

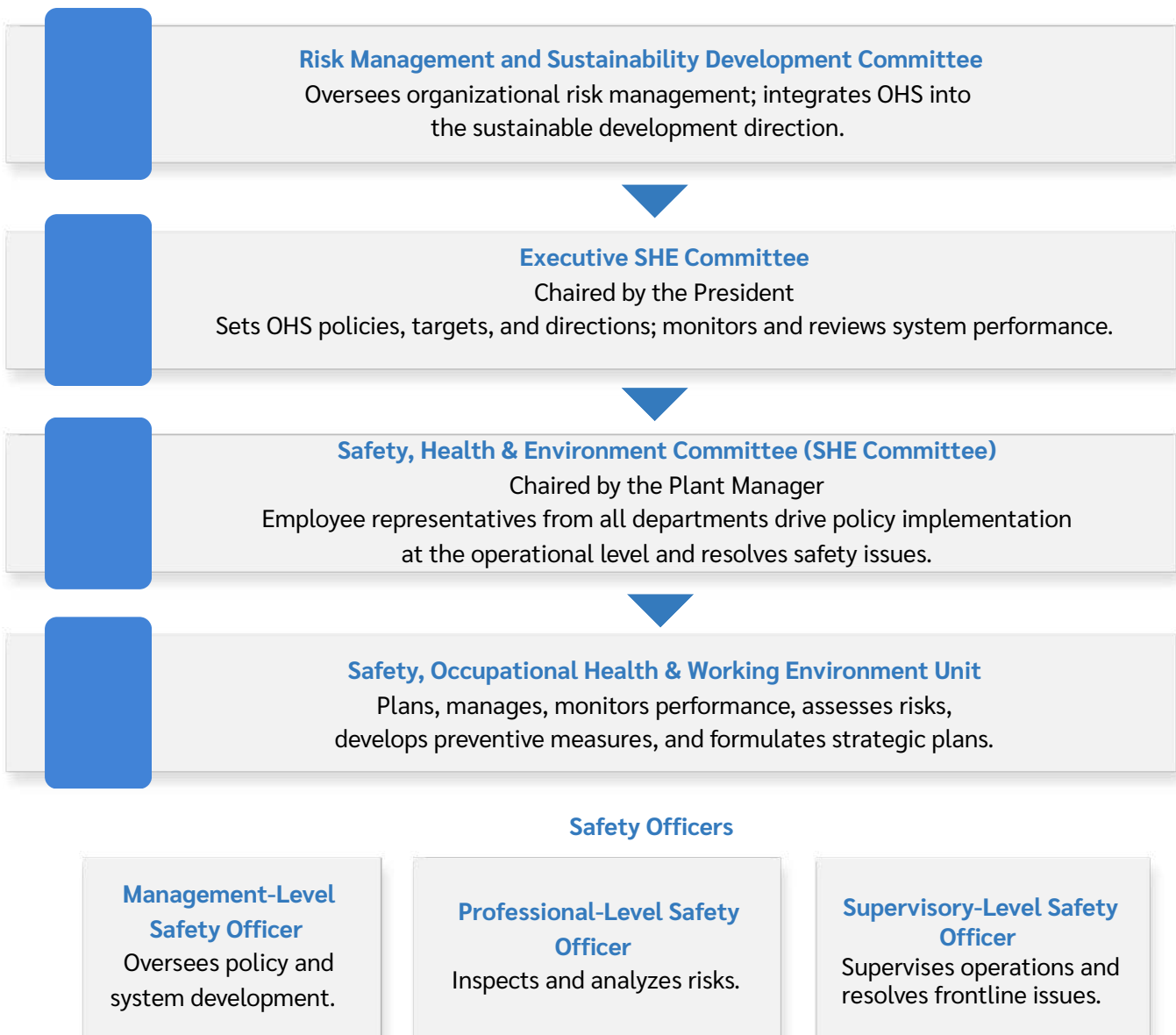
7.4 Occupational Health and Safety Management

The Company implements occupational health and safety management by focusing on controlling and reducing risks that may affect the health, safety, and working environment of employees, subcontractors, and relevant stakeholders. The Company places great importance on creating a safe workplace and continuously fostering a safety-conscious mindset among employees, through an efficient occupational health and safety management system and compliance with applicable laws and international standards.



Occupational Health and Safety Governance

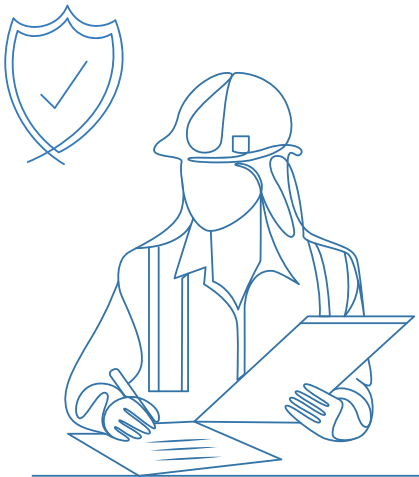
The Company has established a comprehensive occupational health and safety governance structure spanning 5 levels, from policy-setting, executive, operational, to supervisory levels, to ensure efficient and sustainable safety management.



Collective Bargaining Agreement on Occupational Health and Safety

The Company has a Collective Bargaining Agreement (CBA) on occupational health and safety between the Company and employee representatives, defining the rights and responsibilities of both parties in creating and maintaining a safe working environment, covering compliance standards, incident reporting, and employee participation in safety improvements.

Occupational Health and Safety Policy



The Company places great importance and is committed to creating a safe working environment to ensure employees' good health and quality of life, while developing personnel with knowledge and competency in occupational safety, and maintaining accountability to all stakeholders in the Company's business operations. The Company also promotes the introduction of safety innovations and technologies into the production process to meet customer satisfaction requirements. In line with its safety policy, the Company continuously translates these commitments into practice and ongoing improvement through systematic accident reduction programs and activities, including the Zero Accident Campaign, CCCF activities, continuous safety training, and the promotion of safety officer roles at all levels with clearly defined and measurable targets, as follows:



Employee Accidents
0 cases

No incidents requiring medical treatment beyond first aid and no lost-time injuries from operations.



Severe Fire Incidents
0 times

No major fire incidents arising from operations at operational sites.



LTIFR 0 times

Lost Time Injury Frequency Rate maintained at zero – targeting the elimination of lost-time injuries.

Occupational Health and Safety Activity Promotion

- **Executive-Level Participation Activity:** Promote the safety leadership role by requiring senior executives to consistently participate in workplace inspection walks, in order to foster a safety culture and reflect the organization's commitment. The target is to inspect 100% of all operational areas.



- **Proactive Safety Culture Promotion:** Through the Completely Check Completely Find Out (CCCF) activity to encourage employees to take an active role in identifying hazards, assessing risks, and proposing workplace improvement approaches. Employees achieved the hazard identification target of 100%.
- **Chemical Hazard Management Personnel Training:** By inviting 2 external specialist speakers, with 60 participants across 2 sessions, achieving a 100% pass rate in both theoretical and practical assessments.



- **Knowledge Sharing with Nearby Communities:** On occupational health and safety topics, at least once per year, achieving the target of 100%.



- **Transportation Risk Management:** Conducting safe driving campaigns and safety inspections of employee shuttle vehicles on a quarterly basis. Inspection results were accurate and complete at 100%.



Risk Assessment in Operational Areas

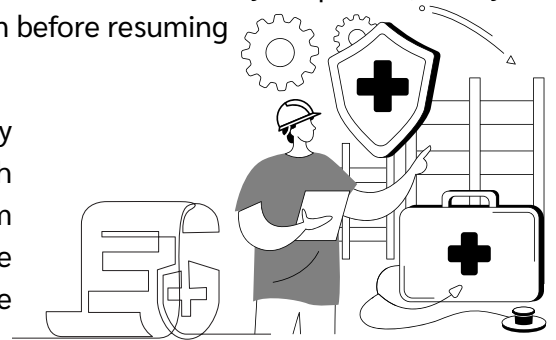
The Company conducts health and safety risk assessments covering 100% of its premises to ensure that all operational activities are carried out safely, efficiently, and in compliance with legal requirements and organizational standards.

Proactive Risk Management

The Company implements Incident Prevention Learned by collecting and analyzing lessons from incidents occurring both within and outside the organization, then communicating them to employees at all levels, while continuously monitoring the implementation of preventive measures to prevent recurrence of the same incidents.

In addition, the Company requires employees and subcontractors to adhere to the **"Stop – Call – Wait"** protocol upon encountering any unsafe incident or condition — to immediately stop work, notify the relevant person, and wait until corrective action has been taken before resuming operations, in order to prevent potential accidents.

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At the operational level, the Company encourages employees and subcontractors to participate in KY (Kiken Yochi: Hazard Prediction) activities before commencing every task, so that everyone collectively analyzes potential hazards and establishes joint prevent

Risk Assessment Procedure

The Company conducts safety risk assessments in 4 steps, as follows:

Step 1: Hazard Identification



The Company conducts thorough inspections of operational sites, covering environmental conditions, machinery, equipment, and work activities at every stage, to identify sources of hazards and risks that may affect employees, subcontractors, and the surrounding environment. Examples of hazards found in the production process include rotating machinery that may cause entanglement, areas with hazardous chemicals from cleaning or coating processes, noise from compressors and welding equipment, as well as risks from repetitive heavy lifting that may lead to muscle and skeletal injuries.

Step 2: Risk Assessment



Once hazards have been identified, the Company analyzes the risk level by considering the likelihood of an incident occurring and the severity of its potential impact. This requires pre-assessment at least once before commencing new projects or when work processes change. For example, the introduction of a new production line requires a risk assessment before operation; changes in cleaning agent types used in the production process require assessment of toxicity and health risks to employees, including modifications to the workplace layout or internal traffic routes within the factory that may require assessment of collision and congestion risks.

Step 3: Risk Control & Mitigation



The Company defines risk control measures in order of priority, beginning with eliminating the hazard at its source before considering substitution with safer methods or materials, followed by engineering controls such as installing barriers, ventilation systems, or Lock Out Tag Out (LOTO) systems. Administrative controls are then applied, including job rotation, limiting exposure time to hazardous substances, and training, as well as providing appropriate Personal Protective Equipment (PPE) suited to the nature of each task, such as chemical-resistant face masks with full hearing protection, safety glasses, and protective gloves.

Step 4: Monitoring



The Company continuously inspects and evaluates the effectiveness of implemented control measures, without waiting until an incident occurs before reviewing the measures. For example, monitoring noise levels in production areas to verify they remain within safe limits, and compiling monthly accident statistics to identify trends and improve measures, including re-assessment when there are changes in production processes, seasonal raw materials, or related regulations, to ensure that risk control measures remain aligned with the constantly evolving working environment.

Sample safety risk assessment form for employee and supplier operations.

Sample work permit and project/activity risk assessment form.

Additional Health and Safety Measures

| Measure | Details |
|---|--|
| Repetitive Strain Injury (RSI) Prevention | Implement ergonomics measures to reduce the risk of muscle and tendon injuries from repetitive motions, covering workstation design, job rotation, and employee training. |
| Hazardous Substance Exposure Control | Implement control measures for hazardous substance exposure in the production process, including installation of ventilation systems, use of barriers, job rotation, and provision of appropriate PPE, with regular monitoring of exposure levels. |
| Equipment Safety Inspection | Conduct regular maintenance and safety inspections of machinery and equipment in accordance with defined schedules, with records of inspection results and implementation of corrective measures upon identification of deficiencies. |

Safety Risk Issues and Measures 2025

| Measure | Details |
|---------------------------------|---|
| Accidents from Unsafe Behaviors | Foster a proactive safety culture, promote unsafe condition reporting and near-miss reporting, encourage behavioral observation, and enforce disciplinary measures for non-compliance with regulations. |

Occupational Health and Safety Performance

| Indicator | Target | 2024 | 2025 | Remark |
|--|--------|------|------|-------------------|
| Employee non-lost-time injuries (cases) | 0 | 5 | 3 | Decreased 28.57% |
| Employee lost-time injuries (cases) | 0 | 1 | 3 | Increased 200% |
| Employee Lost Time Injury Frequency Rate (LTIFR) | 0 | 0.22 | 0.58 | Increased 163.64% |
| Number of workdays lost due to accidents (days) | 0 | 45 | 67 | Increased 48.89% |
| Supplier lost-time injuries (cases) | 0 | 0 | 0 | Maintained |
| Supplier Lost Time Injury Frequency Rate | 0 | 0 | 0 | Maintained |
| Severe fire incidents (times) | 0 | 0 | 1 | Increased by 1 |
| % of operational sites passing OHS risk assessment | 100% | 100% | 100% | Maintained |

In 2025, three employees sustained lost-time injuries, with the primary cause related to unsafe behaviors. The Company conducted investigations, root cause analyses, and defined corrective and preventive measures to prevent recurrence, including fostering a safety culture by providing opportunities for employees to participate in reporting unsafe conditions and near-miss incidents, promoting behavioral observation and safety behavior recommendations in daily operations, and strengthening safety leadership roles as a role model for employees.

Nevertheless, when benchmarking the Company's LTIFR of 0.58 against international standards set at below 1.0 for organizations with excellent safety performance, and leading manufacturing industries such as the global steel industry with an average LTIFR of 0.76 in 2023 (World Steel Association, 2024), the Company maintains a safety level that remains competitive with international standards. The Company is nonetheless committed to continuous improvement efforts to reduce the number of accidents toward a target of zero.



Occupational Health and Safety Awards 2025

In 2025, the Company received awards from participating in the national competition for model establishments in safety, as follows:

| Business Unit | Award | Presented by | |
|--------------------|--|--|---|
| SFT1 | Certificate of Honor: National-Level Award of Excellence for Model Establishments in Safety, Occupational Health, and Working Environment (Year 2), and Certificate of Merit for the Zero Accident Campaign (Year 2) |  |  |
| SFT2 (Branch 0001) | Certificate of Honor: National-Level Award of Excellence for Model Establishments in Safety, Occupational Health, and Working Environment (Year 5), and Zero Accident Campaign Award (Year 2) |  |  |
| SFT3 (Branch 0002) | Certificate of Honor: National-Level Award of Excellence for Model Establishments in Safety, Occupational Health, and Working Environment (Year 5), and Zero Accident Campaign Award (Year 1) |  |  |
| ICP2 (Branch 0001) | Certificate of Honor: National-Level Award of Excellence for Model Establishments in Safety, Occupational Health, and Working Environment (Year 1), and Zero Accident Campaign Award (Year 1) |  |  |