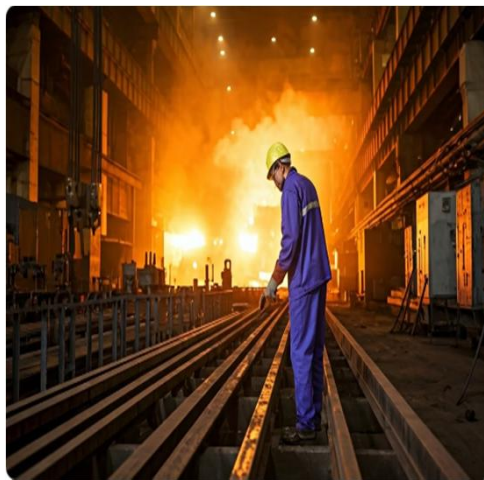


Modern Slavery Statement



Commitment to Ethical Practices

Wei Chih Steel Industry Co., Ltd. is committed to human rights and upholding ethical business practices. We believe in transparency and accountability.



Preventing Slavery and Human Trafficking

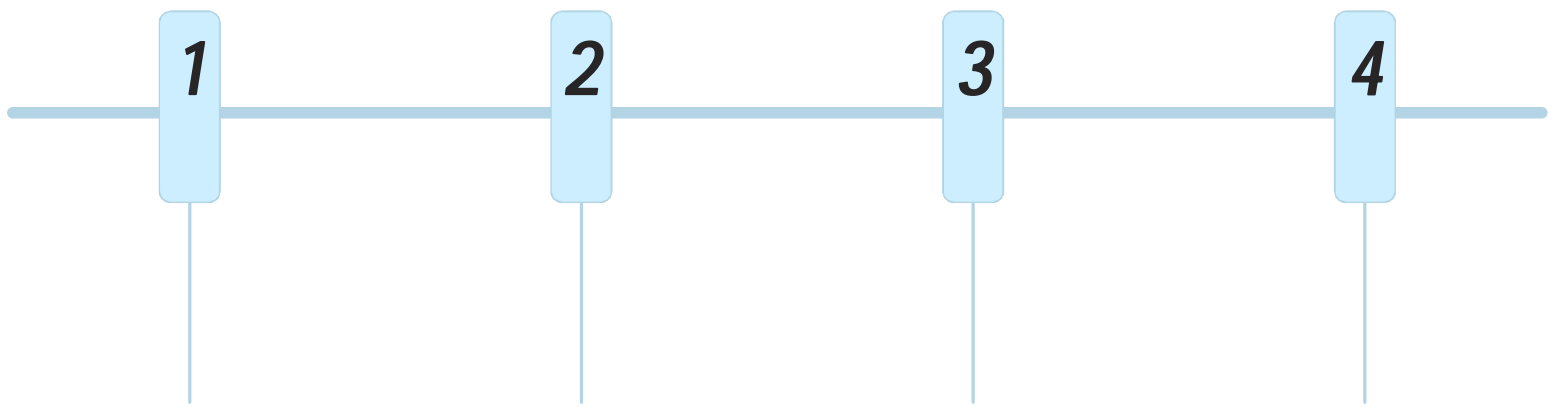
We are committed to ensuring that slavery and human trafficking do not take place within our own operations and supply chain.



Collaborating with Suppliers and Partners

We are dedicated to working with our suppliers and partners to prevent these issues.

About Wei Chih Steel Industry Co., Ltd.



Founded in 1982

Wei Chih began as a black steel wire processing and trading company.

Expanded Operations in 1994

The company commissioned its steelmaking mill, significantly expanding its production capabilities.

Steel rolling factory Commissioned in 1996

Wei Chih marked a new era of production with the commissioning of its steel mill.

Listed on Taiwan Stock Exchange

In December 1996, Wei Chih was listed on the Taiwan Stock Exchange, signifying its growth and success.

Today, Wei Chih Steel Industry Co., Ltd. spans 140,000 square meters and employs approximately 350 people, producing a wide range of high-quality steel products.

Prestigious Products and Technology

Strict production process control and powerful micro-technology have made Weichih the leader in the steel industry, as the Taiwanese rebar manufacturer with the most national export certifications. From 2007 to 2020, it has obtained product certifications from Hong Kong, South Korea, Singapore, the United States, Australia, New Zealand, the Philippines, and Malaysia. From 2013 to 2020, the coil production exceeded 150,000 tons, and the straight round steel exceeded 430,000 tons, sold to both domestic and foreign markets. The precision and strength of Weichih's MIT (Made in Taiwan) steel have become a quality guarantee for marketing worldwide.

Weichih has a group of colleagues who are lifelong dedicated to the core technology of steel smelting, producing "safer than ever" earthquake-resistant rebar. With a confident and determined team spirit, it perfectly combines technology and ingenuity, becoming a long-term trustworthy partner and technology provider.

High-Quality Steel Billets

The high-quality steel billets produced by Weichih have stable quality and a smooth, even surface.

Deformed Rebar

The deformed rebar produced by Weichih has excellent seismic performance.

Bar in Coils

The BIC produced by Weichih have excellent quality and are widely used in various industrial fields.

Operational and Supply Chain Risk Assessment

Due to the nature of our business and governance model, we believe the risk of modern slavery in our operations and supply chain is relatively low. This was confirmed in the modern slavery assessment conducted during the reporting period, which did not identify any high-risk suppliers in our supply chain.

Weichih's employees are all locally hired, and all directors, management, and staff must strictly adhere to Weichih's code of conduct, which is stipulated in its code of conduct and other policy documents. Therefore, we believe the inherent business handled by our directly employed staff is at low risk of modern slavery.

Given that most of Weichih's suppliers are also located locally, we also believe these suppliers have a relatively low risk of modern slavery occurring in their supply chains.

These risks include the use of child labor and other forced, bonded, or contract labor.

Risk Identification

1 Identify potential modern slavery risks in operations and supply chain.

Risk Assessment

2 Assess the severity and likelihood of the identified risks.

Risk Mitigation

3 Develop and implement strategies to mitigate the identified risks.

Ongoing Monitoring

4 Regularly review and update the risk assessment to ensure the effectiveness of risk mitigation measures.

Actions to Mitigate Modern Slavery Risks

Operations

1. ESG STRATEGY

Our inaugural ESG Strategy was formally endorsed by the board of directors in February 2023 and establishes metrics and targets associated with identified material themes.

This coincided with the establishment of an ESG Committee to further discuss, shape and measure initiatives implementing the ESG Strategy. Data collection and implementation of further processes to enhance compliance and reporting form an integral portion of our modern slavery response and our new Committee and Strategy will form a key element of our broader modern slavery strategy.

2. TRAINING AND EDUCATION

WEI-CHIH has expanded the scope of modern slavery training, extending an invite to members of our workforce across legal, human resources, rental businesses and procurement departments. The training module combines mixed media with a questionnaire in order to ensure that our staffs are aware of and understand the risk of modern slavery within our operations and our supply chains.

In 2023, 114 employees were offered first-time training in modern slavery and employees who had already completed training on modern slavery were provided with refresher material.

3. HUMAN RIGHTS POLICY

WEI-CHIH should abide by relevant laws and regulations and comply with international human rights conventions, such as gender equality, work rights and prohibition of discrimination. In order to fulfill its responsibility to protect human rights, relevant management policies and procedures should be formulated, including:

- (1). Propose the company's human rights policy or statement.
- (2). Assess the impact of the company's operating activities and internal management on human rights, and formulate corresponding handling procedures.
- (3). Regularly review the effectiveness of corporate human rights policies or statements.
- (4). When human rights violations are involved, the procedures for dealing with the interested parties involved should be disclosed.

At the same time, we will abide by internationally recognized labor rights, such as freedom of association, collective bargaining rights, care for vulnerable groups, prohibition of child labor, elimination of all forms of forced labor, elimination of employment and employment discrimination, etc. Race, socioeconomic class, age, marital and family status, etc., to ensure equality and fairness in employment, working conditions, salary and benefits, training, evaluation, etc. For situations that endanger labor rights and interests, an effective and appropriate complaint mechanism should be provided to ensure equality and transparency in the complaint process. The grievance channel must be concise, convenient and smooth, and employees' grievances must be properly responded to.

The human rights policy is published on the company intranet

In addition, WEI-CHIH should formulate supplier management policies and require suppliers to comply with relevant standards on issues such as environmental protection, occupational safety and health, or labor rights. Before doing business, it should evaluate whether its suppliers have records that affect the environment and society to avoid transactions that violate corporate social responsibility policies. When signing a contract with a major supplier, the content should include compliance with the corporate social responsibility policies of both parties, and the clause that the supplier can terminate or cancel the contract at any time if it violates the policy and has a significant impact on the environment and society of the supply source community.

4. MINIMUM NOTICE PERIOD FOR MAJOR OPERATIONAL CHANGES

When major operational changes occur in the company, in order to effectively protect the rights and interests of employees and reduce the impact on employees. WEI-CHIH shall give notice to employees within the period specified below. If the labor contract is terminated without notice, employees shall be paid wages during the notice period.

- (1). If the employee continues to work for more than three months but less than one year, a notice must be given ten days in advance.
- (2). If the employee continues to work for more than one year but less than three years, a notice must be given 20 days in advance.
- (3). If the employee continues to work for more than three years, notice must be given 30 days in advance.

(2). If the employee continues to work for more than one year but less than three years, a notice must be given 20 days in advance.

(3). If the employee continues to work for more than three years, notice must be given 30 days in advance.

After receiving the notice mentioned in the preceding paragraph, employees may take leave during working hours to find another job. The number of leave hours shall not exceed two working days per week, and wages shall be paid during the leave period.

5. GRIEVANCE CHANNELS

WEI-CHIH is committed to the establishment of corporate ethics and professional ethics. It has set up an employee opinion mailbox and an "employee grievance handling system" to provide employees with a channel for their opinions to strengthen the labor-employer cooperation relationship.

The methods for employee complaints are as follows:

(1). If employees make oral complaints, they should be recorded by the handling personnel of each department and reported immediately for processing.

(2). If employees have their rights and interests damaged or have other opinions, they can directly submit the complaint through the administrative system in accordance with the company's complaint method in a written complaint form or other written form. The supervisor of each unit should immediately investigate and deal with it, or report it to superiors for processing, and Report the result or handling to the complainant.

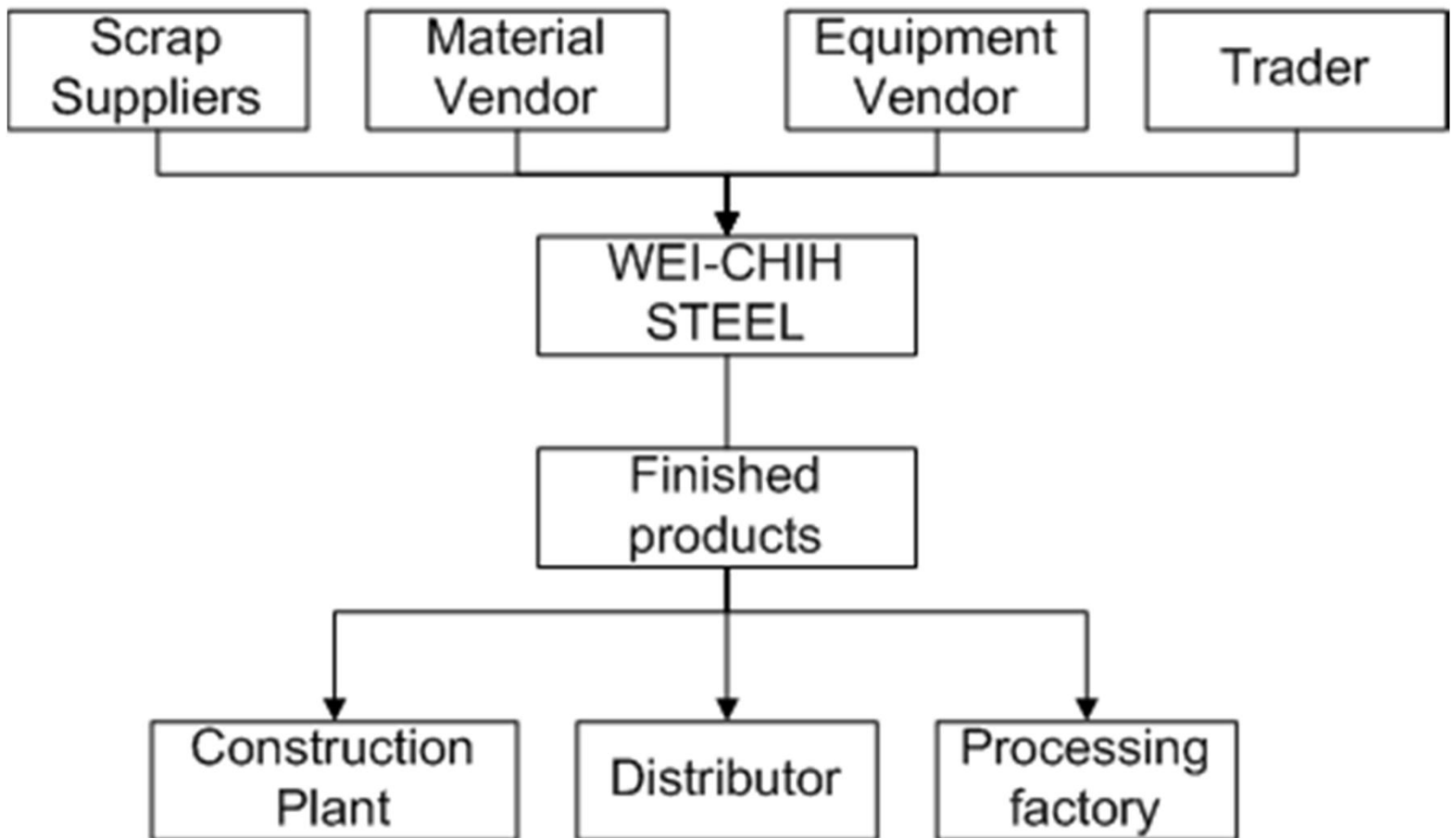
In addition, in order to provide employees and job applicants with a working and service environment that is free from sexual harassment, WEI-CHIH has specifically complied with Paragraph 1 of Article 13 of the Gender Equality at Work Act and the "Measures for the Prevention and Control of Sexual Harassment in the Workplace and the Punishment Measures" promulgated by the Council of Labor Affairs. "Code" stipulates that when employees or job applicants encounter sexual harassment in the workplace, they can lodge a complaint with the Human Resources and General Affairs Division of the Management Department. Sexual harassment complaints can be made orally or in writing. For verbal complaints, the person or unit that accepts the complaint shall make a record, read it to the complainant or allow him to read it, confirm that the content is correct, and then sign or seal it. As WEI-CHIH strictly implements this code, no incidents of discrimination or sexual harassment occurred during the reporting period.

Supply Chain System

Item	Sources	2021		2022		2023	
		Number of suppliers	Proportion of total amount (%)	Number of suppliers	Proportion of total amount(%)	Number of suppliers	Proportion of total amount (%)
Raw materials	Domestic	69	87	59	69.1	61	65.6%
	Overseas	106	13	35	30.9	27	34.4%
TOTAL		175	100	94	100	88	100

Note: Domestic refers to Taiwan; Overseas refers to areas outside Taiwan.

Upstream, Midstream and Downstream Supply Chain Diagram



Product/Service	Supplier	Sources	Risk Class
Raw material	Local	Local	Low
Raw material	Overseas	Import	Med
Shipping	Overseas	Agency	Low/Med
Transport	Local	Local	Low
Staff	Local	In-house	Low
Temporary staff	Local	Local Agency	Low
Sundry Products	Local	Local	Low
Sundry Products	Local	Imported	Med
Sundry Products	Overseas	Imported	Med
Consumables	Local	Local	Low
Consumables	Local	Imported	Med
Services	Local	Local	Low

In order to ensure the stability of raw material quality, WEI-CHIH conducted evaluations on 88 raw material suppliers. General procurement of consumables, spare parts, mechanical maintenance, etc. were not evaluated. For those who are not yet on the company's list of qualified external suppliers, the on-site evaluation will be based on production equipment, on-site conditions, production processes, quality management, cooperation and other items as the basis for selection. Suppliers listed on the list of qualified external suppliers will be evaluated once a year according to the external supplier management procedures, and will be scored on five items including delivery date, cooperation, quality status, price, and claim execution. Each item will be rated 1~5 points, if the total score does not reach 15, it is considered an unqualified supplier.

Suppliers who fall below the evaluation standards will have their quotations suspended for one year and will not trade, and those in poor condition will be included in the list of suppliers that will be refused business dealings. There will be no unqualified manufacturers in 2023. During the reporting period, WEI-CHIH did not include any suppliers in the suspended transaction list, and it did not find any suppliers that caused significant or potential impact on the environment. WEI-CHIH and its suppliers strictly abide by laws and regulations, and have never employed children under the age of 16 or used young workers to do dangerous work, nor have employees been forced to work overtime. WEI-CHIH requires its suppliers to sign a commitment letter to the Supplier Code of Conduct, promising to fulfill corporate social responsibilities in terms of honest management, labor protection and environmental protection. During the reporting period, a total of 58 companies signed.

Effectiveness

1. KEY PERFORMANCE INDICATORS

We have used key performance indicators (KPIs) to measure how effective our actions to identify and address modern slavery practices in any part of our operations and supply chains have been.

These include:

(a).Completion rates for modern slavery awareness training for our Purchasing staff (100%).

(b).Number of moderate risk suppliers completing our modern slavery questionnaire, which is currently running at a 90% response rate.

(c).Less than 5% of the respondents reported feedback of potential concern. Of these, a significant portion is covered by an active supplier exit strategy while we are working with the balance of these suppliers to address our remaining concerns.

(d).The number of modern slavery breaches identified (nil in the reporting year) and remediated.

2. TALENT STRUCTURE AND GUARANTEE

WEI-CHIH has a total of 381 employees in 2022. There are no temporary staffs, part-time staff, or non-employees. All 381 employees are full-time. Among them, 19 of them are senior executives and all are Taiwan residents. In addition, we provide equal employment opportunities, diversifying the workforce within the organization, and currently employs 74 people from minority or disadvantaged groups.

3. TALENT CULTIVATION

WEI-CHIH can continue to produce earthquake-resistant steel bars that are safer than ever, and employees have always been indispensable contributors. In order to improve the professional capabilities of employees, we provide comprehensive education and training, and will add 12 new high-pressure gases manufacturing safety officer certificates in 2022, hoping that employees can grow together with the company. Since the majority of our company's employees are male, and technical jobs require regular training to improve their technical skills, the average number of training hours for women and men is different.

4. EMPLOYEE BENEFITS

WEI-CHIH has established an employee welfare committee to provide employees with wedding and funeral gifts; Injury and illness care, and take care of employee welfare in accordance with work rules, salary management methods and operating performance.

5. OCCUPATIONAL SAFETY AND HEALTH

WEI-CHIH has a TOSHMS occupational safety and health management system. Through the system to formulate occupational safety and health management policies, we have introduced the ISO 45001 occupational safety and health management system. However, in order to protect the safety of all colleagues, we formulate risk assessment procedures every year. Conduct at least one hazard identification and risk assessment of the overall operation activity. If the risk assessment level is determined to be ABC, a risk assessment table will be prepared and submitted to the management representative, and the relevant unit supervisors and occupational safety and health officials will be summoned. Personnel hold meetings to discuss and propose control measures or consider changing existing control measures to reduce hazard risks in operational activities by eliminating, replacing, engineering control measures, labeling and/or warning and/or management control measures and personal protective equipment.

6. SOCIAL BENEFIT

WEI-CHIH cares about community development and participates in local activities. We regularly provide material or activity funding sponsorship for local activities of public welfare groups in neighboring villages, such as community associations and temples. We also provide employment opportunities and enhance social stability. At the same time, priority will be given to people from neighboring areas when hiring employees to help regional people achieve economic stability. In addition, we meet with local personnel from time to time during operations to understand local responses and needs. Currently, our operations have not caused any inconvenience to the local area.

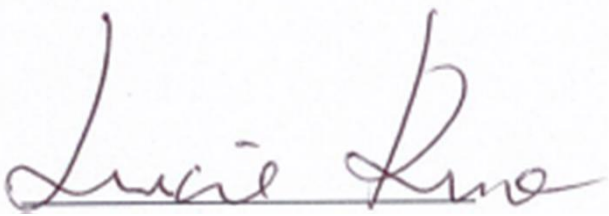
More Insights and Our Evolving Process

You can find more information about our business and practices in our 2023 ESG report and on our website: <http://www.weichih.com.tw>

Weichih strives to maintain practices and policies that enable us to fulfill our commitments and promote respect for human rights. We know this must be an ongoing effort, constantly re-evaluating our practices and approaches as the global environment and policies evolve. Additionally, we regularly review policies and guidelines related to modern slavery and human rights, and are committed to engaging with various stakeholders on these important issues.

Approval

This statement was approved by the board of Wei Chih Steel Industrial Co Ltd in their capacity as principal governing body of Wei Chih Steel Industrial Co Ltd on 18 of 06 2024.



Lucie, Kuo
Chairman



Collaboration

Collaborate with suppliers and stakeholders to combat modern slavery.



Protection

Protect employees and workers in our supply chain from modern slavery.



Monitoring

Continuously monitor and evaluate the effectiveness of our policies and practices.



Improvement

Continuously improve our approaches to address the challenges of modern slavery.