

Modern Slavery Statement

According to Australia's Modern Slavery Act 2018 (Cth), as of December 31, 2025, relevant measures have been taken to prevent possible modern slavery, human trafficking and forced labor between our business and our supply chain and partners. And related issues such as the prohibition or prevention stipulated in the aforementioned laws, so as to protect the rights and interests of employees and establish a safe workplace.

This statement has been reviewed, approved, and signed by the Board of Directors of Tung Ho Steel Enterprise Corporation.

1. About Tung Ho Steel Enterprise Corp.

Tung Ho Steel was founded in 1962, with its headquarters located in Taipei City. The company's factories are located in Taoyuan, Miaoli, Kaohsiung, and Vietnam. It is the first professional steel manufacturer in Taiwan capable of simultaneously supplying steel plates, hot-rolled H-beams, and rebar for building structures.

Kaohsiung Works specializes in H-beams, channel beams, I-beams, including hot-rolled H-beams, UB/UC beams, I-beams, PFC parallel flange channels, and CB channels. Each product is roll-marked with the "THAS" imprint, not only complying with national standards but also serving as a lifetime guarantee of superior product quality and service to consumers.

Our products have long been recognized by the market and customers. Over the years, we have not only been awarded as an Excellent Grade A Factory for Outstanding Product Quality, but have also obtained international certifications such as ISO 9001, CE CPR, UKCA CPR, and ACRS (Australia), as well as MARK certifications from the KS (Korean Standards Association) and the JIS (Japanese Industrial Standards) by Japan's Ministry of Economy, Trade and Industry. In addition, our products have passed rigorous verifications conducted by classification societies including ABS, BV, DNV, NK, and LR.

As of the end of 2025, the total number of employees at the Kaohsiung Works is 535, distributed throughout various departments, such as structural steel production, plant operations, administration, and sales.

2. Operational and Supply Chain Risk Assessment

Kaohsiung Works evaluates the effectiveness of measures to identify and address modern slavery within its operations and supply chain through key performance indicators (KPIs), covering the following aspects:

2.1 Operational Risk Assessment and Measures

Tung Ho Steel Enterprise Corporation has established the Risk Management Policy and Operating Procedure based on which the risk management procedures was conducted. Potential risks for relevant departments were identified through risk management meetings, in the four major aspects.

The plant evaluates the effectiveness of measures to identify and address modern slavery within its operations and supply chain through key performance indicators (KPIs), covering the following aspects:

To maintain open communication channels, the plant regularly holds labor-management meetings, occupational safety committee meetings, and welfare committee meetings. Employees can voice their concerns through the established grievance and whistleblowing procedures. In summary, the plant's risk of slavery is exceptionally low.

2.2 Supply Chain Risk Assessment and Management

Tung Ho Steel regards suppliers as critical operational partners. In addition to ensuring the quality, cost, delivery, and service capabilities of suppliers, the company also urges them to implement measures for environmental protection, respond to climate change impacts and disclose related information, as well as uphold labor and human rights. During the procurement process for equipment or engineering projects, Tung Ho Steel informs subcontractors of the company's "Code of Ethical Conduct" and "Operational Procedures and Guidelines for Ethical Management" to fulfill social responsibilities. The company aims to grow alongside suppliers and subcontractors, fostering mutual benefit and establishing a long-term, stable supply chain. The supplier management policy includes the following four components:

- Economic, Environmental, and Social Development: Focus on these three aspects as the core of joint development, urging suppliers to comply with laws and regulations to achieve sustainable development and create a win-win situation.
- Protection of Stakeholder Rights: Incorporate issues such as corporate social responsibility, labor safety, human rights, and environmental protection into management decisions and implementation.
- Business Ethics and Fair Transactions: Uphold the principles of business ethics, equal opportunities, and fair trade as the highest guiding standards for supply chain interactions, eliminating illegal gains and strictly punishing unlawful behavior.
- Climate Change Response: Collaborate to strengthen climate change mitigation efforts, enhance information disclosure, and take action on greenhouse gas emissions.

2.3 Supply Chain System of Tung Ho Steel Enterprise Corporation – Kaohsiung Works

The Kaohsiung Works's supply chain encompasses both overseas and domestic suppliers in Taiwan, covering the following categories: raw materials (steel billets), mechanical processing (including domestic rollers), imported sleeve rollers, transportation, engineering, calibration, inspection, leasing, lubricants, electrical materials, bearings, hardware, hoses, specialty solvents, and gases, totaling 16 categories.

Category	Source	2025	
		Supplier Count	Percentage of Total (%)
Raw Materials	Domestic	136	96.45%
	Overseas	5	3.55%
Total		141	100%

Note: "Domestic" refers to suppliers located within Taiwan; "Overseas" refers to suppliers outside Taiwan.

2.4 Supplier Engagement and Sustainability Initiatives at the Kaohsiung Works

The Kaohsiung Works views suppliers as important partners in its operations, striving for sustainable business practices and growth through close cooperation. During the reporting period covered by this statement, we actively worked with suppliers and negotiated with them to formulate this statement. The following actions were taken:

a. Integration of Integrity Clauses and CSR Commitments into Contracts

The company has incorporated integrity clauses and corporate social responsibility (CSR) commitments into the basic framework of external contracts. When signing contracts, suppliers are required to sign the "Corporate Social Responsibility Commitment Letter (Responsible Business Conduct Commitment Letter)", which covers labor rights and human rights, environmental protection, climate change mitigation and adaptation, ethical business practices, and moral standards. If a supplier fails to meet the required commitments, the company may request rectification within a specified timeframe. Failure to comply within the deadline may result in immediate termination of the contract, with no compensation for damages granted to the supplier.

b. Annual Supplier Evaluation

The Works conducts an annual assessment of suppliers, scoring them based on criteria such as delivery quality, delivery accuracy, compliance with environmental and occupational health and safety requirements, corporate governance evaluation, modern slavery prevention, and ethical procurement practices.

The evaluation is based on a total score of 100 points, with supplier ratings classified into four grades: A, B, C, and D.

Suppliers scoring below 60 points (D grade) are required to undertake corrective actions and be reassessed before the next transaction. Suppliers who fail to achieve a minimum score of 60 points upon reassessment are classified as disqualified and blacklisted.

c. 2025 Supplier Evaluation Results

In 2025, the evaluation results for 141 major suppliers were as follows:

- 78 suppliers achieved an A rating.
- 55 suppliers achieved a B rating.
- 8 suppliers achieved a C rating.
- 0 suppliers were rated D; therefore, no suppliers were blacklisted.

3. Human Rights and Anti-Modern Slavery Performance Indicators

3.1 Diversity, Inclusion, and Equal Opportunity

In accordance with all national labor laws, the Company prohibits child labor and forced labor and does not tolerate discrimination. The Company strives to create a diverse, open, equal, and harassment-free work environment and provides an effective and appropriate grievance system to protect the rights and interests of its employees. Employment is based on professional abilities and experience, and employees are not to be treated differently or discriminated against in any form based on race, nationality, social class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, gender identity and expression, age, marital status, pregnancy, appearance, facial features, physical or mental disabilities, zodiac sign, blood type, or previous union membership, including in recruitment, selection, assignment, deployment, training, evaluation, promotion, compensation, and benefits; where otherwise provided for in other laws, such provisions shall prevail.

According to the 2025 statistics, no discriminatory behavior was identified during the recruitment, selection, or promotion processes, and no related complaints were filed throughout the year.

3.2 Safe and Healthy Work Environment

The Company is committed to providing a safe and healthy work environment as well as necessary health and first aid measures to eliminate any factor that may be hazardous to the health and safety of its employees in the work environment, reducing the risk of occupational disasters.

Regular occupational safety training is conducted, and annual employee health check-

ups along with various health promotion activities are organized to care for employees' physical and mental well-being.

In 2025, a total of 100 occupational safety and health training sessions were conducted, comprising 52 internal and 48 external sessions. Additionally, 36 safety consultations were carried out. No employees reported experiencing any unlawful conduct in the workplace.

The Kaohsiung Works achieved a 100% completion rate for employee health examinations.

3.3 Respect employees' freedom of assembly and association

Respecting employees' rights to organize and join various associations, and provides diverse communication mechanisms and platforms to ensure harmonious and mutually beneficial labor relations.

All employees at this facility participate in union or community activities, and at least four labor-management meetings are held annually.

3.4 Education and training

To foster a diverse and inclusive workplace culture, our company has designated the "Workplace Unlawful Infringement and Sexual Harassment Prevention Course" as a mandatory training program for all supervisors at the section chief level and above.

In addition, our company has launched an online course on "Prevention of Workplace Sexual Harassment and Other Unlawful Acts." All employees have completed and passed the assessment, achieving a 100% pass rate, effectively enhancing employees' understanding of relevant regulations and preventive measures.

To improve communication efficiency and cultivate a positive work environment, the Kaohsiung Works has arranged instructor-led training on "Performance Interviews and Communication Skills," aimed at strengthening supervisors' professional competencies in performance feedback and two-way communication. All supervisors at the section chief level and above have completed this course, achieving a 100% completion rate.

The Kaohsiung Works holds annual awareness training sessions on "Understanding the Modern Slavery Act and Human Rights Policy", demonstrating the company's commitment to safeguarding employee rights. All employees, including new hires, have completed the relevant courses at a 100% completion rate.

Furthermore, all supervisors at the Works have completed the "Workplace Unlawful Conduct Self-Assessment Checklist" survey, further reinforcing workplace rights protection and risk prevention measures.

3.5 Grievance Mechanism

According to the "Employee Grievance and Whistleblower Policy" and related mechanisms, employees, suppliers, contractors, and subcontractors can provide suggestions or file grievances through written submissions, emails, oral reports, or phone calls to unit supervisors, management units, audit units, or independent directors.

If the designated unit or personnel handling the grievance or whistleblowing discovers significant violations or potential severe harm to the company during the investigation, a report will be prepared, and independent directors will be notified in writing. Should the investigation confirm that a director or manager has committed violations, relevant information will be promptly disclosed on the Market Observation Post System.

Contacts for consultation/Grievance/whistleblowing report:

- E-mail : tungho@tunghosteel.com
- Hotlines:
 - Administration Division: +886-2-2551-1100
 - Administration Section at Kaohsiung Works: +886-7-802-3131
- Employee Suggestion Box at Kaohsiung Works
- Labor-management meetings
- Supplier Forums

In summary, in addition to requiring suppliers to sign the Corporate Social Responsibility Agreement and striving to understand potential risks within operations and the supply chain, our factory will continuously improve various approaches, including:

1. Continuously refining supplier evaluation standards, requesting suppliers to complete questionnaires on preventing modern slavery risks and enhancing the effectiveness of ethical procurement, and incorporating these into supplier assessment forms.
2. Reviewing and updating the factory's training documents to ensure their effectiveness.
3. Committing to other relevant measures aimed at reducing risks.

Tung Ho Steel Kaohsiung Works is committed to continuously improving our procedures and processes and creating an equal and diverse workplace environment for employees to reduce the risk of modern slavery in our operations and supply chain.

In particular, we are making strong efforts to:

- Continue to strengthen supplier due diligence process
- Collaborate with industry partners and organizations to share best practices
- Expand staff training program on modern slavery awareness.

This statement is in accordance with the provisions of Australia’s Modern Slavery Act 2018 (Cth), and is approved and signed by the Board of Directors of Tung Ho Steel on Dec 29, 2025.



Henry C. T. Ho
Chairman
Tung Ho Steel Enterprise Corporation

March 20, 2026