

Modern Slavery Statement

According to Australia's Modern Slavery Act 2018 (Cth), as of December 31, 2024 , 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.

Miaoli Works specializes in H-beams, steel plates and steel sheet piles, including hot-rolled H-beams, checkerboard pattern H-beam, I-beam, U-shaped steel sheet pile, channel steel, narrow steel plate and combined H-beam. 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.

Six years ago, Tung Ho Steel established a special project team to pursue the research and development of U-Shaped Steel Sheet Piles. During this period, a series of strict product quality tests was conducted, and this year research and development of the new U-Shaped Steel Sheet Piles product finally achieved success, making Tung Ho Steel among only a handful of steelmakers around the world to develop steel sheet piles from steel scrap using electric furnaces.

Tung Ho Steel's Miaoli Works has obtained the Environmental Product Declaration (EPD) certificate for steel sections and steel plates, the first steel company in Taiwan to obtain the EPD for steel sections and steel plates, after passing UL certification.

As of the end of 2024, the total number of employees at the Miaoli Works is 684, distributed throughout various departments, such as structural steel production, plant operations and, administration.

2. Operational and Supply Chain Risk Assessment

Miaoli 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.

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 - Miaoli Works

In 2024, the plant has a total of 711 suppliers both domestically and internationally. The categories include: raw materials (scrap, ferroalloys); secondary materials (smelting additives); consumables (energy, spare parts and consumables, personal safety equipment, etc.); transportation (shipping); and other support services (maintenance, construction, testing).

Items	Source	Supplier count	Percentage of total
Main Materials	Domestic	636	89%
Raw Materials	Overseas	75	11%
Total		711	100%

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

2.4 Supplier Engagement and Sustainability Initiatives at the Miaoli Works

The Miaoli 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 annual evaluations of its key suppliers. These evaluations assess areas such as delivery quality, delivery accuracy, compliance with environmental and occupational health and safety standards, corporate governance, prevention of modern slavery, and adherence to high ethical procurement practices. The assessment is scored out of 100 points and categorized into three grades: A, B, and C. Suppliers scoring below 60 points (C grade) are deemed non-compliant and are blacklisted.

c. 2024 Supplier Evaluation Results

In 2024, we successfully completed the signing of the Corporate Social Responsibility (CSR) commitment letters and the annual assessment process for 114 key suppliers. The assessment results are as follows :

- 40 suppliers were rated as Grade A qualified.
- 74 suppliers were rated as Grade B qualified.
- 0 suppliers were rated as Grade C qualified and were listed as suppliers with whom we will cease business relations.

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 2024 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 2024, a total of 29 safety and health training sessions were held, including 28 internal sessions and 1 external session.

The Miaoli works achieved a 100% completion rate for employee health check-ups in 2024.

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

In order to promote a diverse and inclusive workplace culture, our company has made "Diversity and Inclusion in a Friendly Workplace" a compulsory course for supervisors at the section chief level and above.

All employees have completed the "Prevention of Workplace Sexual Harassment and Other Unlawful Acts" training course and passed the required assessments, achieving a 100% pass rate. This has enhanced employees' understanding of relevant laws and preventive measures.

To further strengthen the grievance investigation mechanism, the Miaoli Works arranged for instructors to deliver courses on "Workplace Sexual Harassment Prevention Techniques in Response to New Laws" and "Complaint Investigation Strategy and Skill Development." These courses aim to train professional complaint investigators and build a talent pool, improving internal investigation capabilities and ensuring fairness. All members of the complaint investigation team have completed the training, achieving a 100% completion rate.

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.

Consultation and Grievance/Whistleblowing Channels/ Contact Points:

- E-mail : tungho@tunghosteel.com
- Tung Ho Steel Enterprise Corporation (Administration Division)
Tel: + 886-2-2551-1100
Add: 6F., No.9, Sec. 1, Chang-an E. Rd., Taipei City 10441, Taiwan
- Tung Ho Steel Enterprise Corporation (Miaoli Works Administration Section)
Tel: + 886-37-923-333
Add: No. 22, Pingding, Erhu Vil., Xihu Township, Miaoli County 36842, Taiwan
- Tung Ho Steel Enterprise Corporation (Miaoli Works Employee suggestion box)
- Labor-management meetings

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.

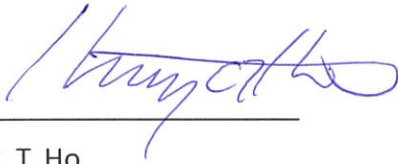
Tung Ho Steel Miaoli Works is committed to continuously improving our procedures and processes and creating an equal and diverse workplace environment for employees to reduce the risk of modern slavery in our operations and supply chain.

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 the Australia’s Modern Slavery Act 2018 (Cth), and is approved and signed by the Board of Directors of Tung Ho Steel on May 06, 2025.



Henry C. T. Ho

Chairman

Tung Ho Steel Enterprise Corporation

May 06, 2025