HONG TAI ELECTRIC INDUSTRIAL CO.,LTD
2025 Sustainability Performance & ESG Report Guide

Stakeholder Engagement & Materiality Assessment

宏泰電工股份有限公司
HONG TAI ELECTRIC INDUSTRIAL CO., LTD

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01

Stakeholder Engagement

STAKEHOLDER ENGAGEMENT

Policy	Identifying and engaging stakeholders is the foundation of corporate social responsibility. Hong Tai Electric references the GRI Standards to identify stakeholders and maintains open, direct communication channels.
Strategy	● Compile a list of potential stakeholders, including shareholders/investors, financial institutions, government, employees, customers, suppliers, communities, and NGOs ● External experts score and rank stakeholders based on actual negative impact, potential negative impact, actual positive impact, and potential positive impact ● Stakeholders with a total score above 10 points are designated as key stakeholders for the year
Goals	● Maintain the same five key stakeholder groups as in 2024, while strengthening communication channels and frequency ● Respond promptly to stakeholder concerns through diverse channels and ensure transparent information disclosure

Five Key Stakeholder Groups

- **Shareholders / Investors**
- **Employees**
- **Customers**
- **Suppliers / Contractors**
- **Government Authorities**

5 Groups

Key stakeholder groups unchanged from 2024

>10 pts

Threshold for key stakeholder selection

Referencing GRI Standards, peer benchmarks and past reports

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Five Key Stakeholders · 2025 Engagement Outcomes

ENGAGEMENT CHANNELS & OUTCOMES

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Shareholders / Investors

AGM · Investor Conference
Annual Report · Disclosures

1 shareholder meeting held
2 investor conferences
24 material disclosures issued
ESG Report published every August

Employees

Internal / Labor-Mgmt Mtgs.
Intranet

Zero major work injuries all year
308 participants / 906 hrs safety training
Comprehensive benefits and bonuses provided
8 labor-management meetings held plant-wide

Customers

Customer Service · Client Visits.
Satisfaction Surveys

2025 customer satisfaction: 84.4%

Suppliers / Contractors

Site Audits / Evaluations
Questionnaires

99% of key suppliers have signed integrity pledges
Supplier evaluations held semi-annually

Government Authorities

Forums · Correspondence.
Phone Calls · Site Visits

Fire Dept. visits: 2
Labor Inspection visits: 1
Labor Bureau visits: 4

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Materiality Assessment Process

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MATERIALITY ASSESSMENT PROCESS

Through a structured materiality assessment process, the Company systematically analyzes issues concerning the economy, environment, and people (including human rights) to effectively respond to stakeholder concerns in its management approach.

- Step 1: Understand the organizational context and compile 32 sustainability topics based on GRI, SASB, and other standards
- Step 2: External experts and the Company's tier-1 and tier-2 managers identify and score the actual and potential impact of each topic
- Step 3: Evaluate impact significance based on combined scores and select topics with major impact on the Company
- Step 4: Consolidate and disclose 7 material topics, comprising 6 GRI topics and 2 custom topics

Ongoing communication and response to stakeholders continues through the sustainability report

32

Total sustainability topics compiled (GRI / SASB, etc.)

7

Final consolidated material topics

Four Steps of Materiality Assessment

1 Understand Organizational Context → 2 Identify Actual & Potential Impacts → 3 Assess Impact Significance → 4 Disclose Sustainability Topics

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Materiality Assessment Results

MATERIAL TOPICS BY ESG DIMENSION

7 Material Topics

Topics with higher stakeholder concern and greater impact on the Company's sustainable development, forming the core disclosure of the sustainability report

Environment (E)

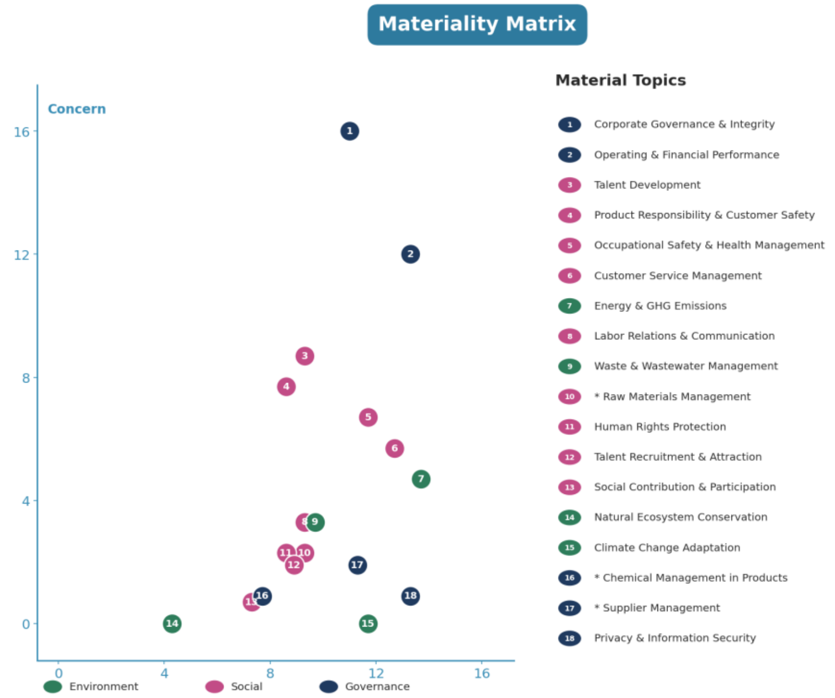
- Energy & GHG Emissions

Social (S)

- Customer Service Management
- Occupational Health & Safety
- Product & Technology Innovation
- Customer Health & Safety
- Privacy & Information Security

Governance (G)

- Economic Performance



Listening to Every Voice, Focusing on Sustainability Priorities

5 Groups
Key stakeholder groups

7
Annual material topics

32
Total sustainability topics compiled

84.4%
2025 customer satisfaction

99%
Key suppliers signed integrity pledges

0
Major occupational accidents for the year

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