page	Note
The Organization and its Reporting Practices	2-1	Organizational details.	1.2 Corporate Profile.	10	
	2-2	Entities included in the organization's sustainability reporting.	0.1 About Corum's Sustainability Report.	02	
	2-3	Reporting period, frequency and contact point.	0.1 About Corum's Sustainability Report.	02	
	2-4	Restatements of information.	0.1 About Corum's Sustainability Report.	02	
	2-5	External assurance.	0.1 About Corum's Sustainability Report.	02	
Activities and Workers	2-6	Activities, value chain and other business relationships.	1.2 Corporate Profile.	10	
	2-7	Employees.	6.1 Care of Labor and Human Rights.	106	
	2-8	Workers who are not employees.	6.1 Care of Labor and Human Rights.	106	
Governance	2-9	Governance structure and composition.	4.1 Corporate Governance.	50	
	2-10	Nomination and selection of the highest governance body.	4.1 Corporate Governance.	50	
	2-11	Chair of the highest governance body.	4.1 Corporate Governance.	50	
	2-12	Role of the highest governance body in overseeing the management of impacts.	4.1 Corporate Governance.	50	
	2-13	Delegation of responsibility for managing impacts.	1.1 Corum's Sustainability Organizational Structure. 4.1 Corporate Governance.	09 50	
	2-14	Role of the highest governance body in sustainability reporting.	1.1 Corum's Sustainability Organizational Structure.	09	
	2-15	Conflicts of interest.	4.1 Corporate Governance.	50	
	2-16	Communication of critical concerns.	1.1 Corum's Sustainability Organizational Structure.	09	
	2-17	Collective knowledge of the highest governance body.	4.1 Corporate Governance.	50	
	2-18	Evaluation of the performance of the highest governance body.	4.1 Corporate Governance.	50	

GRI2:General Disclosures 2021

★ **Material topics**

Topic	Disclosure Title	Explanation	Report Contents	Page	Note
Governance	2-19	Remuneration policies.	4.1 Corporate Governance.	50	
	2-20	Process to determine remuneration.	4.1 Corporate Governance.	50	
	2-21	Annual total compensation ratio.	4.1 Corporate Governance.	50	
Strategy, Policies and Practices	2-22	Statement on sustainable development strategy.	0.2 Management's Statement. 1.1 Corum's Sustainability Organizational Structure.	03 09	
	2-23	Policy commitments.	4.2 Business Ethics. 4.3 Legal Compliance. 6.1 Care of Labor and Human Rights.	52 54 106	
	2-24	Embedding policy commitments.	4.2 Business Ethics. 4.3 Legal Compliance. 6.1 Care of Labor and Human Rights.	52 54 106	
	2-25	Processes to remediate negative impacts.	2.3 Stakeholder Engagement and Approach. 4.2 Business Ethics. 4.3 Legal Compliance. 4.5 Due Diligence on Operational Opportunities and Risk.	28 52 54 58	
	2-26	Mechanisms for seeking advice and raising concerns.	4.2 Business Ethics. 4.3 Legal Compliance.	52 54	
	2-27	★ Compliance with laws and regulations.	4.3 Legal Compliance.	54	
	2-28	Membership associations.	6.5 Participation in External Initiatives and Associations.	129	
Stakeholder Engagement	2-29	Approach to stakeholder engagement.	2.3 Stakeholder Engagement and Approach.	28	
	2-30	Collective bargaining agreements.	6.1 Care of Labor and Human Rights. 6.2 Occupational Safety and Health.	106 115	

GRI3:Material Topics 2021

★ **Material topics**

Topic	Disclosure Title	Explanation	Report Contents	Page	Note
Material Topics	3-1	Process to determine material topics.	2.1 Material Topics Identification and Analysis Process.	24	

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GRI3:Material Topics 2021

★ **Material topics**

Topic	Disclosure Title	Explanation	Report Contents	Page	Note
Material Topics	3-2	List of material topics.	2.1 Material Topics Identification and Analysis Process.	24	
	3-3	Management of material topics.	2.2 Material Topics Management Approach.	26	

Economic Aspect

★ **Material topics**

Topic	Disclosure Title	Explanation	Report Contents	Page	Note
★Climate Governance Response (Economic Performance)					
GRI 3: Material Topics 2021	3-3	Management of material topics.	5.1 TCFD Report:Climate Governance Response.	63	
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change.	5.1 TCFD Report:Climate Governance Response.	63	
Indirect Economic Impacts					
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported.	6.4 Spreading CORUM's Vitality.	124	
★Supply Chain Management and Procurement Practices (Procurement Practices)					
GRI 3: Material Topics 2021	3-3	Management of material topics.	3.2 Procurement Practices.	38	
GRI 204: Procurement Practices 2016ment Practices 2016	204-1	Proportion of spending on local suppliers.	3.2 Procurement Practices.	38	
Anti-corruption					
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption.	4.2 Business Ethics.	52	
	205-2	Communication and training about anti-corruption policies and procedures.	4.2 Business Ethics.	52	
	205-3	Confirmed incidents of corruption and actions taken.	4.2 Business Ethics.	52	

Economic Aspect   ★ Material topics

Topic	Disclosure Title	Explanation	Report Contents	Page	Note
Anti-competitive Behavior					
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices.	4.2 Business Ethics.	52	

Environmental Aspect   ★ Material topics

Topic	Disclosure Title	Explanation	Report Contents	Page	Note
Materials					
GRI 301: Materials 2016	301-1	Materials used by weight or volume.	5.6 Use of Raw Materials.	102	
	301-2	Recycled input materials used.	5.6 Use of Raw Materials.	102	
	301-3	Reclaimed products and their packaging materials.	5.6 Use of Raw Materials.	102	
★ Water Resource and Energy Management (Energy)					
GRI 3: Material Topics 2021	3-3	Management of material topics.	5.5 Energy Resource Management.	100	
GRI 302: Energy 2016	302-1	Energy consumption within the organization.	5.5 Energy Resource Management.	100	
	302-2	Energy consumption outside of the organization.	5.5 Energy Resource Management.	100	
	302-3	Energy intensity.	5.5 Energy Resource Management.	100	
	302-4	Reduction of energy consumption.	5.5 Energy Resource Management.	100	
	302-5	Reductions in energy requirements of products and services.	5.1 TCFD Report: Climate Governance. / 5.5 Energy Resource Management.	63 / 100	
★ Water Resource and Energy Management (Water and Effluents)					
GRI 3: Material Topics 2021	3-3	Management of material topics.	5.4 Water Resource Management.	98	
GRI 303: Water and Effluents 2018 Management Policy	303-1	Interactions with water as a shared resource.	5.4 Water Resource Management.	98	
	303-2	Management of water discharge-related impacts.	5.4 Water Resource Management.	98	

Topic	Disclosure Title	Explanation	Report Contents	Page	Note
★Water Resource and Energy Management (Water and Effluents)					
GRI 303: **Water and Effluents 2018**	303-3	Water withdrawal.	5.4 Water Resource Management.	98	
	303-4	Water withdrawal.	5.4 Water Resource Management.	98	
	303-5	Water withdrawal.	5.4 Water Resource Management.	98	
Biodiversity					
GRI 304: **Biodiversity 2016**	304-2	Significant impacts of activities, products and services on biodiversity.	5.7 Biodiversity Issues.	103	
★ GHG Emissions (Emissions)					
GRI 3: **Material Topics 2021**	3-3	Management of material topics.	5.2 TCFD Report: GHG Emissions.	87	
GRI 305: **Emissions 2016**	305-1	Direct (Scope 1) GHG emissions.	5.2 TCFD Report: GHG Emissions.	87	
	305-2	Energy indirect (Scope 2) GHG emissions.	5.2 TCFD Report: GHG Emissions.	87	
	305-3	Other indirect (Scope 3) GHG emissions.	5.2 TCFD Report: GHG Emissions.	87	
	305-4	GHG emissions intensity.	5.2 TCFD Report: GHG Emissions.	87	
	305-5	Reduction of GHG emissions.	5.2 TCFD Report: GHG Emissions. 5.5 Energy Resource Management.	87 100	
	305-6	Emissions of ozone-depleting substances (ODS).	5.2 TCFD Report: GHG Emissions.	87	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions.	5.2 TCFD Report: GHG Emissions.	87	
Waste Emissions					
GRI 306: **Waste 2020 Management Policy**	306-1	Waste generation and significant waste-related impacts.	5.3 Emission of Hazardous Substances.	95	
	306-2	Management of significant waste-related impacts.	5.3 Emission of Hazardous Substances.	95	
GRI 306: **Waste 2020**	306-3	Waste generated.	5.3 Emission of Hazardous Substances.	95	
	306-4	Waste diverted from disposal.	5.3 Emission of Hazardous Substances.	95	
	306-5	Waste directed to disposal.	5.3 Emission of Hazardous Substances.	95	

Topic	Disclosure Title	Explanation	Report Contents	Page	Note
★Supply Chain Management and Procurement Practices (Supplier Environmental Assessment)					
GRI 3: Material Topics 2021	3-3	Management of material topics.	3.3 Supply Chain Management.	41	
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria.	3.3 Supply Chain Management.	41	
	308-2	Negative environmental impacts in the supply chain and actions taken.	3.3 Supply Chain Management.	41	

Social Aspect

★ **Material topics**

Topic	Disclosure Title	Explanation	Report Contents	Page	Note
Employment					
GRI 401: Employment 2016	401-1	New employee hires and employee turnover.	6.1 Care of Labor and Human Rights.	106	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees.	6.1 Care of Labor and Human Rights.	106	
	401-3	Parental leave.	6.1 Care of Labor and Human Rights.	106	
Labor Management					
GRI 402: Labor /Management Relations 2016	302-5	Minimum notice periods regarding operational changes.	6.1 Care of Labor and Human Rights.	106	
★Occupational Safety and Health					
GRI 3: Material Topics 2021	3-3	Management of material topics.	6.2 Occupational Safety and Health.	115	
GRI 403: Occupational Health and Safety 2018 Management Policy	403-1	Occupational health and safety management system.	6.2 Occupational Safety and Health.	115	
	403-2	Hazard identification, risk assessment, and incident investigation.	6.2 Occupational Safety and Health.	115	
	403-3	Occupational health services.	6.1 Care of Labor and Human Rights.	106	
	403-4	Worker participation, consultation, and communication on occupational health and safety.	6.2 Occupational Safety and Health.	115	
	403-5	Worker training on occupational health and safety.	6.1 Care of Labor and Human Rights.	106	

Topic	Disclosure Title	Explanation	Report Contents	Page	Note
GRI 403: **Occupational Health and Safety 2018 Management Policy**	403-6	Promotion of worker health.	6.2 Occupational Safety and Health.	115	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships.	6.2 Occupational Safety and Health.	115	
GRI 403: **Occupational Health and Safety 2018**	403-8	Workers covered by an occupational health and safety management system.	6.2 Occupational Safety and Health.	115	
	403-9	Work-related injuries.	6.2 Occupational Safety and Health.	115	
	403-10	Work-related ill health.	6.2 Occupational Safety and Health.	115	
★**Education and Training**					
GRI 3: **Material Topics 2021**	3-3	Management of material topics.	6.3 Workplace Health Promotion.	120	
GRI 404: **Training and Education 2016**	404-1	Average hours of training per year per employee.	6.3 Workplace Health Promotion.	120	
	404-2	Programs for upgrading employee skills and transition assistance programs.	6.3 Workplace Health Promotion.	120	
	404-3	Percentage of employees receiving regular performance and career development reviews.	6.3 Workplace Health Promotion.	120	
Diversity and Equal Opportunity					
GRI 405: **Diversity and Equal Opportunity 2016**	405-1	Diversity of governance bodies and employees.	6.1 Care of Labor and Human Rights.	106	
	405-2	Ratio of basic salary and remuneration of women to men.	4.1 Corporate Governance.	50	
Non-discrimination					
GRI 406: **Non-discrimination 2016**	406-1	Incidents of discrimination and corrective actions taken.	6.1 Care of Labor and Human Rights.	106	
Freedom of Association and Collective Bargaining					
GRI 407: **Freedom of Association and Collective Bargaining 2016**	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.	6.1 Care of Labor and Human Rights.	106	

Social Aspect

★ **Material topics**

Topic	Disclosure Title	Explanation	Report Contents	Page	Note
Child Labor					
GRI 408: **Child Labor 2016**	401-2	Operations and suppliers at significant risk for incidents of child labor.	6.1 Care of Labor and Human Rights.	106	
Forced or Compulsory Labor					
GRI 409: **Forced or Compulsory Labor 2016**	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor.	3.3 Supply Chain Management. 6.1 Care of Labor and Human Rights.	41 106	
Local Communities					
GRI 413: **Local Communities 2016**	413-1	Operations with local community engagement, impact assessments, and development programs.	6.4 Spreading CORUM's Vitality.	124	
★Supply Chain Management and Procurement Practices (Supplier Social Assessment)					
GRI 3: **Material Topics 2021**	3-3	Management of material topics.	3.3 Supply Chain Management.	41	
GRI 414: **Supplier Social Assessment 2016**	414-1	New suppliers that were screened using social criteria.	3.3 Supply Chain Management.	41	
	414-2	Negative social impacts in the supply chain and actions taken.	3.3 Supply Chain Management.	41	
★ Customer Service (Customer Health and Safety)					
GRI 3: **Material Topics 2021**	3-3	Management of material topics.	3.4 Customer Service.	43	
GRI 416: **Customer Health and Safety 2016**	416-1	Assessment of the health and safety impacts of product and service categories.	3.4 Customer Service.	43	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services.	3.4 Customer Service.	43	
★ Product Liability (Marketing and Labeling)					
GRI 3: **Material Topics 2021**	3-3	Management of material topics.	3.1 Product Liability.	34	

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Topic	Disclosure Title	Explanation	Report Contents	Page	Note
GRI 417: **Marketing and** **Labeling 2016**	417-1	Requirements for product and service information and labeling.	3.1 Product Liability.	34	
	417-2	Incidents of non-compliance concerning product and service information and labeling.	3.1 Product Liability.	34	
	417-3	Incidents of non-compliance concerning marketing communications.	3.1 Product Liability.	34	
★ Information Security (Customer Privacy)					
GRI 3: **Material Topics 2021**	3-3	Management of material topics.	4.4 Information Security.	56	
GRI 418: **Customer Privacy 2016**	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data.	4.4 Information Security.	56	

UN Global Compact Comparison Table

Category	The Ten Principles of the UN Global Compact	Chapter
Human Rights	**Principle 1 :** Businesses should support and respect the protection of internationally proclaimed human rights; and	6.1 Care of Labor and Human Rights.
	Principle 2 : make sure that they are not complicit in human rights abuses.	6.1 Care of Labor and Human Rights.
Labour	**Principle 3 :** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	6.1 Care of Labor and Human Rights.
	Principle 4 : the elimination of all forms of forced and compulsory labour;	6.1 Care of Labor and Human Rights.
	Principle 5 : the effective abolition of child labour; and	6.1 Care of Labor and Human Rights.
	Principle 6 : the elimination of discrimination in respect of employment and occupation.	6.1 Care of Labor and Human Rights.
Environment	**Principle 7 :** Businesses should support a precautionary approach to environmental challenges;	5.1 TCFD Report: Climate Governance Response. 5.2 TCFD Report: GHG Emissions.
	Principle 8 : undertake initiatives to promote greater environmental responsi bility; and	Chapter 5 Environmental Sustainability.
	Principle 9 : encourage the development and diffusion of environmentally friendly technologies.	Chapter 3 Product Management
Anti-Corruption	**Principle 10 :** Businesses should work against corruption in all its forms, including extortion and bribery.	4.3 Legal Compliance.

ISO 26000 Social Responsibility Standards Comparison Table

Material Aspect		Chapter
Organizational Governance	Decision-making processes and structures.	1.1 Corum's Sustainability Organizational Structure. 4.1 Corporate Governance.
Human Rights	Due diligence.	6.1 Care of Labor and Human Rights.
	Human right risk situations.	6.1 Care of Labor and Human Rights.

ISO 26000 Social Responsibility Standards Comparison Table

Material Aspect		Chapter
Human Rights	Avoidance of complicity.	6.1 Care of Labor and Human Rights.
	Resolving grievances.	6.1 Care of Labor and Human Rights.
	Discrimination and vulnerable groups	6.1 Care of Labor and Human Rights.
	Civil and political rights.	6.1 Care of Labor and Human Rights.
	Economic, social and cultural rights.	6.1 Care of Labor and Human Rights.
	Fundamental principles and rights at work.	6.1 Care of Labor and Human Rights.
Labour Practices	Employment and employment relationships.	6.1 Care of Labor and Human Rights.
	Conditions of work and social protection.	6.1 Care of Labor and Human Rights.
	Social dialogue.	6.4 Spreading CORUM's Vitality.
	Health and safety at work.	6.2 Occupational Safety and Health.
	Human development and training in the workplace.	6.3 Workplace Health Promotion.
Environment	Prevention of pollution.	Chapter 5 Environmental Sustainability.
	Sustainable resource use.	Chapter 5 Environmental Sustainability.
	Climate change mitigation and adaptation.	4.5 Due Diligence on Operational Opportunities and Risk. 5.1 TCFD Report: Climate Governance Response. 5.2 TCFD Report: GHG Emissions.
Fair Operating Practices	Anti-corruption.	4.3 Legal Compliance.
	Fair competition.	4.3 Legal Compliance.

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ISO 26000 Social Responsibility Standards Comparison Table

Material Aspect		Chapter
Fair Operating Practices	Promoting social responsibility in the value chain.	1.3 Sustainable Development Strategy and Practices. 3.3 Supply Chain Management.
	Respect for property rights.	3.1 Product Liability.
Consumer Issues	Protecting consumers' health and safety.	3.1 Product Liability.
	Sustainable consumption.	3.4 Customer Service.
	Consumer service, support, and complaint and dispute resolution.	3.4 Customer Service.
	Consumer data protection and privacy.	3.4 Customer Service.
	Access to essential services.	3.4 Customer Service.
	Education and awareness.	3.4 Customer Service.
Community Involvement and Development	Community involvement.	6.4 Spreading CORUM's Vitality.
	Education and culture.	6.4 Spreading CORUM's Vitality.
	Employment creation and skills development.	6.3 Workplace Health Promotion.
	Wealth and income creation.	1.3 Sustainable Development Strategy and Practices.
	Health.	6.4 Spreading CORUM's Vitality.
	Social investment.	6.4 Spreading CORUM's Vitality.

SASB Standards Comparison Table

Sustainability Accounting Standards Board-Chemicals		Code	Chapter	Note
Greenhouse Gas Emission	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations.	RT-CH-110a.1	5.1 TCFD Report: Climate Governance Response. 5.2 TCFD Report:GHG Emissions.	
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	RT-CH-110a.2		
Energy Management	(1) Total energy consumed, (2) Percentage grid electricity, (3) Percentage renewable, (4) Total self-generated energy, Strategies for enhancing energy efficiency management and energy structure strategy, including how self-generated energy or renewable energy will offset electricity costs.	RT-CH-130a.1	5.5 Energy Resource Management.	
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress.	RT-CH-140a.1	5.4 Water Resource Management.	
	Number of incidents of non-compliance associated with water quality permits, standards, and regulations.	RT-CH-140a.2		
	Description of water management risks and discussion of strategies and practices to mitigate those risks.	RT-CH-140a.3		
Hazardous Waste Management	Amount of hazardous waste generated, percentage recycled.	RT-CH-150a.1	5.3 Emission of Hazardous Substances.	
Workforce Health and Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees.	RT-CH-320a.1	6.2 Occupational Safety and Health.	
	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks.	RT-CH-320a.2		
Safety and Environmental Stewardship of Chemicals	Discussion of strategy to develop alternatives with reduced human and/or environmental impact.	RT-CH-410b.2	3.1 Product Liability.	
Genetically Modifier Organism	Percentage of products by revenue that contain genetically modified organisms (GMOs).	RT-CH-410c.1	Our company has no genetically modified products.	
Management of Legal and Regulatory Environment	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry.	RT-CH-530a.1	4.3 Legal Compliance.	

SASB Standards Comparison Table

Sustainability Accounting Standards Board-Chemicals		Code	Chapter	Note
Operational Safety, Emergency Preparedness and Response	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR).	RT-CH-540a.1	6.2 Occupational Safety and Health.	
	Number of transport incidents.	RT-CH-540a.2		

Sustainability
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