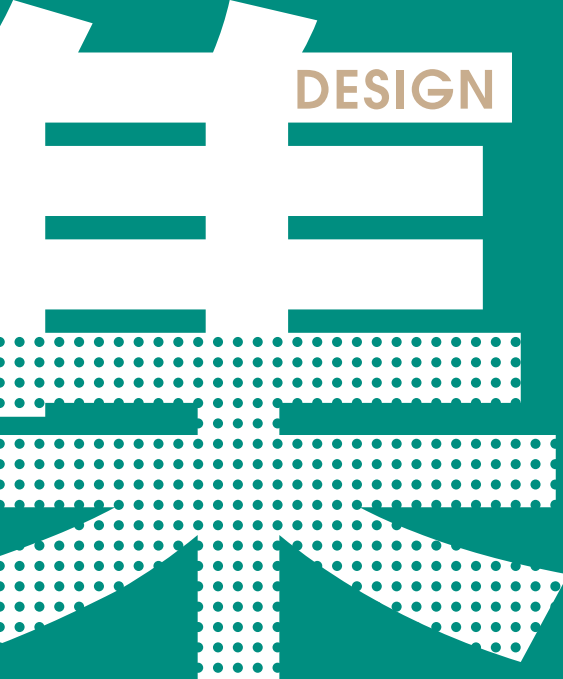
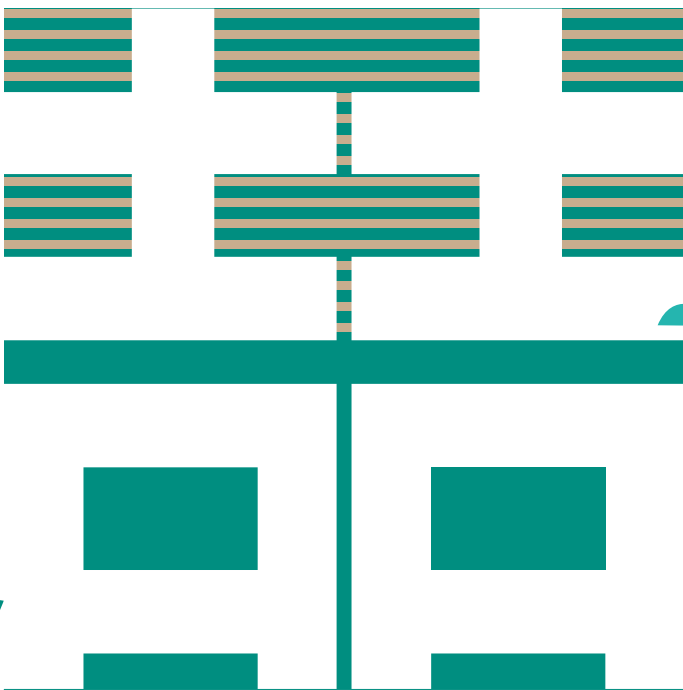
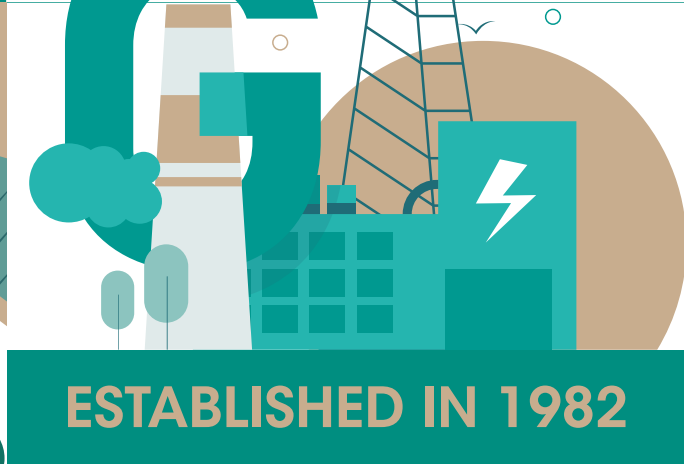


美華



MEIJER
INTERNATIONAL
GROUP



ESTABLISHED IN 1982

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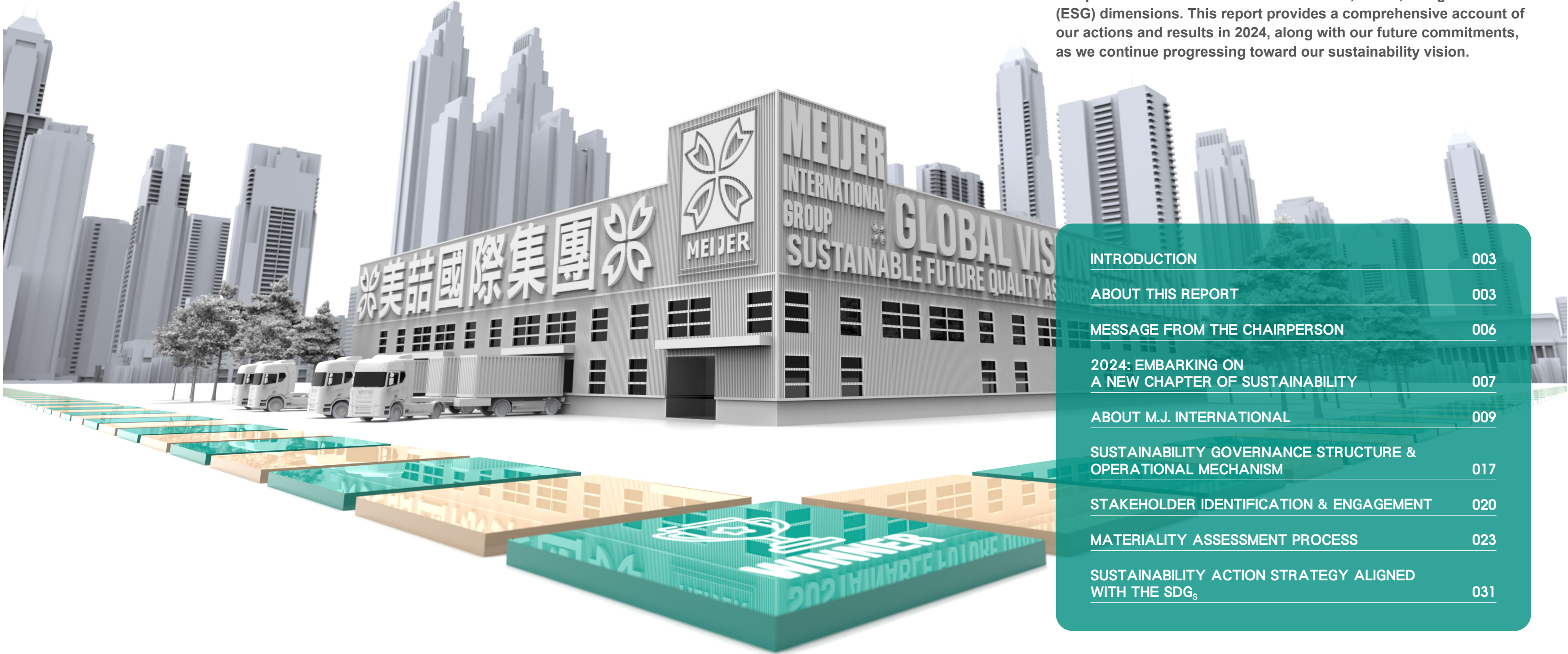
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STEADILY PROMOTE SUSTAINABLE CORPORATE GOVERNANCE

INTRODUCTION

Amid the global transition toward sustainability and rising expectations from stakeholders, MJ International remains committed to operating with integrity and practicing responsible governance. We continue to enhance transparency and strengthen our initiatives and performance across the environmental, social, and governance (ESG) dimensions. This report provides a comprehensive account of our actions and results in 2024, along with our future commitments, as we continue progressing toward our sustainability vision.

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Introduction About This Report

Basis of Preparation and Disclosure Standards

This report has been prepared by M.J. International Co., Ltd. (hereinafter referred to as “M.J. International” or “the Company”) in accordance with the Taipei Exchange’s Regulations Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies and the Corporate Social Responsibility Best Practice Principles for TPEX Listed Companies. The objective of this report is to disclose the Company’s management mechanisms, strategic planning, and performance outcomes in the areas of Environmental (E), Social (S), and Corporate Governance (G). The content of this report has been compiled in alignment with the eight reporting principles outlined in the 2021 GRI Universal Standards issued by the Global Reporting Initiative (GRI), and is structured to reflect both the Company’s operational context and sustainability strategies. The report also addresses the reasonable expectations and interests of stakeholders, demonstrating the Company’s sustainability commitments and actions. To enhance the quality and comparability of information disclosed, this report also references the Sustainability Accounting Standards Board (SASB) Standards and the Task Force on Climate-related Financial Disclosures (TCFD) framework. Structured data and key performance indicators (KPIs) are incorporated to provide readers with a clear understanding of the Company’s progress in sustainability management, as well as its response to material climate-related financial risks and opportunities.

Referenced International Standards and Guidelines

GRI Standards

Task Force on Climate-related Financial Disclosures (TCFD)

The SASB Standards, developed by the Sustainability Accounting Standards Board

Reporting Period	January 1, 2024 to December 31, 2024.	Current Version Release Date	August 2025
Reporting Scope	The scope of this report includes M.J. International’s major operational sites in Taiwan and China, namely the Tucheng Headquarter, Tainan Facility, and Dongguan Facilities. The coverage aligns with the entities included in the Company’s consolidated financial statements for the year 2024. Where sustainability performance involves other regions or business units, specific disclosures are provided within the report.	Next Version Expected Release Date	August 2026
Reporting Frequency	This report is published on an annual basis.	Format of Publication	In support of environmental protection and paperless initiatives, this report is published in electronic format and made available on the Company’s official website.

Introduction About This Report

Report Management Process

Internal Audit :

The content of this report has undergone a rigorous internal audit process. Initially, first-level department heads are responsible for the preliminary review and approval of the draft report to ensure the accuracy of the data and information provided. Subsequently, relevant task forces verify the correctness and completeness of the content under the supervision of their respective unit heads. The preliminarily reviewed data is then compiled and consolidated by the Sustainability Task Force. The final draft is reviewed and confirmed by the Chairperson of the Sustainability Task Force, and submitted to the Company’s highest-level sustainability governance body for final approval prior to publication. To ensure the credibility, timeliness, and transparency of the report, all preparation and verification procedures are integrated into the Company’s internal audit processes.

External Verification :

To enhance the accuracy and credibility of this Report, the Company did not commission an external institution to conduct verification. However, a comprehensive internal self-verification was carried out in accordance with the GRI Standards, confirming that the Report’s content complies with the relevant requirements. In 2023, the Company also initiated the ISO 14064-1 greenhouse gas inventory, which is being progressively refined to ensure the continued effective operation of relevant systems. All self-verification results have been thoroughly communicated with the corporate governance unit to ensure the completeness and consistency of the Report. For more details, please refer to the Appendices of this Report.

Data Verification :

Category	Content	Validation/Verification/Certification
Economic	Consolidated financial information, revenue performance	Audited by Deloitte Taiwan (Certified Public Accountants: Chiang-Hsun Chen and Chao-Mei Chen)
Social	Employee data, implementation of human rights policies	Internally self-assessed and externally certified in accordance with the SA8000 Standard

Contact Information

M.J. International welcomes ongoing communication with all stakeholders and values your feedback and suggestions. Should you have any questions or wish to engage further, please contact us through the following channels:

Responsible Unit	Responsible Unit	Email	IR@mjig.com
Address	No. 126, Danuan Rd., Tucheng Dist., New Taipei City, Taiwan	Official Website	http://www.mjig.com
Telephone	+886- 2-22684666		

M.J. International sincerely appreciates the continued support and engagement of all stakeholders in advancing its corporate sustainability efforts and shaping a better future together.

Message from the Chairperson

Every Floor Panel, a Promise to the World

The year 2024 marked a steady yet challenging journey for M.J. International. Standing at the forefront of the global building materials supply chain and at a critical turning point in the wave of sustainability, we reflected on how every floor panel we produce is not merely a product—but a meaningful response to the world from our Company.

Over the past year, the world has faced multifaceted challenges—from climate disruptions and geopolitical tensions to fluctuations in global supply chains. Amidst this volatility, our resilient team and agile strategies enabled us to continue serving customers around the globe with stability. From Asia to North America, from R&D to production, M.J. International has leveraged decades of industry experience and diversified site deployment to build a robust and flexible operational network. This ensures not only product quality and delivery efficiency, but also the safeguarding of customer trust and our core corporate values.

We recognize that M.J. International’s products are not simply integrated into spaces—they enter people’s homes and shape their everyday lives. This is why we continuously optimize green manufacturing processes, increase the proportion of eco-friendly materials, and obtain Green Building Material Labels. Our goal is to allow consumers to enjoy comfort and peace of mind while also contributing to environmental protection. Furthermore, we have demonstrated our commitment to international standards through the attainment of ISO 9001, ISO 14001, and SA8000 certifications, underscoring our dedication to quality, environmental sustainability, human rights, and social responsibility.

In 2024, we took a significant step forward by implementing the Sustainable Information Management Guidelines, systematically integrating international disclosure frameworks such as GRI, SASB, and TCFD into our internal management systems. This has enhanced transparency and improved risk awareness—shifting our approach from reactive response to proactive management. We also began planning for carbon inventory initiatives and resource efficiency programs, laying the foundation for net-zero alignment and a greener supply chain in the future. Yet the power of a business extends beyond production lines and reports. We firmly believe that the true foundation of a company lies in its care for people and the connections it builds. Therefore, we remain committed to employee development and workplace safety, investing in training and cultural growth. At the same time, we engage in community outreach and charitable initiatives, treating “local connection” as a key component of our sustainability strategy.

Looking ahead, we acknowledge that uncertainties remain. However, we are choosing to move forward with steady steps, pragmatic actions, and a spirit of shared growth with our partners—toward a more resilient and value-driven sustainable enterprise blueprint. To our customers, employees, suppliers, and shareholders: thank you for walking alongside M.J. International. Your trust and support have enabled us not only to thrive in the market, but also to leave a meaningful footprint in the world. Let us move forward together—to pave more beautiful beginnings in life, and to walk steadily toward a greener tomorrow.



M.J. International Co., Ltd.

Chairman

2024: Embarking on a New Chapter of Sustainability

Steadfast Progress, Advancing Every Step of Sustainability Practice

For M.J. International, sustainability is not a short-term initiative, but a long-term journey of cumulative effort and continuous evolution in management practices. In 2024, the Company initiated its sustainability information management process by establishing institutional frameworks, strengthening governance and risk control, and progressively building a sustainability-driven operational backbone through cross-departmental collaboration. Amid global supply chain transformation and environmental challenges, the Company adopted a steady and pragmatic strategy focused on five key areas of action, laying the foundational groundwork for sustainable transformation. Through strong teamwork and the collective engagement of all departments, M.J. International achieved the following key outcomes in 2024: The Company received the following honors and accomplishments in 2024:

Governance System



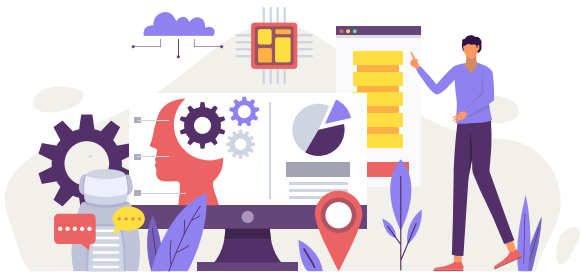
Established the Sustainability Information Management Guidelines.

Environmental Management



Obtained ISO 14001 Environmental Management System certification; completed the establishment of a carbon emission baseline; introduced solar photovoltaic system applications.

Product Innovation



Successfully developed a new product incorporating green design concepts and completed one technological development achievement.

Talent Development



Achieved SA8000 Social Accountability certification; employee promotion rate reached 6.06% for the year; total training hours amounted to 3,349.5 hours.

Social Engagement



Donated more than NT\$400,000; organized multiple charitable and community care events throughout the year.

Customer Relations



Average customer satisfaction score reached 75; issue response rate was 95%; annual revenue increased by 45.5%.

2024: Embarking on a New Chapter of Sustainability

Product Innovation & Quality | Enhancing Competitive Advantage

Continuous enhancement of product quality and innovative design is key to sustaining market share and expanding brand value. In 2024, M.J. International made significant progress in quality systems, green design, and technological development.

- Achieved ISO 9001 Quality Management System certification, with a shipment pass rate exceeding 99%.
- Completed the development of one green design product, advancing the application of biomass and low-carbon materials.
- Filed one patent application, and successfully concluded one new technology development project.

Local Engagement | Fulfilling Corporate Social Responsibility

M.J. International firmly believes that business success must go hand in hand with social progress. The Company continues to take concrete actions to support public welfare, culture, education, and local industries—deepening its positive impact on society.

- The Company continued to engage in public welfare activities, focusing on support for disadvantaged groups, educational equity, and environmental sustainability, thereby fulfilling its corporate social responsibility.
- Promoted cultural participation and traditional culture preservation by organizing a corporate-sponsored performance of Taiwanese opera at the National Theater, while also providing scholarships to Dongguan Shijie Middle School to support local education and cultural heritage.
- Building upon the establishment of the Sustainability Task Force in 2023, the Company formed a "Social Engagement Unit" within the organization to integrate corporate resources and systematically promote initiatives related to employee well-being and community inclusion.
- Actively participated in industry associations and professional organizations; collaborated with the Plastics Industry Development Center to promote technological advancement and sustainable growth.
- Established academia - industry partnerships, offering internship opportunities and joint research projects to support youth talent cultivation.
- In 2024, the Company’ s local procurement amounted to NT\$1,754.81 million. Over 50% of procurement at the Dongguan Facilities was sourced within the province, reflecting the Company’ s strong commitment to local sourcing.

Governance Enhancement | Building a Resilient Foundation

M.J. International recognizes that a sound governance framework is fundamental to sustainable development. In 2024, the Company strengthened its governance structure by establishing a foundation for sustainability information management, clearly defining responsibilities, and enhancing risk awareness and disclosure transparency—laying the groundwork for long-term governance resilience.

- Launched the Sustainability Information Management Guidelines, clearly defining disclosure processes and departmental responsibilities.
- Integrated the GRI, SASB, and TCFD frameworks into internal management processes to enhance risk identification and response capabilities.
- Completed the first stakeholder identification and material topic assessment, establishing mechanisms for ongoing stakeholder engagement and issue management.
- The Board of Directors convened five meetings throughout the year, with an attendance rate of 91.1%, demonstrating strong engagement and effective governance performance.



Green Transition | Steady Progress Toward a Low-Carbon Future

In response to climate change and global decarbonization trends, M.J. International has adopted a systematic strategy to establish a carbon emissions baseline, promote the use of renewable energy, and implement resource circularity initiatives—taking concrete actions to support the net-zero vision.

- Completed greenhouse gas inventory with a total emissions volume of 27,937.57 metric tons of CO₂e, establishing a carbon emissions baseline.
- Implemented solar power generation at the Tainan and Dongguan Facilities, achieving renewable energy usage ratios of 0.03% and 7.05%, respectively, thereby reducing reliance on the power grid.
- Obtained ISO 14001 Environmental Management System certification, and products successfully passed the Green Building Material Label certification review.

Inclusive Workplace | Advancing Talent Sustainability

M.J. International is committed to creating a workplace that is safe, inclusive, and conducive to employee growth. The Company actively promotes training programs and internal promotion mechanisms to support sustainable career development.

- The Dongguan Facilities obtained SA8000 Social Accountability Management certification, institutionalizing the protection of labor rights.
- Delivered over 3,300 hours of employee training; internal promotion rate reached 6.06%.
- Conducted a comprehensive review and enhancement of protective management systems in response to safety risks revealed by past occupational incidents, while continuing to strengthen on-site safety management, training, and accident prevention mechanisms to embed a culture of workplace safety.
- Enhanced employee benefits, including meal subsidies, travel allowances, holiday gifts, and annual health check-ups.

About M.J.

M.J. International Co., Ltd. is one of the largest professional manufacturers of stone plastic composite (SPC) flooring in Asia. Established in 1982 in Taiwan, the Company expanded its operations to China in 1993 by setting up a manufacturing base in Dongguan. With over 40 years of development, M.J. International now operates four advanced production plants in Dongguan, covering a total area of more than 110,000 square meters. In 2022, the Company further expanded by establishing a dedicated SPC manufacturing facility in Tainan, Taiwan, with a production area exceeding 40,000 square meters. In addition to its proprietary research and development capabilities, M.J. International leverages cutting-edge automated production equipment, over four decades of technical expertise in manufacturing, and rigorous quality control systems to create outstanding competitive advantages. Over the years, the Company has steadily expanded its operational sites and product lines, gradually building a multinational presence and a robust supply chain that has solidified its leadership in material and design integration. M.J. International continues to invest in automated production lines and smart manufacturing technologies, driving the development of high value-added products. At the same time, the Company actively commits to environmental protection, energy conservation, and social responsibility—demonstrating corporate resilience and a steadfast dedication to sustainable development.

Company Name	M.J. International Co., Ltd.
Date of Establishment	October 8, 2010
Date of Listing	November 1, 2016
Stock Code	8466
Headquarters Address	No. 126, Danuan Rd., Tucheng Dist., New Taipei City, Taiwan
Main Operating Locations	Headquarters: Tucheng Dist., New Taipei City, Taiwan Manufacturing Sites: Tainan Facility (Taiwan), Zhongtang and Shijie Facilities (Dongguan, Guangdong, China)
Markets Served	SPC flooring markets in Europe, North America, and Asia
Chairperson	Pen-Yuan Chen
General Manager	Chuan-Han Wang
Number of Employees	889 (as of December 31, 2024)
Total Capital	NT\$798 million
Main Products and Services	SPC flooring, LVT flooring, and services encompassing flooring design, manufacturing, and sales.



About M.J. International

Mission and Vision

M.J. International upholds the mission of “Leading New Value in Green Building Materials,” with a focus on material innovation and process improvement. The Company is committed to delivering product solutions that balance environmental friendliness, safety, practicality, and aesthetic design, helping customers enhance spatial functionality and application benefits while gradually strengthening their sustainability capabilities.

The Company’s vision is to become an enterprise with professional integration capabilities and industry influence in the field of building materials and plastic applications in Asia. Through consistent investment in R&D, quality management, and customized services, the Company aims to collaboratively respond with customers to market changes and decarbonization needs, gradually establishing a resilient and sustainable partnership system that actively addresses key issues across environmental, social, and economic dimensions.



Core Operations and Competitive Advantages

M.J. International centers its operations around “Material Technology,” “Process Integration,” and “Design Orientation.” By integrating comprehensive capabilities from upstream raw material development, midstream process integration, to downstream application support, the Company has established a differentiated competitive advantage in the field of green building materials and multifunctional stone plastic composite (SPC) flooring.



Diverse Product Applications & Market Flexibility

The Company’s products are widely applicable across a variety of design needs, including building exteriors, interior decoration, medical spaces, and commercial environments. With strong capabilities in customized design and production, the Company can tailor product specifications, patterns, and functional attributes to meet customer requirements. This flexibility enables the delivery of industry-adaptive solutions and facilitates effective expansion into diverse market sectors such as construction materials, healthcare, and commercial facilities.



Green Materials and Low-Carbon Manufacturing

In response to the global net-zero emission trend, the Company is progressively incorporating materials with recyclability or relatively low carbon emission characteristics. It has also initiated preliminary efforts in energy consumption audits and establishing baseline assessments for product carbon footprints. The Company is evaluating the feasibility of adopting green electricity and smart energy management systems as part of its medium- to long-term strategies to reduce environmental impacts from operations.



Advanced Composite Material Technologies

The Company possesses stable capabilities in the development of high-performance composite materials, with expertise in specialized formulations and surface treatment technologies. It offers application-grade panels with features such as scratch resistance, abrasion resistance, antimicrobial and antiviral properties, flame retardancy, moisture resistance, and sound insulation. Functional integration and material adjustments can be made according to the conditions of different application environments, thereby enhancing safety and durability. Material design also considers recyclability and service life, addressing the dual demands of material performance and environmental impact in buildings and public spaces.



Local Commitment and Global Expansion

The Company continues to anchor its operations in Taiwan while steadily cultivating the local market and gradually expanding international partnerships. Over the years, it has maintained stable business relationships with clients in Europe and the United States, and has recently begun expanding into Japan, the Middle East, and other Asian markets. Through consistent quality management and a flexible supply chain model, the Company strengthens its ability to respond to diverse market demands, enhancing operational efficiency and service coordination.



Automated Production and Quality Control Systems

Multiple automated production lines, combined with proprietary quality tracking systems, enhance production efficiency and consistency. The Company has established a reliable and high-quality manufacturing system through continuous process improvement and yield management, and is certified under ISO 9001 and ISO 14001 standards.



Customer-Centric Design and Integration Capabilities

The team possesses extensive experience and capability in collaborative product development with clients, actively participating in pattern design and material planning during the early stages of product design. Especially in cooperation with customers from European and American markets, the Company has established effective communication and development workflows. Beyond material application, the team also provides marketing tool design support to assist clients in enhancing the overall presentation and appeal of their products.

Footprint & Trajectory | From Materials to a Sustainable Future

M.J. International Co., Ltd. specializes in the research, development, and manufacturing of stone plastic composite (SPC) flooring. The Company has successfully transformed from a traditional manufacturer into a system supplier with integrated capabilities in material design, process optimization, and spatial applications. By focusing on the development of environmentally friendly, comfortable, and safe new materials, M.J. International actively promotes the use of recycled content and circular economy principles. Guided by its core values of “Design-Driven × Manufacturing Integration × Marketing Support”, the Company not only strengthens its brand value chain but also evolves from a contract manufacturer into a co-creation brand partner. Collaborating with global clients and local communities, M.J. International is committed to building a low-carbon, sustainable value chain—advancing toward the dual goals of internationalization and long-term sustainability.

1982



美喆國際
企業股份有限公司
在臺灣新北市樹林區
成立

In June, M.J. International Co., Ltd. was established in Shulin District, New Taipei City, Taiwan.



1993



東莞普隆
塑膠製品有限公司
於東莞市石碣鎮
成立 工廠

In June, Dongguan Prolong Plastic Products Co., Ltd. was established in Shijie Town, Dongguan City.



2001



東莞普隆廠
通過 ISO 9001 認證

Dongguan Prolong Plant was certified with ISO 9001.

2005



東莞普隆廠
擴廠完成

通過 ISO 14001 認證

The Prolong Dongguan Plant completed its expansion and obtained ISO 14001 certification.

2006



8月，
東莞美哲塑膠製品有限公司
美哲廠落成於中堂鎮

In August, the Meijer Dongguan Plant of Dongguan Meijer Plastic Products Co., Ltd. was established in Zhongtang Town.

2010



擴建東莞美哲廠
(美哲二廠) 落成，
為全自動生產線工廠

The expansion of the Dongguan Meijer Plant (Meijer Plant II) was completed, featuring a fully automated production line.

2012



通過 SA8000 認證
及 BRE 綠色環保認證

Certified with SA8000 and BRE Green Environmental Certification.

2013



通過 Floor Score
美國室內空氣
健康排放標準認證

Certified with FloorScore®, meeting the U.S. indoor air quality emission standards.

2015



擴建
東莞美哲三廠落成

The expansion of Dongguan Meijer Plant III has been completed.

2023



台灣 SPC 工廠已通過
FloorScore、GreenGuard
及 GreenGuard Gold 認證

The Taiwan SPC factory has obtained FloorScore, GreenGuard, and GreenGuard Gold certifications.

2022

台南新工廠的室內空間設計
榮獲芬蘭建築設計獎
室內設計類銀獎

The interior space design of the new Tainan factory won the Silver Award in the Interior Design category at the Finnish Arch Design Awards.

2021



台北 / 台南
研發中心成立

R&D centers established in Taipei and Tainan.

2020



為分散產能及分散市場，
本公司台南新廠投資案
位於台南科技工業區
正式動土興建。

To diversify production capacity and markets, the company's new Tainan factory investment project officially broke ground in the Tainan Technology Industrial Park.

2016



臺灣證券交易所
掛牌上市

Listed on the Taiwan Stock Exchange.



About M.J. International

Global Operational Footprint

Headquartered in Taiwan, M.J. International has progressively expanded its presence across Asia and global markets, establishing a multifunctional operational system that integrates research and development, manufacturing, sales, and customer service. To meet the diversified needs of its global customers and enhance responsiveness to market demands, the Company continues to strengthen localized management and improve the flexibility of its supply chain—further elevating operational efficiency and service capabilities. Currently, M.J. International’ s global operational footprint includes the following locations:



United States



Channel Expansion Site
Sales promotion and logistics center

Taiwan



Headquarters
Group decision-making center, core business, and administrative management



Channel Expansion Site
Sales promotion and logistics center



Production Bases
R&D units, production management, and logistics centers

China



Channel Expansion Site
Sales promotion and logistics center



Production Bases
R&D units, production management, and logistics centers

About M.J. International

Products, Services, and Application Fields

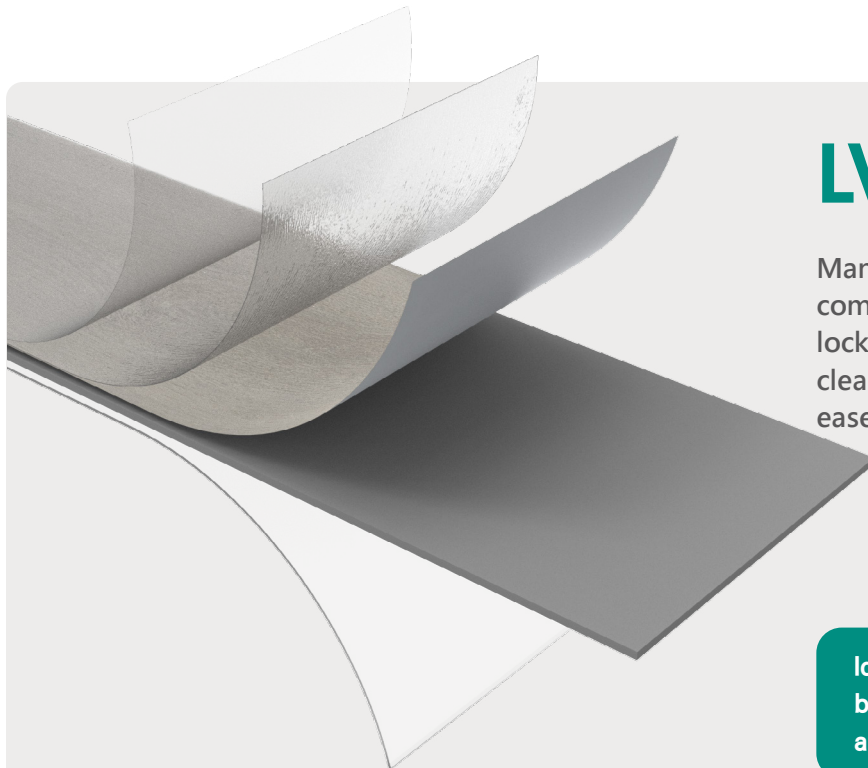
M.J. International specializes in the research, development, and manufacturing of Stone Plastic Composite (SPC) flooring, offering products that combine high functionality—including wear resistance, waterproofing, and sound reduction—with realistic stone and wood textures. These products integrate recycled and circular materials, delivering both aesthetic appeal and environmental benefits. The Company’s flooring solutions are widely applied in architectural design, interior decoration, healthcare facilities, and commercial spaces, meeting market expectations for functionality, design versatility, and sustainability. By leveraging automated manufacturing processes, M.J. International continues to enhance product performance and environmental friendliness. Tailored material solutions are provided based on specific usage scenarios, as outlined below:



SPC

Extrusion-molded with integrated acoustic underlayment to reduce noise, and equipped with patented locking systems. Provides superior durability and dimensional stability.

Targeted at the global residential market, emphasizing quiet, waterproof, and wear-resistant flooring.



LVT

Manufactured via hot-press lamination, compatible with adhesive or patented click-lock installation. Offers diverse patterns and clear textures, ensuring design flexibility and ease of installation.

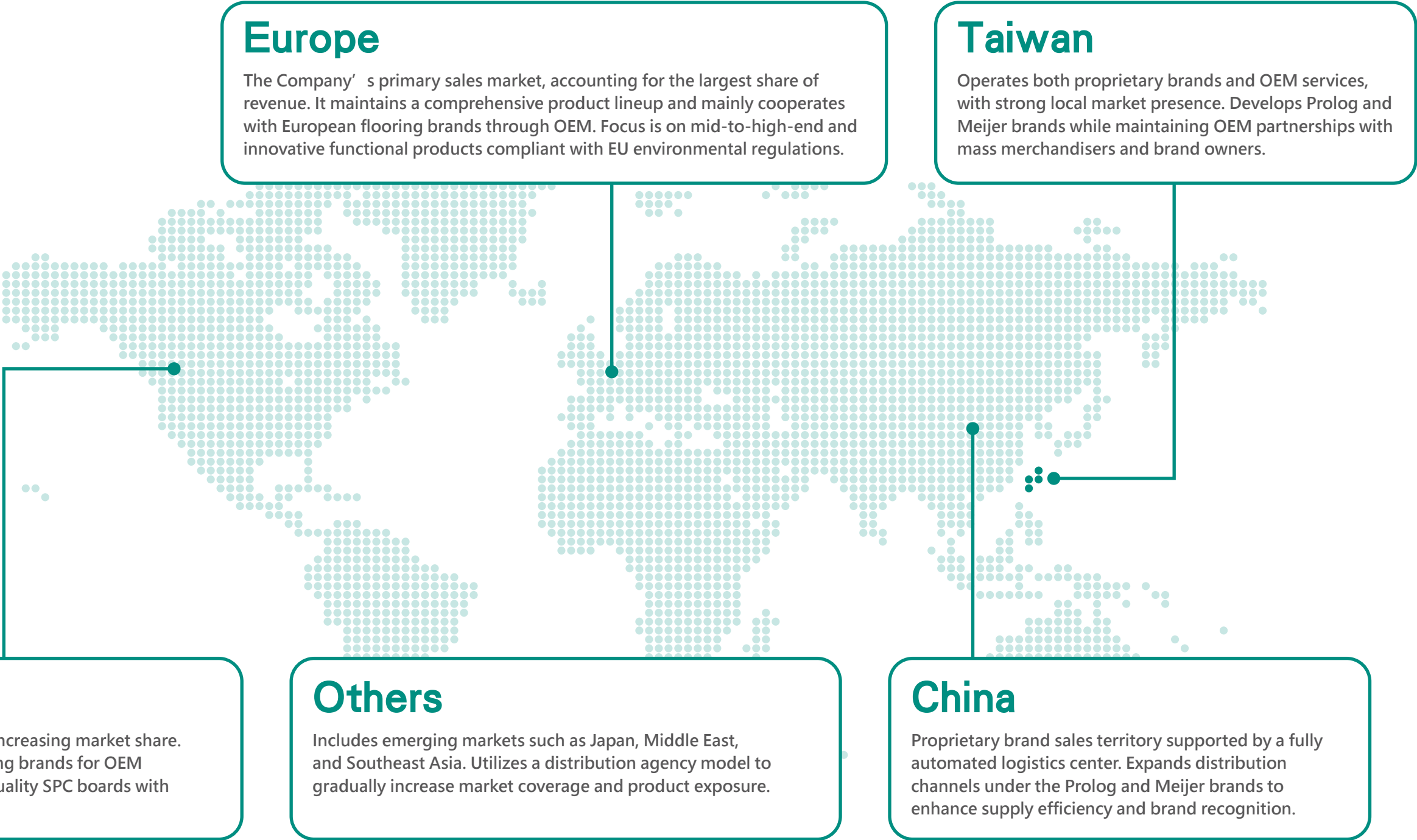
Ideal for commercial spaces and office buildings requiring high design standards and fast installation.

Through a technology-driven, application-oriented, and sustainability-centered approach, the Company advances material innovation and integrated service solutions. These efforts deliver products that balance performance and environmental value, while reinforcing sustainable value chains in both local and global markets.

About M.J. International

Major Sales Regions & Market Performance

M.J. International markets its products on a global scale, with sales footprints spanning Asia, Europe, the Americas, and other emerging markets. The Company has established a stable customer base and brand visibility in over 30 countries. Product strategies are adapted in accordance with the characteristics of each regional market to enhance market responsiveness and operational flexibility. Recent revenue data indicate that Europe remains the Company’s primary sales market, with notable growth observed in the Americas. Other key regions include emerging markets such as Japan, the Middle East, Africa, and Oceania.



About M.J. International

Major Sales Regions & Market Performance

In terms of sales performance, M.J. International continues to expand into the high-performance plastic building materials and modular system applications market. Its product offerings are widely used in architectural design, interior decoration, healthcare facilities, and commercial spaces, characterized by rapid installation, environmental sustainability, and consistent quality. These products have been adopted in several large-scale commercial and public infrastructure projects. As of 2024, the Company's revenue structure is primarily concentrated in the European and American markets, which together account for nearly 90% of total revenue. In Europe, the Company focuses on mid- to high-end and functional products, maintaining stable cooperation through long-standing OEM partnerships. The Americas have shown strong growth in recent years, with the customer base steadily expanding through similar OEM models. In the Asian region, the Company operates proprietary brands in both Taiwan and China, and has extended its presence to Southeast Asia and Japan through collaborations with local distributors and OEM clients. Although comprehensive market share statistics are not yet available, M.J. International has established a solid market presence in Europe and the Americas. Going forward, the Company will continue to focus on strategies centered around high-performance, low-carbon, and modular products to enhance brand visibility and increase its penetration in global markets.

2022

2023

2024

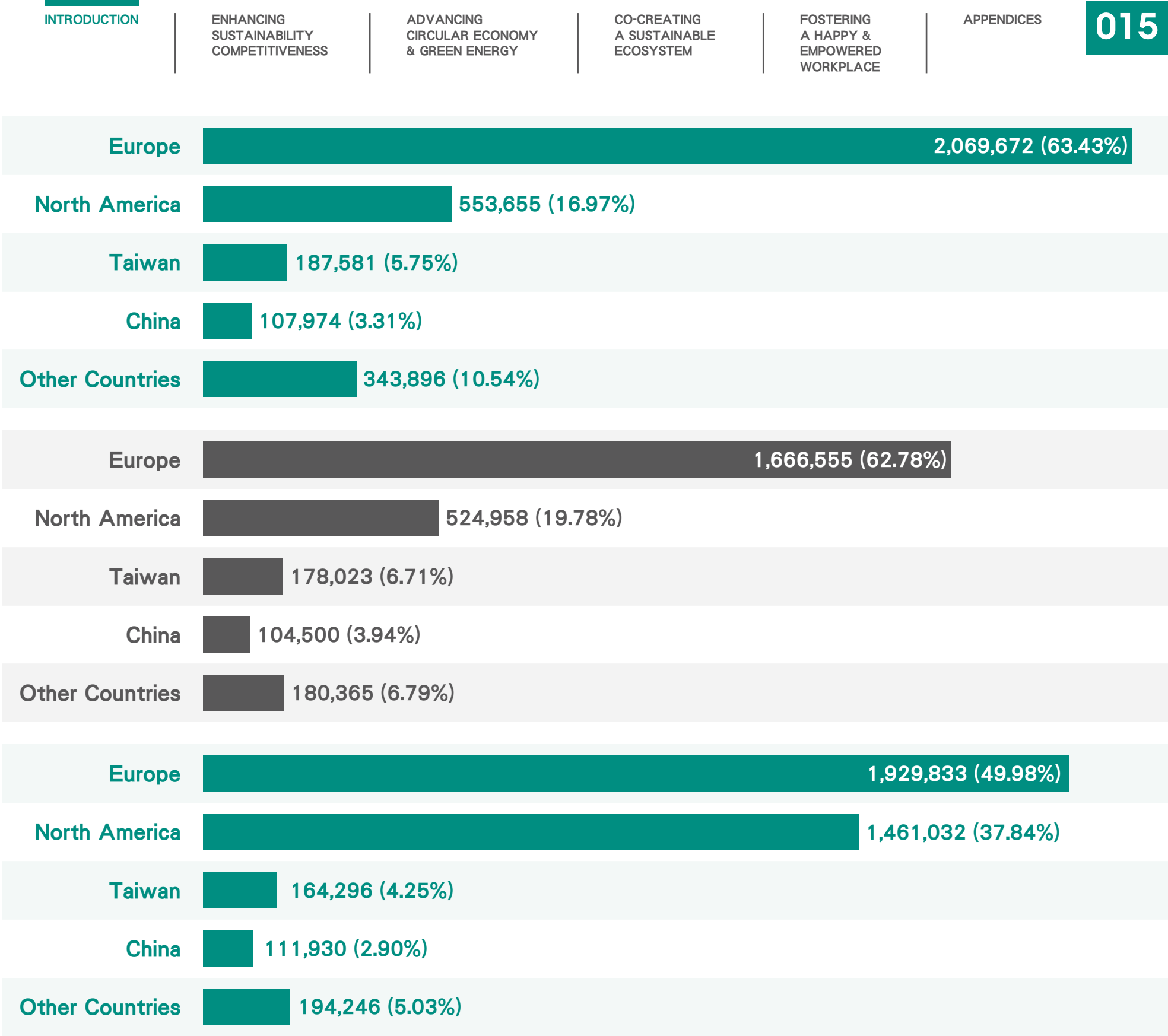


Table: Annual Sales Revenue by Region (Unit: NT\$ Thousand)

About M.J. International

Participation in External Associations and Industry Collaboration

M.J. International actively engages in various industry associations and professional organizations, with a focus on corporate sustainability, technological innovation, supply chain resilience, and talent development. Through these collaborations, the Company strengthens its connections with the public sector, academia, and industry peers, promoting industrial transformation and sustainable growth. Participation in these associations enables the Company to stay informed of industry trends and regulatory developments, while enhancing its influence within the value chain. Upholding a politically neutral stance, the Company does not participate in political activities or make political donations, ensuring that its operations remain focused on industry development and stakeholder interests.



Taiwan Plastic Industry Association

Class-A Member

Through participation in this association, the Company contributes to policy development within the plastics industry, shares technological innovations, and supports the advancement of industry standards.



New Taipei City Building Materials Association

Member

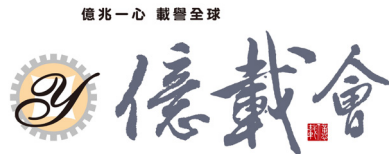
Participation in this association enables the Company to exert influence in the building materials sector, promote innovation and sustainable development, and strengthen collaboration with other members.



Taiwan Green Building Development Association

Member

As a member of this association, the Company actively promotes the application and adoption of green building materials, contributes to the development of environmental standards, and reinforces its leadership in the sustainable materials market.



Tainan Yizai Association

Member

Participation in the Tainan Yizai Association enhances the Company's corporate image and facilitates industry information exchange and collaboration among distinguished entrepreneurs in the Tainan region.



Plastics Industry Development Center (PIDC)

Collaborating Partner

Through collaboration with the Plastics Industry Development Center, the Company gains access to the latest technological insights, engages in R&D projects, and contributes to technological advancement and sustainability in the plastics industry.

Sustainability Governance Structure & Operational Mechanism

Sustainability Vision and Mission

M.J. International is dedicated to material innovation as a foundation for a green future, viewing sustainability as a core element of the Company’s long-term competitiveness. The Company strives to establish an operating model characterized by “low carbon footprint × high functional applications × social inclusiveness.” Through technological upgrades, product optimization, and value chain collaboration, M.J. International pursues a dual-track approach balancing environmental friendliness with economic benefits, advancing towards a resilient and forward-looking vision of smart manufacturing and circular economy integration.



Sustainability Resilience and Commitment

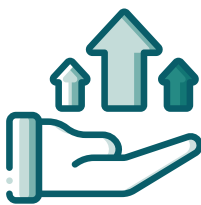
The Company regards sustainability as an embedded quality management and responsibility enhancement process integrated into daily operations. Without resorting to slogans or overpromising symbolic declarations, M.J. International firmly believes that only through actionable, sustainable, and positively impactful practices can long-term value be created for both the Company and society. The Company has progressively ingrained sustainability principles and actions based on the following three pillars:



Continuously strengthening internal control systems, improving the quality of information disclosure, and enhancing cross-departmental collaboration mechanisms to boost organizational responsiveness and decision-making transparency.



Although a comprehensive low-carbon process layout has yet to be fully completed, the Company has initiated carbon emission data inventory and energy use analysis, progressively establishing the foundation for environmental management.



Internally, ongoing enhancement of employee safety, health, and welfare systems; externally, actively engaging in community welfare initiatives and supporting local community development to deepen corporate social responsibility and promote inclusiveness and shared prosperity.

M.J. International advances its sustainability agenda based on the principles of “doing what is feasible, sustaining it long-term, and generating mutual benefits for both the Company and society.” This approach is essential to building a resilient and sustainable development model. Going forward, the Company will continue to adjust and reinforce institutional support and implementation details prudently, aligning the sustainability progression pace with its own capabilities and industry characteristics.

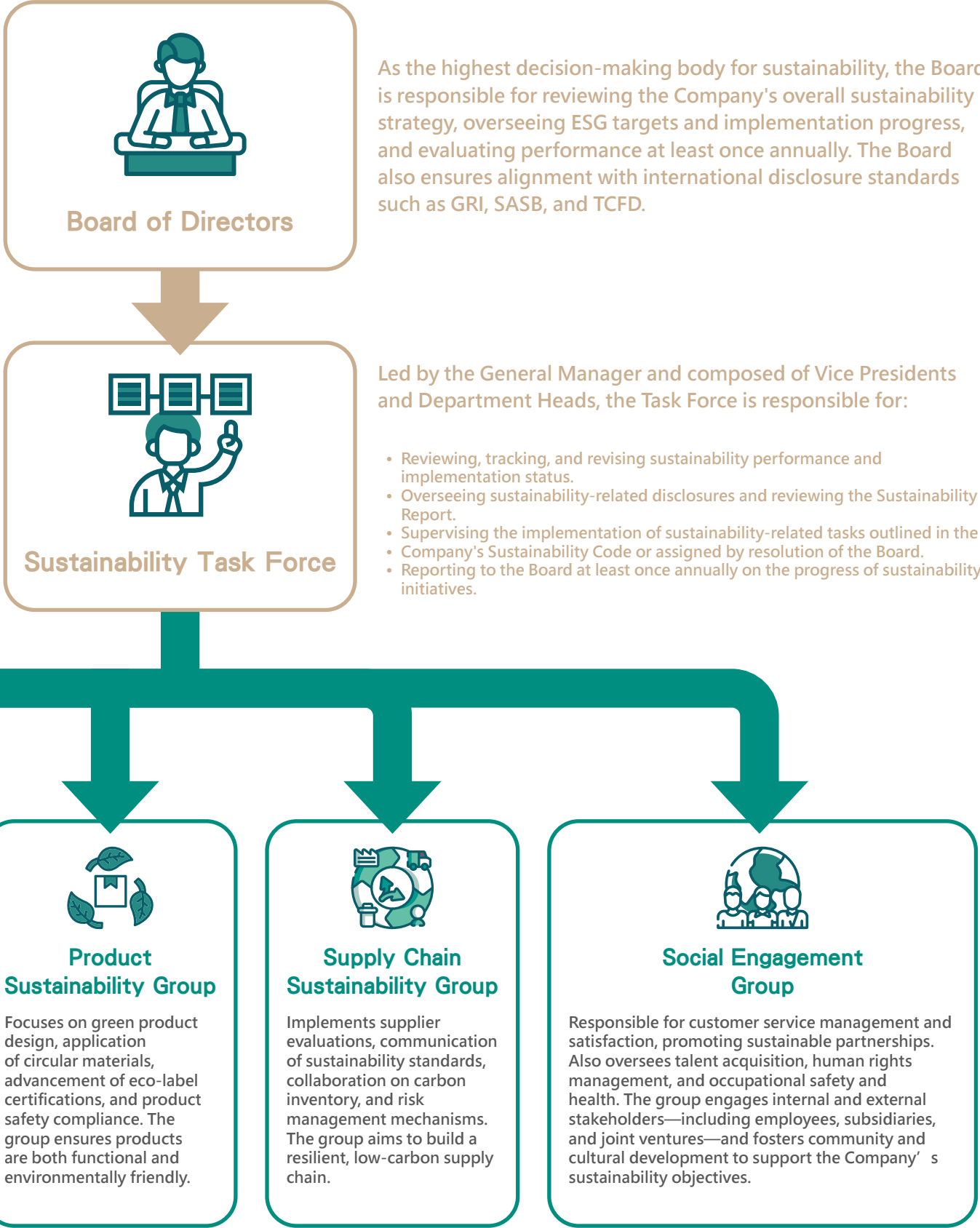
Sustainability Governance Structure & Operational Mechanism

Sustainability Task Force

In 2023, M.J. International officially established the Sustainability Task Force, which operates under the oversight of the Board of Directors. The Task Force is convened by the General Manager and integrates all departments and resources across the Company based on the three ESG pillars—Environmental, Social, and Governance. Dedicated sub-teams have been formed to implement sustainability initiatives in areas such as climate action, resource management, employee well-being, information security, corporate governance, and regulatory compliance.

Multi-Tier Sustainability Structure and Specialized Roles

To systematically advance corporate sustainability and enhance cross-functional integration, the Sustainability Task Force—led by the General Manager—coordinates the development of sustainability strategies, sets goals, oversees implementation, and regularly reports progress to the Board of Directors. In alignment with ESG domains, the Task Force comprises five specialized sub-groups, each responsible for executing sustainability initiatives corresponding to the Company’ s operational realities and material sustainability topics. The overall governance framework of M.J. International defines three levels of sustainability-related roles and responsibilities:



Based on the Company’ s operational characteristics and development needs, the five ESG working groups have conducted a preliminary identification of material sustainability topics. These cover core issues such as carbon and energy management, product life cycle, human rights and employee care, information disclosure, risk management, and supply chain collaboration. Each topic is led by the relevant responsible department. Through regular meetings and internal tracking mechanisms, the groups continuously refine the direction of initiatives and monitor performance outcomes.

M.J. International is currently in the formative stage of establishing its sustainability governance structure. Through horizontal cross-department collaboration and vertical alignment with strategic objectives, the Company is developing a sustainability mechanism that is actionable, traceable, and aligned with operational characteristics. Moving forward, the Company will continue to enhance internal capabilities, reinforce structural resilience, and deepen implementation to steadily advance toward its sustainability governance goals.

Sustainability Governance Structure & Operational Mechanism

Sustainability Strategy Framework: Centered on Actionable and Practical Focus Areas

M.J. International has progressively built an actionable and practice-oriented sustainability strategy framework tailored to its business characteristics and industry realities. Rather than making lofty declarations, the Company focuses on concrete actions that can be implemented internally. Through institutional adoption, resource integration, and stakeholder responsiveness, the Company is steadily advancing sustainable development. Starting in 2024, the governance level has taken the lead in coordinating sustainability efforts, linking internal management systems with external standard requirements. Five ESG working groups are responsible for building a long-term sustainable action blueprint.



A multi-tiered action plan has been established under four key strategic pillars:

Robust Governance | Institutional Deepening and Organizational Resilience

- Promoting Sustainable Supply Chain Governance: Gradually implementing ESG procurement policies and collaboration clauses to enhance suppliers' awareness of social and environmental responsibilities and promote sustainable procurement practices.
- Establishing Cross-Departmental Information Management Systems: Coordinated by the five ESG working groups, to collect, verify, and integrate ESG-related data, thereby enhancing the consistency and responsiveness of disclosures.
- Strengthening Risk Management and Information Security: The legal, IT, and finance departments work together to implement regulatory compliance, operational risk identification, and information security management, improving the Company's overall resilience.

Environmental Synergy | Energy Conservation and Process Optimization

Incorporating low-carbon strategies into product development and internal operations through a step-by-step approach rather than radical transformation. This "implicit decarbonization" model starts with operational details and embeds environmental consciousness into daily practices:

- Process Optimization and Energy Efficiency: Joint efforts by manufacturing, engineering, energy management, and R&D units to reduce energy intensity per unit of product.
- Strengthening Green Design and Hazardous Substance Control: Led by product development and general affairs departments to ensure product environmental compliance and regulatory alignment.

Social Inclusion | Internal Empowerment and External Engagement

- Enhancing Talent Development Systems: The HR department collaborates with business units to develop job rotation and training systems, enabling employees to adapt to organizational growth and technological transitions.
- Strengthening Occupational Safety and Health Management: The Environmental, Safety, and Health (ESH) team regularly conducts safety audits and training to strengthen safety awareness and operational standards in the workplace.
- Promoting Employee Well-being and Communication Platforms: Welfare committees and general affairs jointly drive initiatives such as wellness programs, benefits activities, and employee feedback mechanisms to foster a stable and supportive workplace culture.

Innovation and Growth | Application-Oriented Value Extension

- Focusing on Energy-Efficient and Modular Applications: Integrating product and material strengths in emerging application scenarios such as smart buildings, cleanrooms, digital offices, and healthcare facilities.
- Initial Exploration of ESG-Oriented Products: The Company is actively promoting the development of environmentally friendly and low-carbon materials, as well as recyclable components, as part of its ESG initiatives. Sustainable design concepts have been introduced into product solutions to support the transition toward greener and more responsible consumption.
- Enhancing Data-Driven Decision-Making and Cross-Departmental Collaboration: Gradually incorporating ESG metrics and building internal data integration platforms to support data-based decision-making and horizontal coordination.

M.J. International recognizes that sustainability is not achieved overnight. Only through clearly defined internal responsibilities and cross-functional collaboration can sustainability be embedded into daily management and operational practices. The Company will continue to promote evidence-based sustainability initiatives, ensuring that strategy and action align closely with business priorities. Through institutionalized management and transparent disclosure, the Company is steadily progressing toward a long-term development path that balances corporate growth with social responsibility.

Stakeholder Identification and Engagement

Different types of stakeholders exert varying degrees of influence and importance on corporate operations and sustainability performance. Failure to correctly identify stakeholders with substantive impact on decision-making may result in misaligned resource allocation, ineffective risk management, and missed opportunities to respond to external expectations. To address this, M.J. International has established a systematic stakeholder identification and engagement mechanism, which serves as a critical foundation for developing sustainability strategies and allocating action resources. The Company is committed to maintaining close connections with key stakeholders through transparent dialogue, two-way communication, and regular assessments, ensuring that stakeholder concerns are fully reflected in corporate decisions and sustainability strategies.

Stakeholder Identification and Engagement Approach

Stakeholders are defined as individuals or groups that influence or are affected by an organization’s operations or objectives. In response to global sustainability trends, the Company actively engages with identified key stakeholders to foster close and positive relationships, integrate diverse perspectives, and focus on material topics in order to meet expectations and fulfill responsibilities.

In accordance with the principles outlined in GRI 2-29 (Stakeholder Engagement), GRI 3 (Material Topics), and AA1000 Stakeholder Engagement Standard (AA1000 SES), and aligned with operational practices, the Company has developed its first formal stakeholder engagement and material topic identification process. This process is coordinated by the Sustainability Task Force and involves cross-departmental collaboration as well as review by external experts to enhance the completeness and representativeness of the identification framework. The stakeholder identification process incorporated multiple methods, including departmental interviews, internal sustainability committee input, engagement of departmental heads, external expert consultation, stakeholder surveys, and external feedback mechanisms. Based on this wide range of operational interaction data, the Company initially compiled a list of potential stakeholder groups including: shareholders/investors, customers, employees, suppliers, regulatory authorities, rating and evaluation agencies, financial institutions, non-governmental organizations, media, and academic institutions.

The Company then evaluated and prioritized stakeholder groups based on five key dimensions:



Dependency

The degree to which stakeholders rely on the Company’s products or services.



Influence

The extent to which stakeholders can influence corporate decision-making and operations.



Level of Concern

The degree of stakeholder interest and engagement with sustainability topics.



Responsibility

The legal or social obligations the Company has toward the stakeholder.



Diversity of Perspectives

The extent to which stakeholders provide diverse views and represent varied interests.

Through internal interviews, departmental surveys, and stakeholder identification questionnaires—supported by departmental mapping and cross-analysis—the Company identified six core stakeholder groups: customers, employees, shareholders/investors, suppliers, regulatory authorities, and rating and evaluation agencies. Moving forward, the stakeholder engagement process will be reviewed every two years. Additional relevance assessments will be conducted based on updated stakeholder survey results. The outcomes of these processes will be reported to the Board of Directors by the Sustainability Task Force.

Stakeholder Identification and Engagement

Stakeholder Communication Mechanisms and Strategies


In 2024, M.J. International established a systematic stakeholder communication and response mechanism. Each business unit has designated responsible personnel based on stakeholder categories and material topics, with corresponding lead departments and defined communication frequencies. The Company adopted a four-tiered management approach—Communication Objectives – Methods – Response Mechanisms – Performance Tracking—to ensure alignment between business operations and stakeholder expectations, and to continuously integrate stakeholder feedback into sustainability strategies.

The communication strategy is built on a dual-track approach of “Regular Engagement × Responsive Interaction”, combining institutionalized periodic management with agile response systems. This structure enables the Company to maintain consistent and adaptive dialogue, enhancing the speed and accuracy of stakeholder responses and strengthening resilience through proactive engagement with external stakeholders.




Communication Objectives and Four Guiding Principles

The Company’s stakeholder engagement mechanism is designed in line with the following four principles:




Timely Identification of Needs :

Leverage routine interactions, feedback from designated contact points, and thematic data gathering to identify stakeholder concerns early and enable departments to formulate targeted response measures.




Transparency and Trust-Building :

Regularly publish financial reports, sustainability reports, and disclosures on material topics to provide comprehensive and up-to-date information, enhancing stakeholder confidence and trust.



Inclusive Participation and Feedback Channels :

Employ various tools such as in-person meetings, surveys, customer feedback systems, and dedicated contact platforms to encourage participation in sustainability-related discussions and the formulation of strategic recommendations.



Value Co-Creation and Substantive Responses :

Focus on topic-based management to facilitate cross-department collaboration and stakeholder partnerships. This promotes the execution of targeted action plans and ensures management of issues with real-world impact.

Dual-Track Communication Strategy

The Company adopts differentiated communication methods and frequencies tailored to each stakeholder group:



Regular Engagement :

Conducted on a scheduled basis, including activities such as annual general meetings, supplier assessments, employee engagement surveys, and sustainability report briefings, with routine feedback and performance reviews.



Responsive Interaction :

Activated in response to dynamic scenarios such as regulatory changes, social incidents, urgent customer needs, or third-party audit findings. These are managed through dedicated project mechanisms and incorporated into risk assessments as appropriate.

Stakeholder
Communication
Frequency and
Performance Tracking



Employees

Significance
to the Company

Employees are vital assets and drivers of productivity, innovation, and organizational resilience.



Customers

Close engagement with customers enhances market insight, service quality, and brand value—essential for sustainable operations.



Suppliers

Suppliers are critical partners for operational stability and product quality, and key to strengthening supply chain sustainability.



Shareholders /
Investors

Shareholders and investors provide capital and governance support; transparent communication strengthens trust and capital market reputation.



Regulatory
Authorities

Regulatory authorities oversee the Company’s legal compliance and operational legitimacy, ensuring adherence to regulations and fulfillment of corporate social responsibility.



Rating &
Evaluation Agencies

These agencies provide external benchmarks for ESG performance and help the Company improve disclosure quality and governance.

Key Topics and
Communication
Themes

- | | | | | | |
|--|--|---|--|---|---|
| <ul style="list-style-type: none">Occupational safety and healthCompensation and benefitsTalent attraction and retentionHuman rights policyCareer development and training | <ul style="list-style-type: none">Customer service & satisfactionProduct quality & servicesGreen product innovationPrivacy protectionMarket reputation & trustProduct testing & certification reports | <ul style="list-style-type: none">Long-term partnershipsProduct technology & specificationsPricingQuality improvementGreen supply chain | <ul style="list-style-type: none">Corporate governance and transparencyShareholder rights and returnsFinancial and operational performance | <ul style="list-style-type: none">Legal and regulatory complianceEthical business practicesHuman rights and labor practices | <ul style="list-style-type: none">ESG assessment mechanismsConsistency in sustainability disclosures |
|--|--|---|--|---|---|

Communication
Methods and
Frequency

- | | | | | | |
|---|--|--|---|---|---|
| <ul style="list-style-type: none">Labor-management meetings / IrregularEmployee Welfare Committee / QuarterlyOccupational Safety and Health Committee / QuarterlySuggestion box / OngoingInternal HR system, email, bulletin boards / OngoingTraining sessions, seminars, and events / IrregularPerformance appraisals: Conducted monthly for direct personnel; regularly for indirect personnel; and annually for headquarters employees.Occupational safety meetings: At the Tainan Facility, factory safety meetings are held every Thursday. In addition to weekly meetings, the Occupational Safety and Health Committee convenes quarterly.Regular departmental and cross-functional meetings / MonthlyEmployee Care - Health Examinations: General health check-ups are provided every two years; for employees in special positions, annual examinations are conducted.Trade unions have been established at both production sites in Dongguan. | <ul style="list-style-type: none">Distributor conferencesProduct launch briefingsTrade showsProduct trainingSocial media: WeChatQuestionnaires / Annually | <ul style="list-style-type: none">Evaluation surveys / AnnuallyInterviews (virtual or in-person)Joint projects and technical exchanges | <ul style="list-style-type: none">Irregular corporate presentationsShareholders’ meeting / AnnuallyBoard of Directors meetingsFinancial reportsAnnual reportsPhone communicationEmail communicationMarket Observation Post System (MOPS) disclosures | <ul style="list-style-type: none">Formal correspondence / Submission within statutory deadlinesPlatform data submission / Periodic reportingPublic hearings, briefings, and policy seminars / IrregularProject audits and on-site inspections / As required by authorities | <ul style="list-style-type: none">Submission of documents and system uploads / According to evaluation scheduleOnline meetings or on-site visits / As arranged by agenciesWritten responses to improvement plans and follow-up reports / As requested by agencies |
|---|--|--|---|---|---|

2024
Communication
Outcomes

Completed internal employee satisfaction survey with 91% satisfaction rate
Held 12 health and safety training events
All feedback submitted via the employee suggestion box was received, categorized, and addressed. Improvement measures were proposed and implemented for key issues, such as facility maintenance, process optimization, and service quality enhancement. All improvements have been verified and integrated into ongoing monitoring mechanisms and the annual review process.

Achieved average customer satisfaction score of 4.6/5
Introduced 5 new customized project service solutions.

Evaluated 30 key suppliers.
Green procurement items reached 35% of total.

Held 2 investor conferences and the annual shareholder meeting.
Received positive feedback on the sustainability report.

Completed 18 regulatory filings and audits as required.
No violations reported.

Participated in 3 major ESG evaluations.
ESG score improved by 2 points over previous year.
Disclosure consistency positively recognized.

In 2024, M.J. International officially launched its first stakeholder identification process, marking the starting point of the Company’s institutionalized sustainability governance. The Company recognizes that there remains room for improvement in stakeholder engagement mechanisms and management processes. Moving forward, efforts will be made to continuously refine identification methodologies, broaden the range of stakeholder groups engaged, and enhance the transparency and effectiveness of issue response mechanisms. M.J. International is committed to integrating stakeholder perspectives into the material topic identification process. Through systematic surveys and structured dialogue mechanisms, the Company aims to improve the relevance and precision of information disclosure, and to steadily advance the implementation of sustainability governance and responsible stakeholder engagement.

Materiality Assessment Process

In 2024, M.J. International established its first materiality assessment mechanism for sustainable development, marking a critical milestone in the institutionalization of its sustainability management practices. Aligned with the GRI Standards 2021 and the GRI 3: Material Topics standard, and with reference to the AA1000 Stakeholder Engagement Standard (AA1000 SES) and relevant domestic and international regulatory guidelines, the Company implemented a systematic assessment process. This approach comprehensively identifies the actual or potential impacts of the Company’ s business activities across environmental, social, and governance (ESG) dimensions and incorporates stakeholder concerns as the basis for disclosure and resource allocation. In designing the materiality logic, the Company adopted the concept of “dynamic materiality” advocated by the World Economic Forum (WEF) and drew upon the European Union’ s sustainability disclosure guidelines. The assessment is structured around two core dimensions:

- (1) the organization’ s actual or potential impacts on the economy, environment, and society; and
- (2) the influence of external issues on the Company’ s operations and financial performance.

The framework is further supplemented by the SASB Standards and tailored to the characteristics of the Company’ s industry, ensuring a forward-looking and adaptive approach to materiality analysis.

Definition and Principles of Materiality

Materiality refers to the process by which an organization identifies those sustainability topics that are most relevant to its operations and have a substantive impact on stakeholders. The objective is to focus resources on actions that generate meaningful outcomes, while enhancing the precision and transparency of sustainability disclosures. In accordance with the GRI 3 guidelines, material topics are defined as follows:

“Topics that reflect the organization’ s most significant actual or potential positive or negative impacts on the environment and society, which are also of high concern to stakeholders.”

Definition of Impact and Scope of Assessment

This materiality analysis adopts an impact-based approach. “Impact” refers to the effects—whether positive or negative—that M.J. International may cause or contribute to through its operations or value chain, affecting the economy, environment, or society. The Company assessed potential impacts through the following four dimensions:

- Actual or potential
- Short-term or long-term
- Reversible or irreversible
- Positive or negative



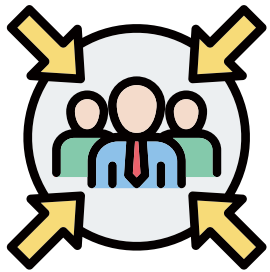
Economic Impact

Refers to the organization’ s influence on regional, national, or global economic systems. Examples include competitive behavior, procurement practices, tax contributions, and payments to governments.



Environmental Impact

Refers to the organization’ s effects on living organisms and the natural environment, particularly air, land, water, and ecosystems. Examples include impacts resulting from energy use, land occupation, water consumption, and depletion of natural resources.



Social Impact

Refers to the organization’ s effects on individuals and communities, including vulnerable groups and broader society. This also encompasses human rights impacts. Such effects typically occur through employment practices, supply chain operations, and the use of products and services.

Materiality Assessment Process

Materiality Assessment Process and Engagement Mechanism

In 2024, M.J. International initiated its first materiality assessment process as a critical starting point for institutionalizing sustainability governance. In accordance with the GRI Standards 2021, the SASB Standards, and the AA1000 Stakeholder Engagement Standard (AA1000 SES), and by integrating the Company’ s operational characteristics and industry trends, a systematic and practice-oriented identification mechanism was established. The overall process is divided into “Phase 1: Impact Assessment” and “Phase 2: Purpose-Driven Evaluation,” and adopts a five-step methodology: defining topic boundaries, comprehensive information collection, topic evaluation and classification, prioritization, and formulation of action plans. This process covers the full scope from issue identification, stakeholder engagement, risk and opportunity assessment, to strategic integration.

The mechanism emphasizes data availability, organizational relevance, and stakeholder concern to ensure that the selection of material topics accurately reflects the Company’ s operational and sustainability management needs, and serves as a key basis for future strategic planning and disclosure. Moving forward, the process will be continuously optimized based on actual operations and will be updated every two years in principle.

Based on the above process, a total of 24 potential topics were identified in 2024, from which 9 core material topics were ultimately selected, encompassing the three key dimensions of governance, environment, and society. In addition to quantitative analysis, the results were reviewed through practical discussions with internal and external committee members, focusing on the Company’ s core business, competitiveness, and resource allocation to ensure strong alignment with operational priorities. Moving forward, the Company will continue to refine the identification process, broaden stakeholder participation, and enhance the relevance of information disclosure and the effectiveness of management responses.

Phase 1: Impact Assessment

Defining Topic Boundaries

Through long-term engagement with stakeholders, the Company continuously gathers input from suppliers, employees, customers, investors, and government entities to dynamically monitor emerging trends in Environmental, Social, and Governance (ESG) issues.

- References include the GRI Standards, SASB, ISO 26000, and the SDGs to identify topics across environmental, social, and economic dimensions.
- Focus is also placed on domestic and international sustainability regulations and peer benchmarking to ensure alignment with market trends.
- Stakeholder opinions are collected from employees, suppliers, investors, communities, and government authorities.

Comprehensive Information Collection

In daily operations, the Sustainability Task Force centrally coordinates regular reporting of internal and external sustainability issues by each department, conducting preliminary analysis and risk assessments to ensure that material topics are identified across the entire corporate value chain.

Information sources include:

- Integration of internal data (e.g., carbon emissions, audit reports) and external survey results to build a comprehensive data foundation.
- Focus group discussions and stakeholder surveys are conducted to gather diverse perspectives and ensure completeness of topic coverage.

Topic Screening and Preliminary Classification

Based on the GRI Standards and SASB industry standards, and considering the Company’s business characteristics, core competencies, and market trends, potential topics across the three major dimensions—environment, society, and corporate governance—were identified. A preliminary list of 24 sustainability topics was compiled.

Multidimensional Impact Assessment

The selected topics were comprehensively assessed based on three core dimensions:

- Operational Impact: The direct impact of each topic on operational efficiency, brand reputation, and financial performance.
- Sustainability Impact: The potential impact of the Company’ s activities on the environment, ecosystems, and social groups.
- Stakeholder Concern: Topics were weighted and prioritized based on the degree of stakeholder concern and the level of influence on the Company’ s development.

Dual Assessment of Risks and Opportunities

Each sustainability topic underwent a thorough assessment of potential risks and opportunities, identifying both positive and negative impacts, in order to clarify the potential value of each topic to the Company’ s long-term competitiveness.

Phase 2: Purpose-Driven Evaluation

Topic Prioritization

In addition to survey data analysis, M.J. International convened internal and external experts to conduct comprehensive discussions from the perspectives of core business operations, industry trends, and resource allocation. A total of nine core material topics were ultimately identified to serve as the basis for sustainability management and disclosure, ensuring alignment with the Company’ s actual operations.

Formulation of Action Plans

InBased on the significance of each topic, short-, medium-, and long-term development goals were defined, with project teams established to oversee initiative implementation and resource allocation.

Materiality Assessment Process

Double Materiality Assessment

In 2024, M.J. International introduced the concept of double materiality assessment for the first time, incorporating a dual-axis evaluation logic that considers both operational impact and sustainability-related impact as the basis for topic prioritization and decision-making. The assessment framework references the materiality definition guidelines from the EU Non-Financial Reporting Directive (NFRD), further enhancing the depth and responsiveness of topic identification. This assessment focuses on three core analytical dimensions:



The material impact of the topic on operational stability and financial performance



The positive or negative impact of the topic on the environment and society



The level of concern and expectations from external stakeholders

Through quantitative scoring and cross-functional discussion, M.J. International further linked each topic with sustainability goal-setting, management strategies, and resource allocation, thereby establishing a logical and coherent foundation for sustainability actions.

Operational Impact Assessment

The Company adopted a systematic process to ensure that the identification and evaluation of material sustainability topics in relation to operational impact are both evidence-based and grounded in reality. This process was jointly conducted by the Sustainability Task Force and relevant departmental heads. A multi-level quantitative assessment mechanism was used to determine the degree of influence and prioritization of each topic, providing data support for sustainability strategy development.

Assessment Framework and Analytical Dimensions

Four key dimensions were used to evaluate the impact of each sustainability topic on the Company’s operations :

1. Employee cohesion(impact on talent retention & corporate culture)
2. Customer satisfaction
3. Revenue growth (potential impact on financial performance)
4. Operational risk (impact on compliance and long-term operational stability)

Quantitative Evaluation and Prioritization

To ensure objectivity and measurability, a five-level assessment system was designed, categorizing the degree of impact of each topic on a scale from 1 to 5. Through data-driven analysis, the importance of each topic was quantified by:

- Calculating the average impact score to determine the weight of each topic
- Systematic prioritization to clarify topic importance and strategic direction

Industry Benchmarking and Regulatory Alignment

To improve the accuracy of the assessment, the following industry trends and international standards were referenced:

1. SASB (Sustainability Accounting Standards Board) industry guidelines
2. Common disclosure topics in 2023 sustainability reports as compiled by Taiwan's Financial Supervisory Commission
3. Sustainability topic trends among companies in the Asia-Pacific region
4. Feedback from internal and external stakeholders to ensure the prioritization aligns with both market expectations and actual business operations

Materiality Assessment Process

Sustainability Impact Identification

In line with the GRI 3 guidance on impact identification, M.J. International established an evaluation framework combining quantitative and qualitative analysis to systematically identify the actual and potential impacts of sustainability topics on both internal and external stakeholders. This enhances the management value and decision-making relevance of the assessment outcomes.



Dual-Dimensional Impact Assessment Framework

The Company adopts a two-dimensional approach, focusing on “frequency of occurrence” and “severity of impact”, to classify and analyze each topic as follows:



Actual Impact

Topics that have already affected operational performance, regulatory compliance, reputation, or the value chain are assessed using quantitative data to support scoring and institutional adjustments.



Potential Impact

Topics that have not yet materialized but pose medium- to long-term risks are evaluated through scenario projections and external trend analyses.



Positive Impact

Topics that can generate long-term value for the Company and its stakeholders are regarded as opportunities for development and innovation.



Negative Impact

Topics that entail potential risks and responsibilities are incorporated into risk control and early warning mechanisms.

Systematic Identification and Response Mechanism

To ensure consistency and operational effectiveness, the Company has adopted the following integrated methodologies:



Quantitative Scoring Mechanism

Unified assessment indicators are established to enhance consistency and comparability across topic evaluations.



Internal and External Participation Mechanism




Expert insights from internal departments and perspectives from stakeholders are integrated to reinforce topic relevance and external alignment.



Balanced Focus on Risks and Opportunities

While addressing potential negative impacts with response plans, the Company also seeks to identify and invest in opportunities where sustainability topics may translate into competitive advantages.

In 2024, the Company introduced its first sustainability impact identification mechanism. Moving forward, it will continue to strengthen data analytics capabilities, refine the identification model, and adjust dynamically in response to industry trends and operational needs, with the aim of enhancing overall sustainability management effectiveness and disclosure accuracy.

		Corporate Sustainability Governance	Talent Training and Development	Customer Relationship Management	Risk Management	Products and Services	Operational and Financial Performance	Workplace Safety and Health	Sustainable Supply Chain Management	Technological Innovation and R&D
 <div>Economic</div>	Actual Positive Impact	3	3	1	6	4	5	4	4	1
	Actual Negative Impact	5	5	2	5	3	6	8	7	1
	Potential Positive Impact	10	9	7	8	1	4	5	6	2
	Potential Negative Impact	6	8	1	5	3	3	7	3	4
 <div>Environmental</div>	Actual Positive Impact	7	8	3	9	2	1	4	6	5
	Actual Negative Impact	7	2	2	6	4	4	5	1	2
	Potential Positive Impact	4	5	4	3	1	6	8	8	2
	Potential Negative Impact	1	4	5	2	3	9	7	10	6
 <div>Social</div>	Actual Positive Impact	1	5	2	6	7	3	7	9	4
	Actual Negative Impact	3	4	3	5	7	2	1	8	6
	Potential Positive Impact	1	6	2	3	3	2	4	5	7
	Potential Negative Impact	10	6	8	4	5	1	3	2	7

Stakeholder Concern Survey

The identification and prioritization of material topics also incorporated the degree of importance placed by stakeholders on each issue. Through the 2024 M.J. International Stakeholder Material Topic Concern Survey, the Company gained in-depth insights into the level of stakeholder attention regarding key sustainability issues. In 2024, the Company conducted its first stakeholder questionnaire survey, collecting 193 valid responses. The results served as a quantitative reference for assessing external stakeholder concerns and provided a critical basis for prioritizing the nine core material topics.



Employees



Customers



Suppliers



Shareholders/Investors

Top 5 Topics by Stakeholder Concern

01

Workplace Safety and Health

02

Operational and Financial Performance

03

Talent Training and Development

04

Customer Relationship Management

05

Products and Services

01

Customer Relationship Management

02

Operational and Financial Performance

03

Workplace Safety and Health

04

Talent Training and Development

05

Products and Services

01

Operational and Financial Performance

02

Customer Relationship Management

03

Risk Management

04

Technological Innovation and R&D

05

Products and Services

01

Operational and Financial Performance

02

Risk Management

03

Customer Relationship Management

04

Technological Innovation and R&D

05

Products and Services

Identification and Confirmation of Material Topic Prioritization

In alignment with the GRI Standards 2021 and based on the double materiality principle, the Company conducted a cross-analysis of material topics from two dimensions: impact on sustainable development and impact on business operations. This served as the basis for determining priority disclosure topics and guiding resource allocation. Through statistical analysis, stakeholder survey results, and discussions with internal and external committee members, the Company ultimately identified nine core material topics, covering the three pillars of environment, social, and governance (ESG).

Note:
◎ indicates a significant impact
(high level of influence or stakeholder concern)
○ indicates an indirect or moderate impact
Blank indicates no apparent direct impact
(or not disclosed)



Employees



Customers



Shareholders
/Investors



Suppliers



Regulatory
Authorities



Rating and
Evaluation Agencies

		衝擊程度					
E / S / G	Technological Innovation and R&D	◎	◎	◎	○	○	○
G	Corporate Sustainability Governance	○	◎	○	◎	◎	◎
G	Risk Management						
G	Operational and Financial Performance	○	○	◎	○	◎	
G / E	Products and Services						
G / E	Sustainable Supply Chain Management		○	○	◎	◎	◎
S	Talent Training and Development	◎	○	○	○	○	○
S	Customer Relationship Management	○	◎	◎	◎	○	○
S	Workplace Safety and Health	◎					◎

Material Topic Selection and Supplementary Disclosure Mechanism

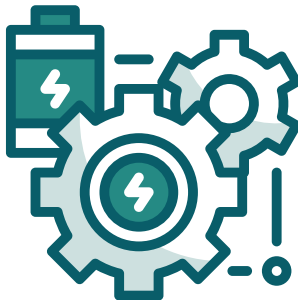
Although certain environmental issues were not included in this round of core material topics, considering their level of stakeholder concern and potential risk impact, the Company proactively supplements disclosure of the following five environmental topics, incorporating them within the report scope to enhance compliance and risk management:



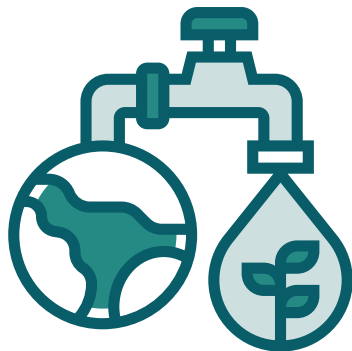
Climate Change
Response



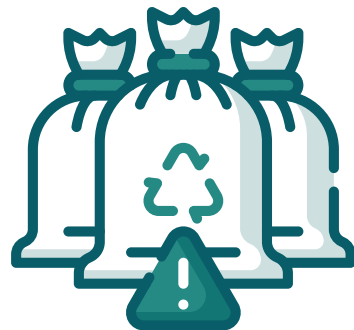
Greenhouse Gas
Emissions



Energy
Management



Water Resource
Management



Waste
Management

The materiality ranking results were consolidated by the Sustainability Task Force and submitted to the Board of Directors for review, serving as a crucial basis for strategy formulation and resource allocation. The ranking mechanism considers operational relevance and stakeholder concern, while also aligning with regulatory requirements and value chain impact intensity. An external consultant was engaged to implement a standardized assessment model, ensuring consistency of evaluation logic and management value of outcomes.

This materiality analysis marks the Company’ s first adoption of a systematic methodology and serves as a foundation for continuous improvement. Moving forward, the Company will strengthen the data foundation, enhance topic evaluation consistency and adaptability through internal review and external consultancy, and dynamically adjust topic management priorities in line with market trends to steadily deepen sustainable business practices.

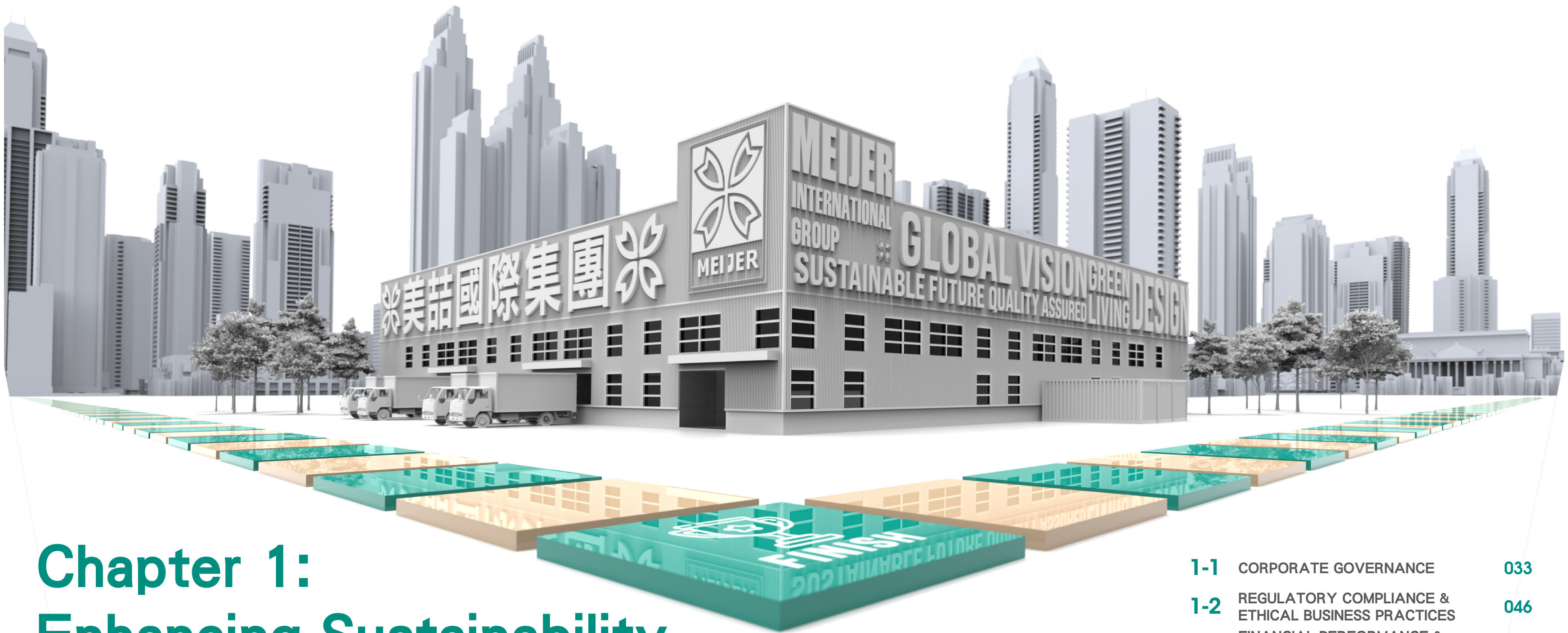
Sustainability Action Strategy Aligned with the SDGs

M.J. International actively aligns with the United Nations Sustainable Development Goals (SDGs) and pragmatically integrates sustainability concepts into its strategies, systems, and daily operations. Through professional benchmarking and internal reviews, the Company focuses on nine core material topics that correspond closely to the highly relevant SDGs. Each linkage is concretely connected to the Company’ s sustainability actions, covering areas such as innovation and research & development, supply chain management, corporate governance, climate risk, and talent cultivation. Every corresponding goal has been internalized into specific management actions and implementation directions, incorporated within the Company’ s internal sustainability promotion framework for continuous monitoring and review.

- Technological Innovation and R&D
- Corporate Sustainability Governance
- Sustainable Supply Chain Management
- Risk Management
- Products and Services
- Talent Training and Development
- Workplace Safety and Health
- Customer Relationship Management
- Operational and Financial Performance

Focus on Nine Core Goals with Pragmatic Sustainability Actions

Corresponding SDGs	Relevant Targets	Actions and Objectives
<div>SDG 9 Industry, innovation and infrastructure</div> <div>SDG 12 Responsible consumption and production</div>	<div>9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes</div> <div>12.2 By 2030, achieve the sustainable management and efficient use of natural resources</div>	Continuously invest in R&D to improve product energy efficiency and reduce carbon footprint. Integrate green design concepts throughout product lifecycle to enhance recyclability and durability.
<div>SDG 16 Peace, justice and strong institutions</div>	<div>16.5 Substantially reduce corruption and bribery in all their forms</div> <div>16.6 Develop effective, accountable and transparent institutions at all levels</div>	Enhance corporate governance transparency, establish effective, accountable, and inclusive decision-making and anti-corruption measures. Continuously optimize board structure and operations to improve information transparency and promote compliance and ethical culture.
<div>SDG 8 Decent work and economic growth</div> <div>SDG 9 Industry, innovation and infrastructure</div> <div>SDG 12 Responsible consumption and production</div> <div>SDG 17 Partnerships for the goals</div>	<div>8.8 Protect labour rights and promote safe and secure working environments for all workers</div> <div>9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes</div> <div>12.6 Encourage companies to adopt sustainable practices and to integrate sustainability information into their reporting cycle</div> <div>12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities</div> <div>17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries</div>	Strengthen product lifecycle management to ensure environmental design compliance and minimize environmental impact. Conduct regular customer satisfaction surveys and follow up on feedback to provide products and services with greater sustainability value. Conduct sustainability audits in the supply chain, requiring partners to implement environmental protection and labor policies to jointly build a sustainable supply chain.
<div>SDG 13 Climate action</div>	<div>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</div> <div>13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</div>	Implement risk management systems to address climate change risks, enhance corporate resilience, and reduce environmental impact. Set carbon reduction targets and develop reduction pathways and plans.
<div>SDG 8 Decent work and economic growth</div> <div>SDG 12 Responsible consumption and production</div>	<div>8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation</div> <div>12.2 By 2030, achieve the sustainable management and efficient use of natural resources</div> <div>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</div>	Promote eco-friendly products through branding and marketing to enhance brand value and market competitiveness. Develop and market products aligned with circular economy concepts. Implement product lifecycle management to improve resource efficiency and environmental performance.
<div>SDG 4 Quality education</div>	<div>4.4 Increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship</div>	Strengthen internal training systems and career development paths. Promote cross-department rotations and skills upgrading.
<div>SDG 3 Good health and well-being</div> <div>SDG 8 Decent work and economic growth</div>	<div>3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all</div> <div>8.8 Protect labour rights and promote safe and secure working environments for all workers</div>	Provide employee health checks and workplace safety training to raise overall safety awareness. Build a diverse and inclusive workplace culture to promote gender equality and equitable development.
<div>SDG 12 Responsible consumption and production</div>	<div>12.6 Encourage companies to adopt sustainable practices and to integrate sustainability information into their reporting cycle</div> <div>12.8 Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature</div>	Collect customer feedback regularly on product quality, delivery, after-sales service, and response speed through surveys. Continuously review and optimize operational processes based on feedback.
<div>SDG 8 Decent work and economic growth</div>	<div>8.1 Sustain per capita economic growth in accordance with national circumstances</div>	Strengthen financial planning and capital utilization. Combine R&D innovation with operational efficiency to enhance long-term revenue growth and stable profitability.



Chapter 1: Enhancing Sustainability Competitiveness

1-1	CORPORATE GOVERNANCE	033
1-2	REGULATORY COMPLIANCE & ETHICAL BUSINESS PRACTICES	046
1-3	FINANCIAL PERFORMANCE & BUSINESS RESULTS	055
1-4	RISK MANAGEMENT & OPERATIONAL RESILIENCE	060
1-5	INFORMATION SECURITY & PRIVACY PROTECTION	064

1-1 Corporate Governance

Material Topic: Corporate Sustainability Governance

Short-term goals (to be achieved by the end of 2026) :

- Publish a sustainability report that meets the FSC requirements by 2025.
- Establish an internal control system for sustainability information and complete training, covering 100% of responsible department heads and staff.
- Board members to complete over 54 hours of sustainability governance training.
- Complete the first round of internal audit and improvement of the sustainability information management system.

Mid-to-long-term goals (to be achieved by the end of 2030) :

- Obtain moderate assurance for the sustainability report from a third party based on the AA1000 standard.
- Disclose sustainability information in the annual report in accordance with IFRS S1/S2, and establish corresponding databases and verification mechanisms.
- Introduce corporate governance performance indicators and improve the Company's CG evaluation ranking by one tier.
- Optimize the Board structure: female directors to account for 30%, and directors with sustainability-related expertise to reach 25%.

**Complaint Mechanism &
Communication Channels** IR@mjig.com
02-22684666

Policies

M.J. International has established the "Sustainability Information Management Guidelines" as the core policy for corporate governance and sustainability information disclosure. In accordance with the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" and the "Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE/TPEx Listed Companies" issued by the Financial Supervisory Commission, the Company has built an internal control process and governance framework for sustainability information, clearly defining the procedures for data collection, processing, approval, and disclosure.

Commitments

The Company is committed to complying with the "Corporate Governance Best Practice Principles" and international standards such as GRI, SASB, and TCFD in its sustainability governance practices. The Company continues to enhance information transparency, optimize internal control systems for sustainability information, and strengthen decision-making transparency and stakeholder engagement under the supervision of the Board of Directors.

Responsibility

The highest governance body for sustainability information management is the Board of Directors. An Audit Committee and a Sustainability Task Force have been established, with designated personnel responsible for the collection, processing, compilation, and disclosure of sustainability information, ensuring compliance with relevant corporate governance laws and regulations.

Resources

Human Resources

11 dedicated personnel

Financial Resources

Budget allocated for director and executive training, including courses related to IFRS S1/S2

External Resources

Regular engagement of certified public accountants for financial audits and internal control reviews; ongoing communication with legal advisors, corporate governance consultants, and independent directors

Evaluation Mechanism for the Effectiveness of Management Approach

- Conduct at least one internal audit of the sustainability information management process annually, with 100% of identified issues rectified.
- Report on sustainability governance issues to the Board at least twice a year.
- Zero violations in external regulatory disclosures.
- 100% training completion rate among personnel involved in sustainability information management.
- At least two internal sustainability training sessions for employees per year.
- Minimum of six hours of sustainability training per director annually.

Evaluation Results of the Management Approach

- In 2024, the Company established the initial sustainability information management process and plans to conduct the first internal audit in 2025.
- The Board received four briefings on greenhouse gas inventory progress and plans and approved the 2023 Sustainability Report.
- In 2024, one director was involved in a short-swing trading transaction and exercised the right of disgorgement.
- The Company has developed a sustainability information training program for employees, which will be implemented in 2025.
- A total of nine directors participated in 78 hours of training, averaging 8.6 hours per person.

1-1 Sustainability Governance Structure

Corporate Governance Framework & Functions of the Board of Directors

M.J. International adheres to the core values of integrity and sound governance, and is committed to establishing a robust and legally compliant corporate governance framework to ensure the effective functioning of the Board of Directors in alignment with both domestic and international governance practices. The Board of Directors is the Company’s highest decision-making and supervisory body, responsible for formulating business strategies, reviewing major decisions, overseeing risk management and internal control systems, protecting shareholders’ rights, and promoting the Company’s long-term development. In accordance with the Company Act, the Securities and Exchange Act, and the Corporate Governance Best Practice Principles, the Company has established the Board of Directors and functional committees, including the Audit Committee and the Remuneration Committee, to enhance decision-making quality and supervisory effectiveness. Members of the Board possess diverse professional backgrounds, and the selection process emphasizes independence, professionalism, and diversity. Regular performance evaluations are conducted to strengthen the Board’s overall governance capability.

The Role of the Board of Directors in Sustainability Development

In response to global sustainability trends and stakeholder expectations, the Board of Directors, as the highest governance body, is responsible for reviewing the Company’s sustainability policies, overseeing the quality of disclosures related to material non-financial issues, and guiding the implementation of ESG (Environmental, Social, and Governance) strategies. The Board ensures that both operations and disclosures comply with applicable regulations and international standards.

Although the Company has not yet established a dedicated Sustainability Committee under the Board, a "Sustainability Task Force" has been formed, led by the Head of Corporate Governance. This task force integrates departments such as Human Resources, Finance, Information Technology, and Environmental Health and Safety to undertake tasks including the preparation of the Sustainability Report, material topic identification, ESG data consolidation, and stakeholder engagement. The task force reports regularly to the Board of Directors or its authorized units on progress and risk-related issues to support informed decision-making. Through close collaboration between the Board and the Sustainability Task Force, M.J. International continues to enhance the quality of sustainability disclosures, improve the execution of sustainability policies, and strengthen organizational resilience. This approach enables the Company to build on its governance foundation and progressively increase its positive impact across environmental, social, and governance dimensions, ultimately achieving the goals of stable operations and long-term value creation.



1-1.2 Board Operations and Diversity Policy

Board Composition and Independence

M.J. International’s Board of Directors is established in accordance with the Company Act and the Company’s Articles of Incorporation. The Board comprises nine members, including three independent directors, with independents accounting for 33.33% of the Board. To enhance governance effectiveness, the Company adopts a candidate nomination system and imposes a limit on the number of directors concurrently serving as managerial officers, thereby ensuring objectivity and transparency in decision-making. The three independent directors fully comply with legal and regulatory requirements. None of them have spousal or second-degree familial relationships with the Company or any affiliated enterprises, nor do they maintain business or financial ties with the Company, thereby ensuring their ability to perform supervisory duties independently. Furthermore, the number of concurrent positions held by independent directors in other companies remains within the legal limit.

Core Functions of the Board & Operation of Functional Committees

To uphold corporate governance and enhance decision-making effectiveness, the Board of Directors of M.J. International performs three core governance functions in accordance with the Company’ s Articles of Incorporation and applicable regulations:



Strategic Decision-Making

Reviewing the Company’s mid-to long-term strategies, major investments, and capital allocation directions.



Financial Oversight

Reviewing financial reports and budget plans to ensure financial soundness and efficient resource utilization.



Internal Control & Risk Management

Periodically reviewing internal control systems and risk mechanisms to strengthen operational resilience.



1-1.2 Board Operations and Diversity Policy

Establishment and Responsibilities of Functional Committees

The Board has established two functional committees, each composed of independent directors to reinforce professional oversight and disclosure transparency:

Functional Committee Operations in 2024

The Compensation Committee

Established in 2014

Held 4 meetings;
average attendance rate: 100%

Members

All independent directors

Composed of three independent directors, the committee is responsible for reviewing the compensation of directors and managerial officers and providing professional recommendations to the Board of Directors. The committee adheres to the principles of fairness and reasonableness, considering factors such as responsibility, risk, contribution, and company performance to ensure alignment of compensation policies with corporate development strategies.

Regularly review and propose amendments to the committee's organizational charter.

Establish and periodically review performance evaluation criteria, short- and long-term performance goals, and compensation-related policies, systems, standards, and structures for directors and managerial officers.

Regularly assess the performance of directors and managerial officers and determine their individual compensation packages and amounts based on evaluation results.

The committee holds at least two meetings per year.

Relevant Regulations & Oversight Mechanisms

Compensation Committee Charter

The Audit Committee

Established in 2014

Held 4 meetings;
average attendance rate: 100%

Members

All independent directors

Responsible for matters that were previously under the authority of supervisors as stipulated by the Securities and Exchange Act, the Company Act, and other applicable laws, as well as those specified in Article 14-5, Paragraph 1 of the Securities and Exchange Act.

Supervise financial statements and internal control systems to ensure accuracy & transparency of financial information.

Review the risk management mechanism to ensure the Company's risk control capabilities meet international standards.

Communicate regularly with the internal audit unit and external auditors to maintain financial and operational transparency.

Hold meetings at least once every quarter & convene additional meetings as needed.

Relevant Regulations & Oversight Mechanisms

Audit Committee Charter

Both committees report regularly to the Board of Directors on the execution of financial and non-financial matters, including sustainability performance indicators, greenhouse gas inventory results, and progress on key issue management. In the event of a significant risk or incident affecting stakeholders, the responsible departments are required to immediately notify the Board to ensure timely decision-making and appropriate response.

Board Diversity Policy and Implementation Status

To enhance governance effectiveness and strategic perspective diversity, the Company has implemented a board diversity policy, taking into consideration factors such as professional background, gender, age, international experience, and industry knowledge during director nomination and composition. As of 2024, the Board includes two female directors, representing 22.2% of its members. Board members range in age from 41 to 80 years, with over half aged 51 and above, achieving a balance between experience and vitality. For more information on the composition and operation of the Board of Directors, please refer to the 2024 Annual Report and the Company's official website.

Category	Percentage
Male	77.8%
Female	22.2%
30-50	44.4%
61-70	33.3%
71 & above	22.2%

1-1.2 Board Operations and Diversity Policy

Professional Expertise

All members of the Board possess the professional competencies required for corporate sustainability governance. In 2024, the core areas of expertise include business management, finance and accounting, industry knowledge, international markets, and operational decision-making, reflecting the diversity of expertise necessary to support Board decision-making. For complete biographies and a detailed matrix of competencies, please refer to the Annual Report and the Company's official website.



Core Dimensions of Diversity	Basic Composition										Industry Experience							
	Name	Natl.	Gen	Emp. Status	Age				Years of Independent Director Tenure			Bus. Mgm	Fin. & Acct.	Cris. Mgmt	Ind. Knowl	Intl. Mkt. Insight	Lead. & Decis	Oper. Judg.
					41 ~ 50	51 ~ 60	61 ~ 70	71 ~ 80	<3 years	3-6 years	>6 years							
Chairperson: Black Dragon Assets Limited Representative : Ben-Yuan Chen	Republic of China	M					●				●		●	●	●	●	●	
Director: Yuanta Commercial Bank in custody for LUCKWAY INVESTMENT LIMITED Investment Account Representative : Qing-Chao Li	Republic of China	M					●				●		●		●	●	●	
Director : An-Xiu Lin	Republic of China	M				●					●		●	●	●	●	●	
ACCORD SKY INVESTMENTS CO., LTD. Representative : Yi-Siou Chen	Republic of China	F	●	●							●		●	●	●	●	●	
Success Reveal Holdings Limited Representative : Chien-Ming Chen	Republic of China	M		●							●		●	●	●		●	
Infinite Tales Enterprise Limited Representative : Man-Ling Chen	Republic of China	F		●							●		●		●	●	●	
Independent Director : Hank Gau	Republic of China	M		●							●	●		●	●	●	●	
Independent Director : Wen-Ren Chung	Republic of China	M				●				●	●		●	●	●		●	
Independent Director : Ying-Chan Cheng	中華民國	男				●					●		●		●	●	●	

1-1.2 Board Operations and Diversity Policy

Board Operations and Meetings

The current (seventh) Board of Directors was elected by the shareholders on June 25, 2024, for a three-year term. The Board comprises nine members, including three Independent Directors, one Natural-person Director, one Corporate Director, and four Corporate Representative Directors. Board meetings are convened at least once per quarter each year and are conducted in accordance with the “Board Meeting Management Procedures” and the “Board Meeting Rules,” to ensure procedural legitimacy and transparency in governance, including the convening of meetings, resolution of proposals, and post-meeting documentation. In 2024, the Board convened five meetings, with an average attendance rate of 91.1%, reflecting directors’ active participation in corporate governance and major decision-making.

The matters reviewed by the Board during the year covered a broad scope, including:



Corporate business strategies & annual plans



Review of major investment projects & capital expenditures



Human resources systems & adjustments to compensation policies



Financial reporting & information disclosure



ESG implementation progress & risk-related updates

All resolutions passed by the Board have been formally recorded, and any significant dissenting opinions have been documented accordingly.

Board Meeting Communication Summary

Statement of Dissent:
During the 7th Board’s 2nd Meeting (2024/08/22), Yuanta Commercial Bank, acting as custodian for the investment account of LUCKWAY INVESTMENT LIMITED (represented by Qing-Chao Li), expressed dissenting views regarding the Company’s proposal for a cash capital increase and issuance of new shares for the year 2024. The dissenting opinion was officially recorded.

2024/03/07

6th Board, 12th Meeting

Approval of the 2023 financial statements; investment in the North American subsidiary; amendments to internal control systems and corporate governance-related policies.

2024/05/09

6th Board, 13th Meeting

Approval of the Q1 2024 financial statements; equity transfer of the Canadian sub-subsidiary; amendments to internal control systems and regulations governing the Board of Directors and functional committees.

2024/06/25

7th Board, 1st Meeting

Election of Chairperson; appointment of members to the Compensation Committee.

2024/08/22

7th Board, 2nd Meeting

Approval of the H1 2024 financial statements; cash capital increase proposal; amendments to internal control system and information security policy.

2024/11/07

7th Board, 3rd Meeting

Approval of the Q3 2024 financial statements and internal audit plan; 2023 Sustainability Report; stock option plan; amendments to sustainability-related information disclosure policies.

Note: For full details of the proposals, please refer to the “Corporate Governance Operations” section of the Annual Report.

1-1.2 Board Operations and Diversity Policy

Board Transparency & Communication Mechanisms

M.J. International places great importance on the transparency of board operations and communication with stakeholders. All board agendas and resolutions are handled in accordance with the “Rules of Procedure for Board of Directors Meetings,” ensuring that complete information is provided prior to meetings, discussions are conducted thoroughly during meetings, and meeting minutes are prepared and retained in accordance with regulations.

The Company discloses board attendance, key decisions, sustainability progress, and governance outcomes through multiple channels, including the Market Observation Post System (MOPS), the corporate website, and the annual report, thereby enhancing information transparency. In addition, the Company has established an Investor Relations contact window and feedback mechanism to facilitate communication between shareholders and external stakeholders.



Board Member Nomination

M.J. International adopts a candidate nomination system and handles director nominations and elections in accordance with the Company Act, the “Rules for Election of Directors,” and the Company’s Articles of Incorporation. The following principles are emphasized:



Professionalism

Candidates must possess expertise in areas such as finance, management, law, sustainability, or information technology.



Independence & Integrity

Candidates must be free from conflicts of interest, demonstrate strong ethical records, and meet regulatory requirements.



Diversity

Considerations include gender, age, industry background, and international perspective.

All nominated director candidates are elected by shareholders through lawful voting procedures at the Shareholders' Meeting. Directors serve a three-year term and may be re-elected. The Company regularly reviews its nomination policy and board composition as part of its ongoing efforts to strengthen corporate governance and address sustainability challenges. As of now, female directors account for 22.2% of the board. Gender diversity has been incorporated into the nomination criteria, and the Company aims to further increase the number of female directors in the next election in 2027 to enhance diversity in decision-making.

1-1.2 Board Operations and Diversity Policy

Director Qualifications & Professional Competence

All current board members meet the qualification requirements set forth in the Company Act and relevant regulations. None of the directors are subject to any disqualifications under Article 30 of the Company Act. All independent directors meet the legal independence criteria, have no financial, business, or familial ties with the Company or its affiliates, and do not exceed the permitted number of concurrent directorships.

Name	Qualifications and Experience	Independence <small>Number of Other Publicly Listed Companies Served as Independent Director</small>
Ben-Yuan Chen	Business Manager/Production Supervisor, Chun Hung Plastic Industrial Co., Ltd. Factory Manager, Handsome Plastics Co., Ltd. Chairman and General Manager, M.J. International Co. Director, Opulent International Group Limited Director, Prolong International Co., Limited General Manager, Prolong International Co., Ltd. General Manager, Opulent International Group Ltd. General Manager, Dongguan Prolong Plastic Products Co., Ltd. General Manager, Dongguan Mei Jer Plastic Products Co., Ltd.	None of the circumstances specified in Article 30 of the Company Act apply 0
Chien-Ming Chen	China University of Technology Graduate Vice President, Investment Department, Guancheng Co., Ltd.	None of the circumstances specified in Article 30 of the Company Act apply 0
Qing-Chao Li	M.B.A., Massachusetts Institute of Technology, USA Senior Vice President, CT Bright Group Company Limited Chairman, China Steel Express Corporation	None of the circumstances specified in Article 30 of the Company Act apply 0

Name	Qualifications and Experience	Independence <small>Number of Other Publicly Listed Companies Served as Independent Director</small>
An-Xiu Lin	Chairman, Sin-Cheng Lin Co. Supervisor, G. T. FLOOR CO., LTD. Director, M.J. International Director, Prolong International Co., Ltd. Chairman, China Steel Express Corporation	None of the circumstances specified in Article 30 of the Company Act apply 0
Yi-Siou Chen	Bachelor of Business Administration in Marketing, British Columbia Institute of Technology Special Assistant, M.J. International Co., Ltd. Director, M.J. International Co., Ltd. Director, Dongguan Prolong Plastic Products Co., Ltd. Director, Dongguan Mei Jer Plastic Products Co., Ltd. Director, M.J. Group U.S. Inc. Director, M.J. Technologies (Thailand) Co., Ltd.	None of the circumstances specified in Article 30 of the Company Act apply 0
Man-Ling Chen	Master of Business Administration, Tatung University Bachelor of Business Administration, Department of Business Administration, Fu Jen Catholic University Marketing Planner, Hunya Foods Co., Ltd. Marketing Planner, Taiwan Mobile Co.	None of the circumstances specified in Article 30 of the Company Act apply 0

Note: Please refer to the Company’ s Annual Report for complete information.

1-1.2 Board Operations and Diversity Policy

Director Qualifications & Professional Competence

All current board members meet the qualification requirements set forth in the Company Act and relevant regulations. None of the directors are subject to any disqualifications under Article 30 of the Company Act. All independent directors meet the legal independence criteria, have no financial, business, or familial ties with the Company or its affiliates, and do not exceed the permitted number of concurrent directorships.

Name	Qualifications and Experience	Independence	Number of Other Publicly Listed Companies Served as Independent Director
Hank Gau	Ph.D., Institute of Science and Technology Management, National Chiao Tung University Associate Professor and Chair, Department of Accounting, Soochow University Member, Digital Audit Development Committee, Audit Division Independent Director, Wayi International Digital Entertainment Co., Ltd. Independent Director, Lucky Royal Co., Ltd. Chairman, China Steel Express Corporation	Serve as independent directors and meet the criteria for independence, including but not limited to: neither the individual, their spouse, nor any relative within the second degree of kinship serving as a director, supervisor, or employee of the Company or its affiliates; neither the individual, their spouse, nor any relative within the second degree of kinship (nor through a nominee) holding shares of the Company; not serving as a director, supervisor, or employee of a company having a specific relationship with the Company; and not having received remuneration in the past two years for providing commercial, legal, financial, accounting, or other services to the Company or its affiliates.	2
Wen-Ren Chung	Ph.D. in Mechanical Engineering, Cornell University, U.S.A. Deputy Director, Intelligent Manufacturing R&D Center, Chung Yuan Christian University Deputy Director, Office of Industry-Academia Collaboration, Chung Yuan Christian University Director, Project Promotion Office, Office of Research and Development, Chung Yuan Christian University Director, Computer Center, Chung Yuan Christian University Independent Director, Johnson Health Tech Co., Ltd.	Serve as independent directors and meet the criteria for independence, including but not limited to: neither the individual, their spouse, nor any relative within the second degree of kinship serving as a director, supervisor, or employee of the Company or its affiliates; neither the individual, their spouse, nor any relative within the second degree of kinship (nor through a nominee) holding shares of the Company; not serving as a director, supervisor, or employee of a company having a specific relationship with the Company; and not having received remuneration in the past two years for providing commercial, legal, financial, accounting, or other services to the Company or its affiliates.	1
Ying-Chan Cheng	Ph.D., Department of Psychology, National Chengchi University Adjunct Associate Professor, Department of Counseling Clinical and Business Psychology, Ming Chuan University Adjunct Associate Professor, Department of Psychology, Fu Jen Catholic University	Serve as independent directors and meet the criteria for independence, including but not limited to: neither the individual, their spouse, nor any relative within the second degree of kinship serving as a director, supervisor, or employee of the Company or its affiliates; neither the individual, their spouse, nor any relative within the second degree of kinship (nor through a nominee) holding shares of the Company; not serving as a director, supervisor, or employee of a company having a specific relationship with the Company; and not having received remuneration in the past two years for providing commercial, legal, financial, accounting, or other services to the Company or its affiliates.	0

Note:
Please refer to the Company’s Annual Report for complete information.

All board members of M.J. International possess professional backgrounds in corporate governance, operations, finance and accounting, law, marketing, and information systems. None of the directors are subject to any disqualifications as stipulated by applicable laws and regulations. All independent directors meet the independence criteria set by the Regulatory Authorities and maintain no financial or familial relationships with the Company or its affiliates. For detailed information on individual directors’ academic and professional experience, as well as concurrent positions, please refer to the Company’s 2024 Annual Report or the Board of Directors section on the Company’s website.

1-1.2 Board Operations and Diversity Policy

Board Remuneration Policy

The remuneration of the Company’s board members is determined in accordance with the Company’s Articles of Incorporation and the “Compensation Committee Charter.” The Company adheres to the principles of fairness, reasonableness, and market competitiveness, taking into account each director’s responsibilities, level of involvement, risk exposure, and the Company’s overall performance. The remuneration proposal is reviewed by the Compensation Committee and submitted to the Board of Directors for resolution. Board compensation consists of fixed remuneration and attendance fees. Independent directors are additionally entitled to a fixed monthly remuneration in recognition of their professional contributions and supervisory duties. All remuneration details are disclosed in the Annual Report and Shareholders’ Meeting materials to ensure transparency and build stakeholder trust.



Remuneration Policy & Calculation Method

Board compensation is determined in accordance with the Articles of Incorporation and benchmarked against domestic and international corporate governance practices and market standards. Compensation is aligned with the Company’s operational performance while maintaining the independence and effectiveness of the Board. It is based on each director’s responsibilities, risk exposure, time commitment, and contribution to the Company’s performance. According to the Articles of Incorporation, total board remuneration shall not exceed 5% of the Company’s annual profit.



Linkage Between Remuneration & Performance

The Company evaluates director remuneration based on individual participation, contributions, and overall business performance, incorporating industry benchmarks, potential risks, and sustainability strategy considerations. Director compensation is not solely linked to profitability but is aimed at supporting long-term operational stability and aligning with shareholder interests, ensuring both independence and incentivization.

Annual Board Remuneration : 2022 2023 2024

Directors' Remuneration as a Percentage of Net Income After Tax	9.72 %	-12.42 %	5.35 %
Independent Directors’ Remuneration as a Percentage of Net Income After Tax	0.88 %	-1.40 %	0.71 %
President and Vice Presidents’ Remuneration as a Percentage of Net Income After Tax	17.70 %	-24.68%	13.51 %

Remuneration Reasonableness Review:

In addition to individual performance and the Company’s overall operational performance, remuneration policies also take into account industry development trends and potential risks faced by the Company. This ensures the remuneration framework remains forward-looking and aligned with sustainability goals. Directors (including independent directors) are entitled to the following forms of remuneration:

Transportation Allowance	Regardless of the Company’s profitability, directors and independent directors are entitled to a transportation allowance for each board meeting attended.
Directors’ Remuneration	In accordance with the Articles of Incorporation, if the Company records a profit in the current year, the Board of Directors may resolve to allocate up to 5% of net income as directors’ remuneration.
Independent Directors’ Compensation	Independent directors are entitled to receive a fixed annual compensation, regardless of the Company’s profitability.

Remuneration Fairness Indicators

The Company places strong emphasis on the transparency and fairness of its remuneration governance. It continuously reviews whether the remuneration policies for directors and senior executives align with market trends, Company performance, and long-term sustainability responsibilities. In addition, the Company regularly evaluates pay gaps and the reasonableness of compensation structures to balance incentive effectiveness with societal expectations.

Indicator 2024

Ratio of the annual total compensation of the highest-paid individual to the median annual total compensation of all employees (excluding the highest-paid individual)	686.9%
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Ratio of the percentage increase in annual total compensation for the highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual)

The highest-paid individual received no salary adjustment, representing a 0% increase compared to the previous year. The median increase of all other employees’ total annual remuneration was 51.2%.

1-1.2 Board Operations and Diversity Policy

Board Performance Evaluation

M.J. International conducts annual performance evaluations of the Board of Directors, functional committees, and individual board members in accordance with the Board Performance Evaluation Policy. The evaluation covers areas such as participation in board operations, quality of decision-making, internal control oversight, and engagement in sustainability-related matters. Since the implementation of this policy in 2020, the Company revised the evaluation framework in 2023 to strengthen the linkage between evaluation indicators, board remuneration, and sustainability responsibilities. Evaluation results serve as a basis for planning board training programs, adjusting remuneration, and enhancing overall corporate governance effectiveness.

Board of Directors (Overall)	Individual Board Members	Compensation Committee	Audit Committee
Evaluation Frequency			
Annually	Annually	Annually	Annually
Evaluation Method			
Internal Self-Evaluation	Member Self- Evaluation	Internal Self-Evaluation	Internal Self-Evaluation
Evaluation Tool			
Board Performance Self-Evaluation Questionnaire	Individual Board Member Performance Self-Evaluation Questionnaire	Functional Committee Performance Self-Evaluation Questionnaire	Functional Committee Performance Self-Evaluation Questionnaire



1-1.2 Board Operations and Diversity Policy

External Performance Evaluation

As of the reporting year, M.J. International has not yet conducted an external board performance evaluation. However, the Company has planned to engage external consultants to assist in developing the evaluation framework and diagnosing key performance indicators. The evaluation design will align with both domestic and international corporate governance best practices and will incorporate objective indicators. The scope of future external evaluations will include major milestones such as board reorganization, continuous education, and compensation reviews, with the goal of generating actionable recommendations for governance enhancement.

Internal Performance Evaluation

M.J. International conducts annual internal evaluations of the overall Board of Directors, individual board members, and functional committees in accordance with the “Board Performance Evaluation Policy.” The 2024 evaluation cycle has been fully implemented, including board-level self-assessments, individual member assessments, and committee-level evaluations. Standardized self-evaluation questionnaires were used as assessment tools. Results from the 2024 internal evaluation were all rated as “Excellent,” indicating that each governance unit demonstrated strong engagement in operations, decision-making, oversight, and sustainability participation. The performance evaluation report has been submitted to the Board of Directors in March 2025.

01

Board-level performance evaluation :
The Board conducts evaluations based on actual operations, covering the following aspects :

Evaluation Dimension		Number of Items
A	Participation in Company Operations	12
B	Enhancement of Decision-Making Quality	12
C	Board Composition & Structure	7
D	Director Selection & Continuous Development	7
E	Internal Control	7
Overall Rating : Excellent. The Board of Directors has demonstrated effective performance. Based on the evaluation findings, the Company will continue to strengthen board functions to enhance corporate governance effectiveness.		

02

Individual director performance evaluation :
Each member of the Board conducts a self-assessment, focusing on the following aspects.

Evaluation Dimension		Number of Items
A	Understanding of Company Goals & Mission	3
B	Awareness of Director Responsibilities	3
C	Participation in Company Operations	8
D	Internal Relationship Management & Communication	3
E	Professional Expertise & Continuing Education	3
F	Internal Control	3
Overall Rating : Excellent. Board operations are effective, and the Company will continue to enhance governance performance based on the evaluation results.		

03

Compensation Committee performance evaluation :
Covers areas such as participation in company operations, understanding of functional committee responsibilities, quality of decision-making, and composition and selection of committee members.

Evaluation Dimension		Number of Items
A	Participation in Company Operations	4
B	Awareness of Functional Committee Responsibilities	5
C	Enhancement of Committee Decision-Making Quality	7
D	Committee Composition & Member Selection	3
Overall Rating : Excellent. The Compensation Committee operates effectively. The Company will continue to refine governance practices based on the evaluation outcomes.		

04

Audit Committee performance evaluation :
Covers areas such as participation in company operations, understanding of functional committee responsibilities, quality of decision-making, composition and selection of committee members, and internal control.

Evaluation Dimension		Number of Items
A	Participation in Company Operations	4
B	Awareness of Functional Committee Responsibilities	5
C	Enhancement of Committee Decision-Making Quality	7
D	Committee Composition & Member Selection	3
E	Internal Control	3
Overall Rating : Excellent. The Audit Committee has performed well, and the Company will continue to strengthen board effectiveness based on the evaluation results.		

Overall, the performance evaluation results indicate that governance units are operating effectively. The Company will continue to reinforce governance mechanisms based on these evaluation outcomes to further enhance governance performance. Related performance evaluation policies and results are disclosed in the Company's 2024 Annual Report and Corporate Governance section on the official website for stakeholder reference.

1-1.2 Board Operations and Diversity Policy

Director Continuing Education

In alignment with the “Guidelines for Continuing Education of Directors and Senior Executives,” M.J. International has established a structured training framework to enhance the governance capabilities of the Board. The training focuses on material sustainability topics such as corporate governance, climate-related risk management, regulatory compliance, and ESG disclosures, aiming to strengthen Board oversight on non-financial risks and opportunities. In 2024, all directors fulfilled the required training hours. Core topics included:

- Corporate Governance 3.0 & Emerging Legal Frameworks
- TCFD/ISSB Climate-Related Disclosure Standards
- ESG Risk Identification and Transition Strategies
- Director Responsibilities and Integrity Governance
- The Board’ s Role in Non-Financial Disclosure

In addition to internal training, several directors participated in external programs provided by the Taiwan Corporate Governance Association, Taiwan Stock Exchange, GRI, and TCFD-accredited institutions. These initiatives support the Company’s objective to maintain high standards of corporate governance and align with evolving sustainability-related regulatory expectations.

In addition, M.J. International continues to monitor international governance standards and disclosure trends—such as ISSB, SASB, and TCFD—and regularly invites external experts to deliver thematic lectures and internal training sessions. These initiatives aim to enhance directors’ understanding of evolving ESG practices and industry developments, thereby strengthening their decision-making and oversight capabilities in the context of sustainability governance. The Company is committed to further optimizing its director training framework by regularly reviewing course content and participation, with a focus on topics such as climate risk management, green supply chains, and sustainable strategies in capital markets. Through the development of structured, practical, and industry-relevant learning programs, the Company seeks to strengthen the Board’s responsiveness and governance capacity in addressing sustainability challenges.

Board Participation in Sustainability-Related Training

Name	Organizer	Course Title	Date	Format	Hours
Ben-Yuan Chen	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	2024/7/3	Online	6
Yi-Siou Chen	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	2024/7/3	Online	6
	Securities and Futures Institute	2024 Insider Trading Prevention Online Seminar	2024/9/20	Online	3
	Taishin Holdings	2024 Taishin Net Zero Summit (Online)	2024/10/7	Online	3
An-Xiu Lin	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	2024/7/3	Online	6
Chien-Ming Chen	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	2024/7/3	Online	6
Man-Ling Chen	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	2024/7/3	Online	6
	Securities and Futures Institute	2024 Insider Trading Prevention Online Seminar	2024/9/20	Online	3
	Taishin Holdings	2024 Taishin Net Zero Summit	2024/10/7	Online	3
Hank Gau	Securities and Futures Institute	2024 Insider Trading Prevention Online Seminar	2024/10/18	Online	3
	Securities and Futures Institute	Sustainable Development Strategy and Planning for Listed Companies	2024/9/11	In-person	3
	Securities and Futures Institute	Latest Practices and Corporate Compliance for Insider Trading (incl. Gender Equity)	2024/11/13	In-person	3
Wen-Ren Chung	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	2024/7/3	Online	6
	Securities and Futures Institute	2024 Insider Trading Prevention Online Seminar	2024/9/6	Online	3
Ying-Chan Cheng	Securities and Futures Institute	2024 Insider Trading Prevention Online Seminar	2024/9/6	Online	3
	Taishin Holdings	2024 Taishin Net Zero Summit	2024/10/7	Online	3
	KGI Securities	Environment and Economy Win-Win: ESG Implementation in Taiwan Forum	2024/10/1	Online	3
	Securities and Futures Institute	2024 Insider Shareholding Transaction Compliance Seminar	2024/11/22	Online	3
Qing-Chao Li	Securities and Futures Institute	2024 Insider Trading Prevention Online Seminar	2024/9/6	Online	3
	Taishin Holdings	2024 Taishin Net Zero Summit	2024/10/7	Online	3

1-2 Regulatory Compliance & Ethical Business Practices

M.J. International adheres to the principle of “lawful operations and integrity as the foundation,” and has established a comprehensive regulatory compliance system and internal code of conduct to ensure all business activities conform to applicable laws and industry regulations. The Company has adopted a Code of Ethical Conduct, which clearly outlines behavioral standards on ethical conduct, fair competition, conflict of interest prevention, and information confidentiality, serving as a guideline for all employees and management.

To implement integrity-based governance & enhance legal risk management, the Company has adopted the following management mechanisms:



Real-Time Regulatory Monitoring & Interpretation

A designated unit monitors domestic and international legal developments and integrates insights from legal counsel and accountants to regularly review compliance and propose amendments.



Internal Audit & Compliance Review

The internal audit unit conducts periodic reviews of operational procedures and internal control systems to reinforce regulatory compliance and enhance transparency in information disclosure.



External Expert Consultation

The Company regularly engages professional institutions to provide legal analyses and policy assessments, evaluating the potential impact on business operations and governance frameworks.

In 2024, the Company recorded no incidents of penalties or disciplinary actions imposed by regulatory authorities for legal violations, demonstrating the sound functioning of its compliance governance system. M.J. International will continue to update its management framework in alignment with evolving regulations and industry dynamics, integrate compliance tools and external expertise, and strengthen resilience and transparency in governance, thereby upholding the core principles of ethical and sustainable business operations.

1-2.1 Audit Execution and Review Mechanism

M.J. International places strong emphasis on legal risk control by establishing a structured and responsive compliance management system. Through cross-functional collaboration and internal audit mechanisms, the Company routinely monitors domestic and international regulatory developments. For newly enacted laws or significant amendments, the Company activates a regulatory analysis and operational impact assessment process, and adjusts operational procedures as necessary to ensure regulatory compliance and management efficiency.

Internal audit activities cover regulatory compliance, operational processes, and project execution. These are evaluated through audit reports, follow-up mechanisms, and a reporting system managed by responsible departments, enabling a multi-dimensional review of departmental implementation. For areas frequently impacted by regulation—such as the Securities and Exchange Act, Company Act, Labor Standards Act, as well as environmental and product liability laws—the Company holds regular compliance meetings to communicate key provisions, assess their implications, and arrange training sessions to support proactive departmental response to legal changes. In response to the expansion of its international operations, the Company also closely monitors regulatory requirements across the EU, the United States, and Southeast Asia, particularly in the areas of environmental protection, product safety, and import/export regulations. Regular assessments are conducted to identify compliance risks and potential barriers, strengthening the Company’s capacity to manage regulatory discrepancies across jurisdictions. M.J. International remains committed to reinforcing compliance awareness, enhancing its early-warning and response capabilities, and building a resilient legal and compliance governance foundation to support long-term sustainable operations.

Key Compliance Topics & Integrity Management

In 2024, M.J. International successfully passed all internal and external audits without incurring any major fines or non-monetary sanctions related to violations of anti-competitive practices, anti-corruption laws, or personal data protection regulations. This outcome reflects the Company’s strong governance foundation and effective execution of its compliance responsibilities. The Company incorporates regulatory compliance and ethical governance into its core operational risk management. Through internal audit mechanisms, supervisory systems, and structured training, a multi-tiered defense framework has been established to ensure timely identification and resolution of potential risks.

To advance ethical business practices, M.J. International has implemented a comprehensive multi-level management structure encompassing policies, prevention, education, reporting, and oversight, with the following key measures :



Institutional Framework & Foundational Management

The Company has adopted the “Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies,” the “Procedures for Ethical Management and Guidelines for Conduct,” and the “Rewards and Disciplinary Regulations” as the foundation for employee conduct and organizational ethics.

Integrity principles and misconduct handling mechanisms are embedded in governance systems, operational procedures, and performance management frameworks.



Whistleblower & Reporting Mechanism

An internal grievance channel is available for both anonymous and identified reports, supported by a whistleblower protection policy that ensures confidentiality and reporting safety.

Reported cases are reviewed by designated units and escalated to the Board of Directors when necessary for resolution and oversight.



Education & Cultural Promotion

Annual internal training programs on ethical business conduct and corporate governance are held, covering both onboarding and in-service education.

Ethical standards and compliance awareness are reinforced through internal communications and managerial engagement.



Contract Risk & Fair Trade Control

All major contracts are subject to risk review prior to signing, including integrity clauses and conflict-of-interest checks.

The Company ensures external partnerships and procurement activities uphold principles of fair trade, information parity, and transparent disclosure.



Dedicated Promotion & Organizational Oversight

The Corporate Governance Unit serves as the responsible unit for promoting the ethical management system, overseeing its day-to-day implementation and monitoring. The implementation status is compiled annually and submitted to the Board of Directors for review, thereby strengthening organizational governance and top-level oversight responsibilities.



External Professional Support & Regulatory Response

Legal counsel and certified public accountants are engaged to regularly review policies and provide contractual advisory services.

Domestic and international regulatory developments are regularly monitored, with internal policies and operational strategies adjusted accordingly to maintain compliance.

1-2.1 Audit Execution and Review Mechanism

Anti-Corruption & Conflict of Interest Prevention

M.J. International upholds the principle of ethical business conduct and maintains a prudent approach to preventing corruption and conflicts of interest. The Company is actively developing relevant systems and internal communication mechanisms to strengthen integrity and legal compliance across its operations. The “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and the “Procedures for Ethical Management and Guidelines for Conduct” have been established as the foundational standards for daily behavior and ethical decision-making for all personnel.

While a dedicated anti-corruption system & comprehensive risk assessment procedures have not yet been formally established, the Company has initiated preliminary management practices in the following areas:

In 2024, the Company received no reports related to fraud, bribery, or improper benefits and was not subject to any regulatory sanctions concerning anti-corruption or conflict of interest issues.



Workplace Conduct Guidelines

Internal policies explicitly prohibit the acceptance of kickbacks, private transactions, or the abuse of authority, serving as core operational principles.



Conflict of Interest Awareness and Disclosure

Employees involved in potential conflict-of-interest scenarios are required to proactively report to their immediate supervisors. Departments are responsible for assessing the situation and making appropriate adjustments.



Education and Awareness

Integrity management is included in onboarding training for new employees. Human Resources and department heads regularly reiterate relevant compliance topics during routine communication.



Contract Review Procedures

When entering into external collaboration or procurement agreements, the responsible units are tasked with reviewing counterparties' backgrounds and contract terms. Legal counsel or external advisors may be consulted as needed.



1-2.1 Audit Execution and Review Mechanism

Anti-Corruption Training & Education

M.J. International recognizes the critical role of anti-corruption education in fostering a culture of integrity and strengthening risk prevention across the organization. Although a comprehensive institutional training framework has yet to be established, the Company has integrated fundamental ethical business principles into onboarding programs for new employees, laying the foundation for ethical awareness and conduct. In 2024, the Human Resources unit and department supervisors continued to promote internal awareness by addressing potential risk scenarios that may arise during business interactions. These communications emphasized the importance of integrity to prevent misconduct that could lead to reputational or compliance risks. Ethical risk alerts were also shared within high-risk departments—such as procurement, finance, and external negotiation teams—through targeted departmental briefings and peer knowledge sharing. In alignment with current practices and future objectives, the Company has formulated the following annual action plan:

Indicator	2024 Implementation	2025 Target
Presence of a formal anti-corruption training system	Not yet established; current efforts focus on new employee induction	Establish a dedicated training module and incorporate it into the annual education plan
Inclusion of ethical business principles in new employee training	100% (including Code of Conduct and ethical standards)	Maintain 100%; add scenario-based anti-corruption case studies
Percentage of employees engaged in ethics awareness campaigns	Approximately 60% (delivered through supervisor communication and departmental reminders)	Increase to 80% using tools such as presentations, videos, and interactive quizzes
Ethical awareness mechanisms for high-risk roles	Managed independently by departments; no standardized materials	Introduce department-specific scenario-based education modules and standard operating guidance cards
Collaboration with external training resource providers	Not yet implemented	Evaluate the adoption of external consultants or digital platform resources
Number of anti-corruption education and training sessions	No formal record	Include in annual education plans; target at least one dedicated session per year

In 2024, all employees who participated in onboarding or ethics awareness sessions met the Company's educational requirements. Feedback indicates that employees have a foundational understanding of the Company's ethical policies and behavior standards.

Insider Trading Prevention

M.J. International complies with Article 157-1 of the Securities and Exchange Act and relevant regulatory provisions by adopting a prudent approach to the handling, transmission, and disclosure of material non-public information. The Company is committed to preventing insider trading risks and upholding fairness in capital markets and the rights of investors. To this end, the “Procedures for Handling Material Internal Information and Preventing Insider Trading” have been established, outlining the principles of awareness, confidentiality, and trading restrictions for insiders regarding undisclosed material information. Although a dedicated investigative mechanism for insider trading cases has not yet been established, the Company has implemented preliminary controls in the following areas:

Information Classification & Insider List

Material matters are first disclosed to senior management on a need-to-know basis. Access is restricted to essential personnel, and a log of all individuals with access is maintained for audit purposes.

Trading Restrictions & Compliance Reminders

Before the public disclosure of material information, insiders are prohibited from trading the Company's securities. The Finance Department conducts regular briefings for directors and senior executives to reinforce awareness of trading restrictions and related legal obligations.

Confidentiality of Material Matters

Information related to mergers and acquisitions, financial reports, dividend policies, and other critical issues is subject to confidentiality agreements before being presented to the Board of Directors, minimizing the risk of information leakage.

Mandatory Public Disclosure

In accordance with regulatory requirements, material information is disclosed promptly through the Market Observation Post System. All public communications are centrally managed by designated spokespersons to prevent the spread of unauthorized or misleading information.

In 2024, the Company recorded no incidents of insider trading or violations of financial market regulations. M.J. International will continue to enhance its internal controls and information disclosure mechanisms in alignment with capital market developments and regulatory expectations, aiming to establish a more rigorous framework for information management and risk prevention.

Stakeholder Integrity Standards

M.J. International has established the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” in accordance with the Sample Template for "Codes of Ethical Conduct" for TWSE/TPEX Listed Companies as the foundation for promoting ethical governance and conduct. While the Company has not yet fully implemented dedicated integrity contracts or audit mechanisms for suppliers, customers, or other external partners, it has progressively communicated its commitment to ethical business practices and collaboration expectations throughout its operations.

1-2.2 Regulatory Compliance

To strengthen the organization’s fundamental capacity to address regulatory risks, M.J. International is gradually establishing mechanisms for legal tracking and compliance management. Through cross-departmental coordination and external expert consultation, the Company has initiated a preliminary mapping of key operational regulations and corresponding internal procedures. Although the compliance system is still under development, essential mechanisms and operational practices have been launched.

The following table summarizes the
Company’s key regulatory compliance focus areas & current implementation status in 2024 :

Management Aspect	Mechanism / Approach	2024 Implementation Status
Legal Monitoring and Analysis	Regular review and compilation of operationally relevant laws (e.g., Company Act, Labor Standards Act, environmental regulations)	Three updates completed; two internal briefings conducted
Regulatory Change Response	Convening cross-functional meetings to communicate policy updates and adjust operations proactively	Held internal meetings in response to GHG inventory requirements and ISSB draft revisions
Internal Audit Mechanism	Annual internal audit plan covering process compliance, taxation, and information disclosure	Eight audits completed; three improvement recommendations issued
External Legal Consultation	Collaboration with legal counsel and accountants for contract review, policy advice, and compliance assessment	ESG disclosure documentation revised & compliance clarified with professional support
International Regulatory Compliance	Tracking regulations in export markets (e.g., CBAM, REACH in the EU, U.S., and Southeast Asia)	Preliminary tracking list established; compliance alerts introduced into supply chain processes
Non-Financial Disclosure Protocol	Defined internal procedures, responsible units, and confidentiality rules per the “Sustainability Information Management Procedures”	Incorporated into internal audit items; updated disclosure SOPs completed

1-2.2 Regulatory Compliance

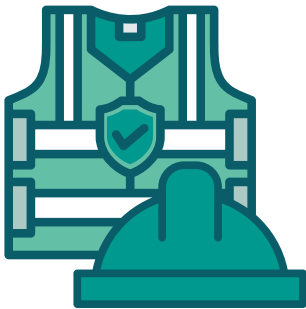
M.J. International continues to implement regulatory compliance practices in its daily operations in accordance with applicable legal requirements. While the overall compliance system remains under phased development, each department has initiated preliminary controls and management measures based on its responsibilities, particularly in areas such as labor conditions, occupational safety, environmental management, and information disclosure. These measures are subject to internal and external audit reviews to support ongoing improvement, institutionalization, and risk prevention.

The following table summarizes the Company’ s key regulatory compliance outcomes in 2024 :



**Environmental
Compliance**
2024
Key Achievements

No violations reported; two external audits completed.



**Occupational Safety
Compliance**
2024
Key Achievements

100% completion rate for employee occupational safety training; zero major workplace incidents reported, with four occupational incidents filed in Tainan.



**Labor Law
Compliance**
2024
Key Achievements

Semi-annual legal compliance reviews conducted; newly established gender equality grievance handling procedure implemented.



**Intellectual
Property**
2024
Key Achievements

Three new patents granted in 2024; additional patent applications underway in China and the United States. No infringement claims or disputes reported.



**Training/
Awareness**
2024
Key Achievements

While a comprehensive tracking system is not yet in place, the Company has conducted multiple compliance awareness sessions by job function and reinforced messaging through supervisory channels to enhance employees’ practical compliance awareness.

1-2.2 Regulatory Compliance

Compliance with Key Regulations and Internal Systems

General Regulatory & Internal Control Audit Mechanism

The Company conducts regular reviews to ensure compliance with key operational laws, including the Company Act, Securities and Exchange Act, and Fair Trade Act. The internal control unit coordinates with relevant departments to implement institutional adjustments and internal communications, enhancing both applicability and enforcement of internal policies. Additionally, the Company monitors regulatory requirements in major export markets, such as the European Union and the United States, to assist export departments in early compliance planning.

Environmental Regulatory Compliance

The Company complies with environmental regulations applicable to its operational sites, including Taiwan's Air Pollution Control Act, Water Pollution Control Act, Waste Disposal Act, and Greenhouse Gas Reduction and Management Act, as well as the Environmental Protection Law, Water Pollution Prevention and Control Law, and Air Pollution Prevention and Control Law of the People's Republic of China. In alignment with international standards such as ISO 14001 Environmental Management Systems and ISO 14064-1:2018, the Company continuously strengthens the management of its production processes, wastewater discharge, and carbon emission data, progressing toward resource circularity and low-carbon operations.

Occupational Safety and Health Regulatory Compliance

The Company adheres strictly to the Labor Standards Act and relevant occupational safety and health regulations. In alignment with the ISO 45001 Occupational Health and Safety Management System, the Company implements annual occupational safety and health plans across all operational units, including factory production lines and business sites. These plans are designed to comply with the Occupational Safety and Health Act, focusing on hazard prevention, risk mitigation, and employee well-being.

Audit Mechanism

The Company regularly conducts internal inspections and external environmental audits, covering waste discharge, greenhouse gas inventories, and energy efficiency assessments. Improvements are implemented based on audit findings.

Site	Violation Incidents	External Environmental Audits	External Occupational Safety Audits	Remarks
Tainan Facility	None	0	2 <small>by competent authority & client-authorized verification body</small>	-
Dongguan Facility (MeiJer)	None	7 <small>including 4 routine quarterly inspections by city authorities and 3 on-site enforcements by district office</small>	-	-
Dongguan Facility (Prolong)	None	1	-	1 <small>fire safety inspection conducted</small>



Safety Audits and Improvements

A dedicated occupational safety team has been established, with a structured audit and supervision plan led by the safety and health manager. Regular risk assessments are conducted across production lines, and enhanced protective measures are implemented in high-risk areas. Periodic employee training sessions are held to strengthen safety awareness and emergency response capabilities.



2024 Performance

In 2024, the Company recorded no major occupational incidents requiring notification to regulatory authorities. While the Tainan facility reported four general occupational injury cases, all were handled in accordance with internal standard operating procedures and did not meet the criteria for major incident reporting. No such incidents were reported at the Dongguan Facilities.

1-2.2 Regulatory Compliance

Labor Compliance and Audit

Recognizing employees as the core assets of corporate development, the Company is committed to fostering a legally compliant and inclusive workplace. Full adherence is maintained to the Labor Standards Act, Act of Gender Equality in Employment, and other applicable labor laws to safeguard employee rights and ensure harmonious labor relations.



Human Rights and Labor Compliance

The Company upholds international human rights standards and aligns with the Ten Principles of the UN Global Compact, ensuring employees are free from discrimination and forced labor while promoting equal opportunities for development.



Employee Education and Training

Multiple compliance-related awareness and training sessions are held annually, covering topics such as labor regulations, sexual harassment prevention, and workplace diversity and inclusion.



Regular Audits and Grievance Mechanism

A dedicated employee grievance hotline and multi-channel communication platforms are in place to ensure the protection of employee rights. The Company is also planning to establish a labor compliance task force to conduct comprehensive biannual audits, with immediate corrective actions taken for any non-compliance in operational processes.



2024 Highlights

Two labor compliance audits and one review of gender equality procedures were completed in 2024. No material complaints were received during the year.

Intellectual Property Protection

M.J. International places a high priority on the management and protection of intellectual property (IP), recognizing it as a key asset representing the Company's innovation outcomes and core competitiveness. Although a dedicated IP management department has not yet been established, the Company has implemented preliminary management principles across product design, document labeling, and technical confidentiality. Cross-functional collaboration mechanisms are in place to mitigate infringement risks and safeguard technical achievements.

The Company's current practices for IP protection are as follows :



Identification of Design & R&D Outputs

Proprietary markings are applied to design schematics, technical documents, and development results by the responsible departments. Access and internal circulation of such materials are subject to controlled permissions.



Trademark & Patent Applications

Trademark registrations and patent applications are considered on a case-by-case basis, depending on development outcomes and market needs. Legal counsel or external consultants are engaged to assist with applications and searches as needed.



Confidentiality& Contractual Safeguards

Employees are required to sign confidentiality agreements upon onboarding. For projects involving critical technologies, contracts incorporate intellectual property and confidentiality clauses to protect the rights of both the Company and its partners.



Infringement Risk Management

Continuous monitoring is conducted to identify potential similarities in product naming, marketing materials, and design concepts, in order to minimize the risk of infringement. Legal advice is sought when necessary.

2024 Performance

As of the end of 2024, the Company had not received any complaints or been involved in any incidents related to intellectual property infringement.

1-2.2 Regulatory Compliance

Regulatory Compliance Education & Cultural Integration

Regulatory compliance is not only a fundamental obligation of corporate operations but also a cornerstone for cultivating organizational culture and mitigating risk. To enhance employees’ awareness of legal obligations and ethical business practices, M.J. International continues to embed a compliance-oriented culture into its operations through internal training, routine reminders, and interdepartmental communication. Although a comprehensive compliance training framework has not yet been established, the Company has implemented foundational initiatives across the following areas:



Onboarding Education for New Employees

Introductory sessions are provided during employee onboarding, covering workplace ethics, information security, and labor regulations to build foundational understanding of legal responsibilities and behavioral standards.



Ongoing Communication & Supervisor-Led Reminders

Department supervisors provide job-specific guidance, emphasizing accuracy and legal compliance in key processes such as data handling, contract execution, and report preparation.



Thematic Awareness Campaigns

In response to regulatory updates or real-world case studies, the Company conducts internal communications via presentations or bulletins on topics such as gender equality, labor law, ethical conduct, and information disclosure.



Progressive Mechanism Development

The Human Resources and Compliance units are evaluating the creation of a structured legal knowledge training module to serve as a reference for annual training across all employee levels.

In 2024, M.J. International successfully implemented multiple thematic internal briefings and supervisory compliance reminders, officially incorporating compliance education as a core component of its sustainability management strategy.

Training Topic	Number of Participants	Coverage Rate (%)
Insider Trading Prevention & Penalty Reminder	Group-wide Notification	100%
Common Violations in Insider Shareholding Change Declarations under the Securities and Exchange Act	18	100%

Although compliance education at M.J. International is currently in its initial development phase, the Company has begun planning a structured training framework aimed at progressively strengthening its culture of compliance, risk identification capabilities, and information transparency.

To respond to the evolving regulatory landscape and enhance internal risk control, the Company is implementing the following enhancement measures:

Cross-Departmental Integration Mechanism

Establish regular coordination meetings among compliance, audit, and business units to improve regulatory interpretation and execution efficiency.

Integration of Systems & Digital Tools

Review internal audit and control procedures to evaluate the implementation of a digital audit platform, thereby improving the traceability and transparency of compliance operations.

International Regulatory Response Mechanism

Develop a regulatory database covering key export markets (e.g., the EU, United States, and Southeast Asia) to support relevant departments in monitoring trade compliance and response measures.

Focused Management of High-Risk Topics

Formulate internal identification checkpoints and guidance related to emerging issues such as ESG disclosure, supply chain due diligence, and climate regulations, to enhance the organization’s risk alert and response capabilities.

1-3 Financial Performance and Business Results

Material Topic:
Material Topic: Operational
& Financial Performance

Short-term goals (to be achieved by the end of 2026) :

- Submit CPA-audited financial reports within 75 days after the end of each fiscal year
- No major penalties imposed by regulatory authorities
- Achieve positive year-over-year revenue growth across all major sales regions
- Conduct quarterly reviews of operational targets and variance analyses
- Maintain a 0% error rate in the consistency check between financial statements and sustainability report disclosures

Mid-to-long-term goals (to be achieved by the end of 2030) :

- Maintain R&D investment at no less than 2% of annual revenue
- Keep or improve procurement cost control ratio to ≤ previous year's level
- Implement integrated "Finance × Sustainability" management processes; complete IFRS S1/S2 adoption with internal verification
- Ensure all financial disclosures comply with regulatory and third-party audit standards with no major deficiencies

Complaint Mechanism & Communication Channels

Financial information is disclosed in accordance with statutory requirements via investor conferences, shareholders' meetings, annual reports, and the Company's website. An investor relations contact point is in place to respond to inquiries from capital market stakeholders. All financial disclosures are subject to audit by certified public accountants and supervision by relevant regulatory authorities.

Policies

The Company conducts its operational management and financial disclosures in accordance with the Company Act, Securities and Exchange Act, and International Financial Reporting Standards (IFRS). Additionally, the Company references the SASB and IFRS S1 standards to disclose operational performance and financial information, thereby ensuring information transparency and building trust with stakeholders

Commitments

The Company is committed to sound management practices and transparent disclosures, striving for stable revenue and profit growth while enhancing capital efficiency and financial risk control. These efforts strengthen corporate governance and lay the foundation for long-term sustainability.

Responsibility

- The Finance Department is responsible for consolidated operational performance analysis and preparation of financial statements
- The Management Team and Board of Directors oversee the achievement of operational objectives
- The Sustainability Information Task Force is responsible for ensuring alignment and consistency between sustainability and financial disclosures

Resources

Human Resources

Designated personnel for financial analysis and cost control

Financial Resources

Budget planning for operations and capital expenditures, with financial risk buffer mechanisms in place

External Resources

External Resources: Engagement of certified public accountants and third-party consultants for professional review and advisory

Evaluation Mechanism for the Effectiveness of Management Approach

- 0% error rate in consistency between financial data disclosed in the annual report and sustainability report
- No material deficiencies identified in auditor's reports
- Quarterly reviews and variance analysis of operational objectives completed

Evaluation Results of the Management Approach

- All financial disclosures were consistent with the annual report, with no discrepancies or misstatements
- No material deficiencies identified in the 2024 audited financial statements
- Quarterly meetings held as scheduled, including variance analysis and follow-up actions

Financial performance is one of the core indicators of corporate sustainability and serves as a critical reference for stakeholders in evaluating the Company's operational stability and future growth potential. M.J. International regards sound financial management and operational outcomes as the foundation for advancing its sustainability strategy. Through ongoing optimization of cost structures, enhancement of core product competitiveness, and expansion of market presence, the Company aims to improve overall operational efficiency and profitability. The Company prepares its financial statements annually in accordance with the Company Act, Securities and Exchange Act, and International Financial Reporting Standards (IFRS), and engages certified public accountants for audit and attestation to ensure the accuracy and transparency of its financial disclosures. The following section outlines the key financial performance indicators and business results for 2024, along with a summary of the Company's performance in areas such as revenue, cost, profitability structure, and strategic growth direction.

1-3.1 Financial Performance and Economic Impact

In 2024, the Company maintained stable performance across revenue generation, cost management, and overall profitability, primarily driven by the recovery in demand for core products and steady growth in export orders. Under a prudent financial strategy, the Company continued to invest in research and development and equipment upgrades to enhance process efficiency and product competitiveness. From an economic impact perspective, the Company contributed to the local economy through actions such as local procurement, stable employment, and tax compliance. Key indicators including tax payments, total employee compensation, and local procurement expenditures remained steady or showed modest increases compared to the previous year, underscoring the positive correlation between corporate growth and economic value creation.

Overview of Financial Performance

In 2024, the Company maintained a stable performance in total revenue, operating profit, and net income after tax, despite the influence of market demand fluctuations, cost pressures, and exchange rate volatility. As resources permitted, the Company began conducting internal assessments of its operational cost structure and product gross margins to support more informed and precise management decisions moving forward.

Indicator	2023 (NT\$' 000)	2024 (NT\$' 000)	Remarks
Operating Revenue (Total)	2,654,401	3,861,337	Significant increase in North American orders and expanded capacity at the Tainan Facility; YoY growth of 45%.
Operating Profit	31,732	197,593	Increased revenue and lower expense ratio resulted in substantial profit growth.
Profit Before Tax	47,785	238,716	Improved operations and higher non-operating income.
Net Profit After Tax	(95,623)	132,143	Returned to profitability driven by revenue growth and effective cost control.
EPS	(0.98)	2.02	Earnings per share significantly improved due to profit recovery.

Financial Structure & Capital Utilization

As of the end of 2024, the Company’s total assets amounted to NT\$6,612,070 thousand, with a debt ratio of 56%, reflecting a sound financial position. In 2024, research and development (R&D) expenditures totaled NT\$56,468 thousand, representing 2% of total revenue, primarily allocated to talent development and the introduction of new eco-friendly tile materials.

The key financial indicators as of year-end 2024 are as follows:

Financial Indicator		Description
Total Assets	NT\$6,612,070 thousand	Increased by 6% compared to 2023, indicating the Company’ s continued expansion of its operational scale.
Total Liabilities	NT\$3,730,946 thousand	With a debt ratio of approximately 56%, the Company utilizes moderate financial leverage to ensure capital flexibility.
Net Cash Flow from Operating Activities	NT\$92,989 thousand	Primarily driven by increased operating revenue; the Company will continue to strengthen cash flow management to ensure adequate liquidity.

The Company is committed to balancing financial performance with the creation of sustainable value, aiming to generate a positive impact on the industry, society, and stakeholders through concrete actions:

Industrial Innovation and Upgrading

Focused on the development of eco-friendly tiles and low-carbon manufacturing processes to drive green transformation in the construction materials industry.

Local Supply Chain Integration

Collaborated with local suppliers to increase the proportion of local procurement, thereby supporting regional economic development.

Investor Return Mechanism

In 2024, the dividend payout ratio was 59%, maintaining a stable return and safeguarding shareholder interests.

Financial Risk Management

To enhance overall resilience, the Company has established a comprehensive financial risk management framework covering capital structure, market volatility, customer credit, cash flow allocation, and financial transparency. In 2024, the following management strategies were continuously implemented to ensure financial stability and strengthen organizational resilience:
To mitigate the impact of market fluctuations and ensure liquidity and financial soundness, the Company adopted a multi-layered approach to financial risk control through the following measures:

Risk Management Strategy	Description
Capital Structure Optimization	Maintain an appropriate debt ratio through rigorous capital allocation and financial planning to ensure sufficient liquidity and robust cash flow, thereby enhancing financial flexibility.
Market Risk Control	Closely monitor market volatility factors such as exchange rates, interest rates, and raw material prices, and timely implement foreign exchange hedging, interest rate adjustments, and long-term procurement strategies to mitigate financial uncertainties.
Credit Risk Management	Strengthen customer credit evaluation mechanisms, strictly control accounts receivable, and regularly review the financial status of transaction partners to reduce collection risks and ensure smooth cash flow.
Cash Flow Management and Liquidity	Establish a flexible cash flow management mechanism to optimize cash handling, ensuring stable operational capability during market fluctuations or unforeseen events.
Financial Transparency & Compliance	Continuously enhance financial internal controls and audit mechanisms to comply with domestic and international financial regulations, improve the transparency and accuracy of financial information, and maintain investor confidence.

1-3.2 Revenue Growth and Industry Competitiveness Enhancement

In response to the global supply chain restructuring and the diversification trend in building materials demand, M.J. International recognizes that stable revenue and industry competitiveness are core supports for sustainable business operations. Therefore, the Company continuously assesses product advantages and market potential, strengthens process efficiency and quality stability, and promotes strategic market expansion and R&D innovation based on order characteristics, resource conditions, and industry changes. Meanwhile, by maintaining customer relationships, differentiating product services, and enhancing brand value, the Company builds a flexible, stable, and sustainable growth-oriented business model. Moving forward, M.J. International will continue to deepen operational foundations, expand overseas visibility, and align with industry sustainability trends to gradually establish a resilient and sustainability-driven competitive framework.

As of the end of 2024, the Company’s overall revenue performance remained stable, mainly influenced by international order cycles and industry economic fluctuations. Looking ahead, the Company will persistently conduct rolling reviews from the perspectives of product structure, market strategy, and operational management, progressively accumulating competitive advantages. Subsequent strategic adjustments will be pursued as resources and conditions allow, aiming toward stable growth and sustainable management.

Market Expansion Strategy

The Company’s current revenue is primarily derived from Europe and the Americas, which together account for approximately 90% of total sales. Core products such as SPC and LVT flooring are steadily exported to the United States and various European countries, widely applied in both residential and commercial settings. The Company has established a stable customer base through cooperation with several international brands and regional distributors, primarily through OEM and ODM models. To address the varying needs of each market, the Company continues to adjust product performance features and packaging specifications while enhancing lead time management and technical compliance.

While maintaining a stable presence in its core markets, the Company is also actively evaluating potential expansion into regions such as Japan, Canada, and the Middle East. Efforts are underway to identify local distribution channels and engage with potential partners. Market assessments include analysis of regional pricing structures, technical requirements, and product portfolio needs, serving as a reference for subsequent market entry strategies and the enhancement of brand visibility.

Product and Business Diversification

To address diverse market demands and application scenarios, M.J. International continuously adjusts its product portfolio and expands service offerings. Through flexible OEM/ODM manufacturing models, the Company collaborates with clients to optimize design and manufacturing processes according to customer specifications, gradually accumulating product differentiation advantages and brand recognition. Currently, the Company’s product and service diversification strategy centers on the following four key areas:

Deepening Core Product Applications

The primary products, SPC and LVT flooring, are applied across diverse settings including residential spaces, commercial offices, educational institutions, and healthcare facilities. Customized options are offered to align with pattern preferences and specification requirements in the European and U.S. markets, enhancing market adaptability.

OEM/ODM Manufacturing Flexibility

Supporting customer-owned brand development projects, the Company provides comprehensive one-stop services—from material formulation and pattern design to marketing tool production—helping customers strengthen brand differentiation and foster stable partnerships.

Regulatory Compliance for International Markets

In response to increasingly stringent product regulations in Europe and the Americas, a cross-departmental evaluation mechanism has been established to review compliance areas such as testing, certification, packaging, and raw material composition. The Company offers adjustment recommendations and technical support to ensure products meet export market requirements.

Extension of Application Support Services

To address common issues encountered by downstream customers, the Company is gradually developing technical services including material selection advice, installation consultation, and maintenance support, aiming to deepen customer relationships and enhance overall product utility.

Main Product Category	Product Description	Primary Application Markets/Fields	Remarks
SPC Flooring	Manufactured through extrusion molding, typically with an acoustic underlayment attached to the bottom to reduce noise, and installed using patented locking systems. The stone-plastic composite structure provides waterproof, moisture-resistant, and easy-to-install features.	Residential renovation, hospitality industry	Currently the main export product type for the North American OEM/ODM market
LVT Flooring	Manufactured through hot-press lamination, offering diverse patterns and clear textures with rich design versatility. Can be installed with adhesive or patented locking systems. The stone-plastic composite structure provides waterproof, moisture-resistant, and easy-to-install features.	Commercial spaces, retail environments, office buildings	Currently the main export product type for the European OEM/ODM market

The Company will, based on market feedback and resource allocation, gradually review the completeness of its product portfolio and the added value of its services. It will also evaluate the establishment of cross-departmental product management and customized project support mechanisms to steadily expand market application breadth and brand influence.

1-3.2 Revenue Growth and Industry Competitiveness Enhancement

Customer Relationship Strengthening

Recognizing that strong customer relationships are fundamental to stable revenue and long-term development, although a comprehensive customer satisfaction evaluation system is not yet established, the Company maintains stable interactions with key clients through regular communication, technical support, and after-sales services, progressively building market trust and cooperative foundations.

The current practical focuses on customer relationship strengthening include:

Routine Communication & Feedback Collection :

A dedicated sales contact coordinates communication channels, gathers real-time feedback on product quality, delivery schedules, and service processes, serving as a basis for internal process optimization.

Technical Support & Coordination

For customized specification requests or application challenges, the Company provides fundamental technical explanations, sample testing, and implementation suggestions to deepen customer understanding and confidence in product performance.

Customer Complaint Handling & Continuous Improvement :

An abnormal event reporting and tracking mechanism is established. For major issues, cross-departmental collaboration is convened to propose substantial improvement plans, ensuring timely and transparent customer responses.

Strategic Customer Retention Measures :

For long-term cooperative customers, strategic support such as flexible delivery schedules, payment terms, and dedicated contact windows are offered to enhance contract renewal rates and cooperation stability.

Enhancement of Technological Innovation and R&D Investment

Technological innovation and R&D capabilities are critical to enhancing product value and strengthening market competitiveness. The Company is progressively strengthening the functions of the R&D department and institutionalizing technical management processes. Initial discussions and internal resource integration are underway, focusing on product performance optimization, process improvement, and material substitution, gradually accumulating applied technology and market adaptation experience.

Currently, the Company’ s technological innovation efforts are primarily focused on:

Product Structure and Specification Adjustments :

Tailoring floor product thickness, locking design, wear-resistant layers, and surface treatments according to different markets and customer demands to improve functionality and market acceptance.

Process Efficiency & Quality Stability Optimization :

Adjusting equipment and optimizing quality control processes within existing production lines to reduce defect rates and raw material waste, thereby enhancing overall production efficiency.

Exploration of Low-Carbon and Eco-Friendly Materials :

Monitoring market trends toward low-carbon building materials and recycled materials, evaluating the feasibility of introducing alternative raw materials or formula adjustments to meet ESG-oriented requirements.

Customized Technical Support Services :

Providing foundational technical collaboration and sample testing assistance for OEM/ODM orders, reinforcing customer trust in the performance and technical application of the Company’s products.

M.J. International remains committed to the principle of steady operations. In the face of market fluctuations, the Company will continue to strengthen its operational adaptability through systematic reviews and process optimization, gradually building a resilient financial foundation and competitive advantage to support the realization of its long-term sustainability goals.

Financial Performance & Future Outlook

Amid the intertwined effects of global industrial supply chain shifts and fluctuations in end-market demand, the overall financial performance in 2024 was influenced by multiple factors including rising raw material prices, a slowdown in export orders, and exchange rate volatility. Nevertheless, driven by industry recovery and a rebound in export demand, the Company successfully adjusted its operational pace through internal resource allocation and flexible order management strategies. The consolidated revenue reached NT\$3.86 billion in 2024, representing a year-over-year growth of 45.5%, effectively reversing the declining trend experienced over the past two years.

Year	2022	2023	2024
Consolidated Revenue	NT\$3.26 billion	NT\$2.65 billion	NT\$3.86 billion
Year-over-Year Growth Rate	Declined 9.6%	Declined 18.6%	Grew 45.5%

Revenue Structure by Product Category (NT\$ thousand)

Category	2023	2024
OEM/ODM Manufacturing Revenue	2,533,571	3,731,164
Proprietary Brand Products	120,830	130,173

- Process Optimization & Cost Efficiency :**

Enhance equipment performance and raw material utilization efficiency to reduce defect rates and waste, thereby supporting cost stability in operations.
- Flexible Product Portfolio Adjustment :**

Dynamically review product mix and technical development directions based on customer feedback and market trends to improve the health of revenue composition.
- Diversification of Export Markets :**

In addition to consolidating existing markets in Europe and North America, the Company will strengthen channel development in Japan, Canada, and the Middle East to enhance revenue resilience.
- Capital Allocation & Equipment Investment:**

Conduct rolling assessments of production line upgrades, workforce training, and infrastructure expenditures based on financial conditions and order forecasts, ensuring long-term operational flexibility.

1-3.3 Market Positioning and Competitive Advantage

In the context of increasingly intense global competition and evolving product demands in the building materials industry, M.J. International recognizes that clear market positioning and distinctive product advantages are critical for delivering differentiated value, maintaining stable revenue, and capturing emerging opportunities. The Company continues to assess its existing product applications, export market composition, and customer preferences to clarify its value proposition within the supply chain and guide strategic adjustments and brand management.

Market Positioning and Product Strategy

M.J. International has long focused on the design and manufacturing of resilient flooring materials, with a core product portfolio covering SPC Rigid Core Resilient Flooring and LVT flooring, serving a wide range of applications including residential, commercial, and public spaces. The Company primarily operates under an OEM/ODM model, collaborating with international brands and distributors to meet export-oriented demand. Its primary revenue base is rooted in Europe and North America. Through consistent delivery and stringent quality control, the Company has built market trust and established entry-level competitive thresholds. To strengthen product differentiation, M.J. International is evaluating the development of advanced functional flooring, the use of environmentally friendly raw materials, and the adoption of green manufacturing processes. The Company also aims to gradually integrate R&D, production, and service capabilities to meet the increasingly refined needs of international customers.

Competitive Trends and Opportunities

With the rise of ESG awareness and the evolution of international procurement standards, the Company has identified the following challenges and corresponding opportunities:

External Trend	Key Observations	Company Response
Carbon footprint and material compliance as procurement conditions	Introduction of EU CBAM; increasing client inquiries about recycled material content	Conducting material source inventory and preparing for preliminary disclosure
Supply chain stability and lead time as critical cooperation factors	OEM clients increasingly prioritize supply chain reliability and responsiveness	Continuous process optimization and lead time flexibility mechanisms
Growing demand for function-oriented products	Markets require properties such as acoustic performance, abrasion resistance, and flame retardancy	Adjusting product specifications by region; strengthening design and R&D support
Emerging opportunities in the Middle East and ASEAN	Growth in infrastructure and residential construction	Maintaining supply relationships and evaluating mid-to-long-term local distribution strategies

Through accumulated experience and ongoing communication with clients, M.J. International will continue to gather market feedback and establish a structured competitive analysis mechanism. The Company will regularly review its product positioning and regional development strategies to strengthen its ability to respond and adapt to dynamic market environments.

Brand Development Strategy & Management Framework

Although M.J. International currently operates primarily under an OEM/ODM model, the growing importance of brand value in the evaluation criteria of international clients has prompted the Company to gradually define its brand development direction. The preliminary strategy focuses on the following three key dimensions:

Strategic Focus	Management Aspect	Implementation & Management Approach
Linking Product Value with Brand Identity	Brand Positioning and Identity Development	Develop brand messaging that reflects product process and quality advantages (e.g., stable delivery, flexible technical support).
	Internal and External Communication Integration	Collect client feedback and market intelligence; hold regular cross-functional brand communication meetings involving design, sales, and manufacturing departments.
Exploring Regional Market Differentiation	Region-Specific Product and Communication Strategy	Gather preferences for colors, styles, and product cultural backgrounds across European, American, Asian, and Middle Eastern markets.
		Develop region-specific packaging and product technical application guidelines to support clients in their market communication efforts.
	Brand Asset Management System	Establish product specifications and intellectual property management mechanisms (e.g., trademarks, designs, licensing scopes).
		Strengthen consistency in commercial applications and ensure secure data usage.
Integrating Brand with Sustainability	Transparency on Material Sources and Environmental Information	Begin mapping material sources, material disclosure levels, and carbon footprint transparency.
		Evaluate the phased establishment of brand sustainability statements, product eco-labeling, and carbon footprint communication frameworks.
	Brand Trust Building and Feedback Management	Enhance positive associations through sustainable procurement collaborations and supply chain compliance with customers.
		Build customer response mechanisms and brand trust frameworks to improve long-term partnership loyalty and recognition.

Corporate Value Contribution & Sustainability Benefits

In addition to pursuing business growth, M.J. International is committed to fulfilling its responsibilities to society and stakeholders through local procurement, stable employment, and responsible tax practices. In 2024, the Company generated the following tangible economic value:

Financial Indicator	Amount (NT\$’ 000)	Description
Compensation and Employee Benefits	165,880	Total employee welfare expenses in 2024, reflecting the Company’s long-term investment in talent and commitment to human capital development.
Tax Contribution and Social Responsibility	98,968	Total taxes paid in compliance with applicable regulations, demonstrating the Company’s lawful operation and contribution to the broader society.
Local Procurement	1,754,810	Procurement strategy centered on local sourcing to support regional industry development and reduce supply chain risks.

In summary, the Company will continue to reinforce its operational foundation and organizational resilience through sound financial management, process optimization, talent retention, and local collaboration. Furthermore, the Company is evaluating the incorporation of additional risk management and disclosure practices in areas such as customer trust, information security, and the sustainable value chain—progressively enhancing its responsiveness to stakeholder expectations and overall contribution to sustainable value creation.

1-4 Risk Management and Operational Resilience

Material Topic: Risk Management

Short-term goals (to be achieved by the end of 2026) :

- Achieve a response plan completion rate of over 95% for material risks.
- Attain 100% coverage for annual internal control self-assessments and audits.
- Conduct at least 2 climate risk-related training sessions.
- Integrate information security risk into the operational risk management reporting mechanism and conduct at least 1 simulation drill.

Mid-to-long-term goals (to be achieved by the end of 2030) :

- Implement and regularly evaluate the four pillars of the TCFD framework (Governance, Strategy, Risk Management, Metrics and Targets).
- Ensure that the Board of Directors and management review key risk issues at least twice per year.
- Include climate-related risks in the annual strategic business review at least once per year.
- Achieve a coverage rate of over 80% for critical suppliers in the risk monitoring list.
- Establish an interdepartmental risk collaboration mechanism and conduct at least one cross-functional risk coordination meeting annually.

Policies

The Company has established a comprehensive risk management framework in accordance with the Company Act, Securities and Exchange Act, and the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies issued by the Financial Supervisory Commission. This framework is supported by the “Risk Management Policy and Procedure” and the “Risk and Opportunity Response Management Procedure,” covering operational, financial, information, compliance, and climate-related risks. The Company also aligns with international standards such as TCFD and ISO 31000 to strengthen risk identification, assessment, and response capabilities.

Commitments

The Company is committed to implementing comprehensive risk control, conducting regular risk identification and assessments, and enhancing early-warning mechanisms and contingency plans to ensure operational stability and protect stakeholder interests. In response to climate and sustainability risks, the Company will continue adopting international management frameworks for risk mitigation and adaptation.

Responsibility

- The Board of Directors holds ultimate accountability for risk management.
- The Audit Department is responsible for evaluating internal control mechanisms.
- Management and all departments are responsible for executing risk identification, tracking, and reporting processes.

Resources

Human Resources

The Company has designated an internal audit unit and Sustainability Task Force to support the review and effectiveness of the risk management framework.

Financial Resources

Budget allocation for risk management system development and engagement of external consultants.

External Resources

Sustainability consultants for staff training and capacity-building.

Evaluation Mechanism for the Effectiveness of Management Approach

- 100% execution rate for the annual risk identification and assessment plan.
- ≥95% achievement rate of material risk response plans.
- Inclusion of climate-related or business continuity risks in annual strategy evaluations, at least once.
- Completion of one information and cybersecurity drill.
- Conduct a minimum of one educational or awareness-raising event on risk management per year.

Evaluation Results of the Management Approach

- 100% execution rate for the annual risk assessment and identification activities.
- 100% completion rate of material risk response plans.
- Climate-related or business continuity risks were incorporated into strategic evaluations once in the reporting year.
- One information and cybersecurity risk drill completed.
- One educational or promotional event on risk management held in the year.

1-4.1 Risk Governance Structure

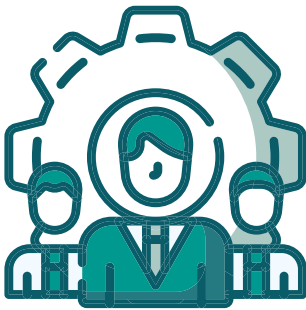
M.J. International recognizes that effective risk governance is fundamental to sound corporate operations and long-term sustainability. The Company has gradually established a top-down risk management system and implementation mechanism. The Board of Directors serves as the highest governing body for risk management, responsible for reviewing the overall risk management policies and the effectiveness of responses to material risk events, and providing strategic guidance. The management team is responsible for the identification, reporting, and coordination of responses to operational risks through cross-departmental communication and internal audits, ensuring proper risk oversight is implemented. To address the varied operational environments and potential risk types across different sites, the Company has incorporated risk management practices into the Sustainability Information Management Procedures, covering key topics such as regulatory compliance, financial stability, information security, business continuity, and climate-related risks. The Sustainability Task Force is responsible for consolidating departmental risk issues and conducting preliminary impact assessments and disclosure planning. Currently, each department develops its own prevention and mitigation measures in accordance with its responsibilities and participates in a preliminary risk registration and annual review mechanism. Looking ahead, the Company plans to enhance its governance efficiency and operational resilience by progressively introducing a risk classification system, risk heat mapping, responsibility matrix, and key risk indicators (KRIs), aiming to establish a comprehensive and iterative risk management cycle.



Board of Directors

Highest Governing Body

Regularly reviews risk management policies and responses to material events; provides strategic direction.



Management

General Manager and Executive Team

Responsible for initial risk identification, reporting, and tracking of operational risks; coordinates interdepartmental communication and response discussions.



Sustainability Task Force

Cross-Departmental Coordination & Integration Platform

Consolidates departmental risk issues; conducts qualitative preliminary impact assessments; compiles disclosures for reporting.



Department Heads

Operational Execution Units

Reports potential risk events within their scope of duties; participates in cross-functional discussions; assists in drafting risk registers and preliminary response measures.



Internal Audit Unit

Oversight and Audit Role

Evaluates the effectiveness of risk controls; provides audit observations and improvement recommendations; ensures the integrity and feasibility of control processes.

1-4.2 Risk Identification and Monitoring

M.J. International has progressively implemented risk identification and monitoring practices to enhance its ability to recognize potential operational risks and establish preliminary response readiness. At the current stage, the Sustainability Task Force serves as the cross-functional coordination unit, integrating operational insights and observations from each department to establish a foundational process for risk reporting, classification, and analysis. During the sustainability reporting and internal discussion processes, qualitative assessments are conducted for key risk scenarios to gain case-by-case understanding and initiate response simulations. While the overall framework is still undergoing institutionalization, the Company has begun focusing on identifying and addressing observable risks as a basis for building a more comprehensive risk monitoring system and enhancing governance resilience.

Risk Identification and Assessment Process

The Company has established the Sustainability Information Management Procedures and refers to the ISO 31000 risk management principles to develop a structured process for identifying and assessing risks. The Sustainability Task Force is responsible for coordinating execution across departments, integrating internal risk observations, audit findings, operational incident reports, and external trend analysis. This approach enables comprehensive identification and preliminary assessment of financial, operational, regulatory, supply chain, information security, and climate-related risks, along with evaluation of their impact levels and corresponding preventive priorities. The risk management process is conducted through the following steps:

Risk Management Stage	Implementation Method
Risk Data Collection	Each department gradually establishes preliminary mechanisms for reporting potential risks and anomalies based on daily operations, internal audits, stakeholder feedback, and external developments.
Scenario Simulation and Impact Analysis	Preliminary analysis is conducted to assess potential impacts on operations, finances, compliance, and reputation. Cross-functional discussions may be initiated to establish baseline scenario references.
Risk Registration and Classification	Identified risks are compiled into a risk register and classified by type—financial, legal/compliance, information, climate, operational—for further analysis and response planning.
Likelihood and Impact Evaluation	Although a formal risk heat map has not yet been developed, the Sustainability Task Force conducts qualitative discussions and preliminary consensus assessments during the reporting process.
Mitigation Measures and Responsibility Assignment	For higher-risk items, feasible preventive and mitigation strategies are prioritized, with initial responsibility and coordination frameworks assigned to relevant departments for ongoing tracking and adjustment.
Rolling Review and Updates	An annual review mechanism is being established. Adjustments will be made in response to organizational changes or regulatory updates, with flexibility built into the process to ensure timely updates.

Through this process, the Company is able to proactively identify potential sources of risk and implement early-stage mitigation strategies to enhance overall operational stability and resilience.

Risk Response Drills and Performance

To strengthen contingency response capabilities and operational resilience, M.J. International has progressively initiated risk drills and response planning tailored to the characteristics of each operational site. Currently, all locations—including office and manufacturing facilities—have designed basic drill programs aligned with their specific risk scenarios, covering potential incidents such as fires, earthquakes, machinery malfunctions, and cybersecurity breaches. These drills aim to cultivate employees' initial awareness and preparedness for emergency situations. The Company's risk response measures and performance in 2024 are summarized as follows:

Risk Category	Risk Response Measures	2024 Performance
Financial Risk	Adopting a conservative capital allocation approach, with basic financial monitoring and asset structure management.	Conducted regular financial reviews and cash allocation assessments; carried out internal scenario simulations in response to operational fluctuations.
Credit Risk	Implementing pre-shipment payment terms for selected international orders to strengthen customer credit control.	Applied account receivable categorization management and evaluated feasibility of payment terms for emerging market clients.
Market Risk	Monitoring international flooring market trends and raw material price fluctuations; compiling distribution data as a reference.	Collected and analyzed periodic market briefings, including sales channel updates and cost trends in Europe and the U.S., to support internal strategy development.
Liquidity Risk	Managing cash flow and short-term financing flexibility; performing liquidity stress tests and cash position evaluations as needed.	Regularly reviewed cash reserves and credit lines with finance and accounting teams to maintain sound liquidity positioning.
Operational Risk	Continuously improving production and warehouse procedures; documenting standard operating procedures.	Documented partial workflows and conducted staff training to enhance operational consistency in preparation for future systematization.
Reputational Risk	Established preliminary external communication channels and a reporting system for product anomalies; reinforced customer collaboration stability.	No major reputational events occurred during the year. Continued to gather client feedback through the sales team to inform quality and service enhancements.
Disaster Risk	Developed site-specific SOPs for fire, earthquake, and power outage scenarios.	Each facility completed fire and emergency drills. Ongoing review and refinement of emergency response procedures were conducted.
Market Substitution Risk	Assessed potential impact of emerging building materials or low-carbon alternatives on existing product lines.	Initiated collection of information on new materials and carbon footprint requirements; integrated into R&D and product strategy meetings for continuous tracking.
Political Risk	Monitored the impact of international political and economic developments on policies and regulations affecting facilities in Taiwan and China.	Management continues to monitor policy developments and internally assess risk diversification strategies; operational arrangements will be adjusted as needed.

Moving forward, the Company will establish standardized contingency plans and scenario-based drill modules according to the specific risk types and operational characteristics of each site. Annual drill scheduling, coverage rates, and staff response capability assessments will be incorporated as core indicators for enhancing the Company's business continuity response mechanism and practical risk governance capacity.

1-4.2 Risk Identification and Monitoring

Pilot Drills to Strengthen Response Capabilities

M.J. International recognizes that operational risks may arise from a range of factors, including sudden incidents, equipment failures, and natural disasters. Although the Company has not yet established a comprehensive business continuity management system, it has initiated the planning of preliminary response drills to enhance employee awareness and practical response preparedness.



The Company plans to design tailored drill scenarios for each operational site based on its risk profile and operational environment. Through these pilot exercises, departments will progressively build awareness and response capabilities for potential business disruptions. The drills will also serve as a foundation for review and refinement, facilitating the future institutionalization of business continuity and emergency response planning.

Operational Risk Drill Strategy

Category	Business Continuity	Cybersecurity Response	Disaster Recovery
Drill Objectives	Establish basic response concepts for critical business operations; reduce supply chain and operational disruption impacts.	Introduce fundamental cybersecurity response awareness to protect data and system integrity.	Raise awareness of emergency evacuation and equipment recovery procedures.
Scope	Supply chain coordination, order processing, interdepartmental communication.	System incident reporting, ransomware identification, social engineering scenarios.	Earthquake/fire alerts, evacuation routes, remote backup operations.
Scenario Planning	Simulate supplier delivery delays to test internal contingency processes.	Simulate DDoS attacks or phishing emails and activate response protocols.	Conduct earthquake/fire evacuation drills.
	Simulate sudden market demand surges to assess response agility.	Perform phishing simulations to observe employee reactions.	Simulate key equipment damage and assess preliminary recovery measures.
	Test interdepartmental coordination procedures.	Simulate initial incident reporting after a system breach.	Pilot remote system login procedures post-disaster.
Planned Mechanisms	Set up emergency supply chain contact windows and simplified SOPs.	Explore initial implementation of SIEM (Security Information and Event Management) tools.	Design evacuation routes and assembly points.
	Establish an internal crisis contact list.	Compile cybersecurity incident reporting contacts and designated responders.	Evaluate equipment replacement and data restoration mechanisms.
Employee Response Measures	Draft internal emergency response handbook.	Conduct anonymous phishing response drills.	Establish on-site walkthroughs and evacuation route diagrams.
	Establish emergency communication and synchronization channels.	Enhance awareness of two-factor authentication practices.	Plan basic post-disaster psychological support resources.
Execution Frequency	Initially planned at once per year for scenario-based simulations.	Planned semi-annually; higher-risk systems may be tested more frequently as needed.	Planned annually, with separate testing for off-site backup recovery.
Performance Evaluation	Assess alignment of business recovery time with estimated targets.	Measure average response time for incident reporting.	Measure evacuation time and completeness of personnel confirmation.
	Evaluate execution and responsiveness of alternative supply chain processes.	Track phishing email click-through rates.	Estimate equipment recovery duration and data restoration feasibility.

1-5 Information Security and Privacy Protection

Information security and the protection of personal data are critical to the stability of corporate operations. While M.J. International has not yet adopted a comprehensive information security certification system, the Company has established preliminary control procedures and internal awareness mechanisms. These serve as the foundation for future systematic planning, in alignment with international cybersecurity trends and regulatory developments.

1-5.1 Information and Network Security Management Governance and Implementation Framework

The Company’s Information Technology Department is responsible for overseeing information security operations and collaborates with the Sustainability Task Force on cross-departmental risk-related matters. Initial control measures have been implemented for internal systems and routine data handling processes, including account access management, data access control, and backup protocols. The feasibility of introducing incident response mechanisms is also under evaluation. In parallel, the Company actively monitors developments in personal data protection. A preliminary inventory of employee and customer data types has been completed, and basic compliance practices have been instituted in accordance with applicable regulations (e.g., the Personal Data Protection Act). Future actions will expand the scope of governance as operational requirements evolve.

1-5.2 Information Security Risk Assessment Policy

Currently, the Company adopts a qualitative approach to assess potential information security risks, progressively building internal awareness and a foundational evaluation framework. Key elements of the current assessment process include:

Assessment Item	Initial Implementation Overview
Risk Identification	Identify common cybersecurity risks during daily operations, such as credential leakage, system failure, malware infections, or ransomware attacks.
Risk Categorization	Classify risks based on origin, affected stakeholders, and asset nature—e.g., external attacks, internal errors, data breaches, and equipment failures.
Impact Dimension Analysis	Evaluate risks across four key impact areas: data integrity, operational disruption, customer trust, and regulatory compliance.
Risk Response Measures	Develop preliminary countermeasures for identified risks, including enhanced access controls, increased backup frequency, and employee training initiatives.
Ongoing Monitoring and Review	Risk items are reviewed and updated regularly in response to operational and regulatory changes, supporting improved alertness and preparedness.

Although this system is in its early stages, the Company will continue to assess the feasibility of institutionalizing the framework. References such as ISO/IEC 27005 will be used to guide the development of a systematic risk assessment and response mechanism, thereby strengthening the overall information security management structure.

Information Security Risk Management Policy

In response to increasing digitalization and the demands of cross-border operations, M.J. International has initiated the identification and management of information security risks. Although a comprehensive information security management system (e.g., ISO/IEC 27001) has not yet been adopted, the Company has established a foundational data protection framework by implementing internal systems such as ERP, DMS, HR, and BPMS. These systems support basic security for data circulation and document management, and form the basis for future systematized controls and early-warning mechanisms. At the current stage, the Company's information security risk management policy is guided by the following preliminary principles:

Focus Area	Management Principles
Risk Prevention	Basic user access rights and password policies are defined for internal systems, with regular reviews of user permission settings.
Data Integrity	Critical operational data is backed up, and mechanisms for automated storage and version control are being progressively implemented.
Account and System Monitoring	The Company is assessing the introduction of login activity logging and abnormal behavior alerts to support future risk surveillance.
User Awareness and Training	Information security concepts are promoted through internal announcements and user guidelines, with simple instructions on identifying phishing emails and ransomware threats.
Incident Reporting and Response (Under Planning)	A simplified incident reporting mechanism is under development, including designated departmental contacts and basic response responsibilities, serving as a preparatory step for broader system implementation.

Looking ahead, the Company will progressively plan and implement measures such as formal risk assessment procedures, the formation of an information incident response team, and structured security training programs, in accordance with operational needs and regulatory requirements. These efforts aim to enhance the Company’s resilience to increasingly complex business environments and evolving cybersecurity threats.

1-5.2 Information Security Risk Assessment Policy

Cybersecurity Risk Impact and Mitigation Measures

Although no major cybersecurity incidents have occurred to date, M.J. International adheres to the precautionary principle and has conducted preliminary impact assessments and developed response strategies for common cybersecurity risks. These efforts serve as a foundation for future enhancements to the Company's information security framework.

Based on current risk identification, potential cybersecurity risk scenarios, impact areas, and preliminary response measures are outlined as follows:

Type of Cybersecurity Risk	Potential Scenario	Potential Impact Areas	Preliminary Mitigation Measures (Preventive Stage)
Account Misuse Risk	Inappropriate account settings or credential leakage leads to unauthorized access.	Data breaches, incorrect internal permissions	Reviewing password complexity policies and exploring the feasibility of implementing two-factor authentication (2FA).
Data Loss Risk	Data loss due to hard drive failure or accidental deletion, resulting in non-recoverable operational data.	Operational disruption, loss of customer information	Assessing the introduction of regular backup and recovery procedures; drafting data classification and retention guidelines.
Ransomware Attack Risk	Malicious email attachments or phishing links compromise the system and encrypt files.	System downtime, reputational damage	Promoting employee security awareness training, conducting simulated phishing email drills, and establishing a basic reporting protocol.
System Intrusion Risk	Insufficient protection of external connection ports leads to unauthorized access or system manipulation by attackers.	Data breaches, service interruptions	Conducting initial firewall policy reviews and vulnerability scans to strengthen perimeter security.
Mobile Device Risk	Lost or stolen laptops without encryption or access control may expose confidential data.	Customer data leakage, disclosure of trade secrets	Evaluating policies for mobile device access control and the need for endpoint encryption.
Human Error Risk	Employee operational errors, such as incorrect file deletions or permission misassignments, may lead to data exposure.	Operational stability, compliance risks	Strengthening internal review and dual-approval mechanisms; planning tiered permission controls for documents and systems.

Most of the above mitigation measures are currently in the planning or pilot-testing phase. The Company will continue to evaluate the necessity and feasibility of each control mechanism based on evolving risk patterns and system maturity. Additionally, efforts will be made to enhance employee awareness of cybersecurity threats, laying the groundwork for a more comprehensive information security governance system.



1-5.2 Information Security Risk Assessment Policy

Cybersecurity Awareness Training and Monitoring Mechanism

M.J. International is progressively enhancing its information security management framework. In addition to establishing internal cybersecurity procedures, the Company has begun implementing foundational cybersecurity awareness training to strengthen employee risk perception and response capabilities. In 2024, a first-phase digital learning program was trialed for key cybersecurity personnel and initial management teams, covering the following core topics:

Focus Area	Implementation and Preliminary Measures
Employee Cybersecurity Training	Internal presentations, bulletins, and departmental briefings were used to share phishing email and malicious link case studies, aiming to enhance employees' basic threat identification skills.
Incident Reporting Awareness	Introduced the concept of abnormal cybersecurity incident reporting and encouraged staff to proactively report suspicious behaviors or messages. A designated reporting channel is planned for future implementation.
Login Activity Monitoring	Assessed the feasibility of implementing system login behavior tracking and anomaly notifications, and began designing an alert mechanism for unauthorized or unusual logins.
External Access Control	Initiated an inventory review of external devices and planned restrictions for remote access, including preliminary evaluations of potential data leakage risks.
Multi-Factor Authentication (MFA) Awareness	Planned to introduce MFA and strong password policies, supported by hands-on demonstrations to reduce resistance and increase user acceptance.
Employee Education Materials	Drafted an initial version of a cybersecurity operations guide, including account setup, data transmission, cloud usage, and personal data protection, to serve as onboarding training material and for periodic staff refreshers.

Training Courses Conducted

This year's training primarily targeted cybersecurity core personnel as an initial activation phase. Moving forward, the Company plans to design role-based and application-specific training content tailored to different operational units. This will help expand training coverage and establish an organization-wide foundation of cybersecurity awareness, serving as a preparatory step toward institutionalizing information security and enhancing defense capabilities.

Course Title	Duration	Notes
Introduction to Cybersecurity Guidelines for Listed Companies	1.5 hours	Video-based course, foundation for managerial training
Cybersecurity Awareness, Essential Knowledge and Responsibilities	2 hours	Reinforces core cybersecurity principles
Incident Response and Preventive Measures	2.5 hours	Focuses on real-world scenarios and response concepts

1-5.2 Information Security Risk Assessment Policy

Information Security Protection Implementation Status

In response to the increasing digitization of operations and the geographical distribution of business sites, M.J. International has begun advancing its information security initiatives based on operational needs. Adopting a prudent and gradual approach, the Company is systematically piloting protective measures and developing institutional structures. Although a comprehensive cybersecurity management framework or third-party certification (such as ISO/IEC 27001) has not yet been implemented, the Company continues to build its fundamental defense capabilities through cross-departmental collaboration, information system standards, and employee behavior management.

In 2024, no major cybersecurity incidents occurred. The Company reported no cases of ransomware attacks, data breaches, or system outages. The main achievements in cybersecurity protection during the reporting year are summarized as follows:



Account Management and Login Security

System-generated passwords are updated every three months with automatic reminders sent to users.

Ongoing

Completed an internal account and access rights review; implemented a strong password policy.



System and Equipment Security Management

Maintains a maintenance agreement with the firewall provider and regularly updates system identifiers to prevent vulnerabilities.

Ongoing

Conducted firewall configuration reviews and vulnerability scans for key information systems; implemented scheduled updates and data backups for critical equipment.



Mobile Device Risk Control

Use of mobile devices requires prior approval and authorization.

Ongoing

Consolidated records of external laptop use and remote access; drafted a basic framework for device encryption and tiered data access controls.



Cybersecurity Education and Phishing Tests

Ongoing employee training on cybersecurity awareness and irregular social engineering simulations.

Ongoing

Completed introductory cybersecurity awareness training for employees; phishing simulation procedures under development by the IT and Sustainability Task Force.



Incident Reporting Mechanism

Gradually establishing an information security reporting mechanism.

Ongoing

Drafted initial abnormal event reporting procedures and interdepartmental contact list; will be expanded to additional business units and locations.



Personal Data Protection

Personal data managed within respective systems.

Ongoing

Completed an inventory of employee- and business-related personal data; initiated labeling and partial masking practices as the starting point for enhanced personal data protection.

Moving forward, the Company will continue optimizing its information security mechanisms in line with regulatory developments and practical needs. Plans include the phased introduction of risk assessment systems and more comprehensive monitoring tools, aimed at safeguarding information assets while strengthening operational stability and organizational resilience.

1-5.2 Data Privacy and Protection

M.J. International places high importance on the protection of personal data belonging to employees, customers, and business partners. The Company has initiated a preliminary review and management plan for internal processes involving the collection, use, and storage of personal data. Although a formal data protection certification has not yet been obtained, and a comprehensive framework is still under development, the Company has implemented basic protective measures in accordance with the Personal Data Protection Act and other applicable regulations, particularly for the types of data encountered in day-to-day operations.

Data Privacy Governance Structure

M.J. International adopts a phased approach to data privacy governance. The Information Technology Department serves as the primary coordinating unit, working in collaboration with Human Resources, Sales, and Legal departments to gradually build a data protection framework that aligns with the Company’s operational needs. While a dedicated Data Protection Officer has not yet been appointed, the IT Department has been designated to lead internal assessments and improvements related to personal data protection. Additionally, the Sustainability Task Force supports cross-departmental communication and policy development. The current governance structure for data privacy is outlined as follows:


Level	Unit / Role	Key Responsibilities
Corporate Governance Level	Board of Directors	Monitors personal data management risks and oversees the direction of the Company’s information security and privacy policies, including the disclosure of related risks.
Management	General Manager and Relevant Executives	Provides guidance on major issues such as data usage, third-party collaboration, and cross-border data transfer; promotes cross-departmental coordination.
Information Technology Department	Cybersecurity and Systems Personnel	Leads the classification of personal data types, plans access permissions, manages data transmission risks, and provides technical support.
Responsible Departments	HR, Sales, Administration, etc.	Executes data access and protection procedures according to internal guidelines for daily operations involving personal data; participates in policy updates.
Sustainability Task Force	Sustainability and Risk-Related Personnel	Supports the drafting of privacy-related disclosures and facilitates stakeholder engagement and interdepartmental policy communication.

In response to evolving regulatory trends and client expectations, the Company will continue to evaluate the effectiveness and practicality of its governance framework. Future enhancements may include clearly defined accountability roles, strengthened access control mechanisms, and the establishment of regular auditing processes to support the long-term development of a comprehensive data protection governance strategy.

Data Privacy Risk Management Framework


M.J. International is currently in the early stages of implementing and piloting data privacy risk management practices. The Company continues to strengthen its personal data protection processes through cross-functional collaboration, supported by the Information Technology Department. As data usage scenarios expand and regulatory expectations evolve, the Company is gradually broadening its scope of protection and oversight to mitigate risks of data misuse and leakage, thereby upholding its fundamental responsibility for personal data protection.

At this stage, the Company has adopted the following practices as part of its data privacy protection efforts:




Data Inventory & Classification

Conducted a preliminary inventory of forms, documents, and system fields containing personal data; classified data based on purpose of use into three categories: human resources, business communication, and customer service.




Data Usage Regulation

Personal data access is restricted to authorized personnel only. Certain data fields are masked (partially redacted) to reduce risks of misuse or accidental disclosure.




Data Retention & Management

Established recommended retention periods for both physical and electronic documents. Internal access control processes for documents are currently under trial implementation.




Third-Party Collaboration Controls

Ongoing contract review to identify agreements involving personal data exchange with external vendors or partners. The Company plans to introduce data protection clauses and confidentiality agreements where necessary.



Training & Awareness

Delivered basic personal data protection concepts through department meetings and training presentations, emphasizing the proper handling of personally identifiable information (PII) in daily operations.



Compliance Monitoring &Regulatory Tracking

Monitors legal developments related to personal data protection and cross-border data transfer, which serve as references for future system enhancements and policy updates.

1-5.2 Data Privacy and Protection

Data Retention and Disposal Management Mechanism

To ensure that documents, records, and personal data generated during business operations are properly managed and processed in accordance with applicable regulations, M.J. International has established fundamental principles for data storage and disposal. While the Company has not yet implemented a professional information asset destruction system, current practices differentiate between physical and electronic data based on business functions and regulatory requirements. Data retention periods and handling mechanisms have been defined for key categories of internal information. Classification of most physical records and some digital data has been completed, and rules governing data deletion and clean-up remain under review and refinement. Looking ahead, the Company will continue to expand the scope of its data handling protocols in alignment with operational needs and the progression of its information security policies. Emphasis will be placed on strengthening lifecycle-based data governance, improving traceability, and enhancing auditability.

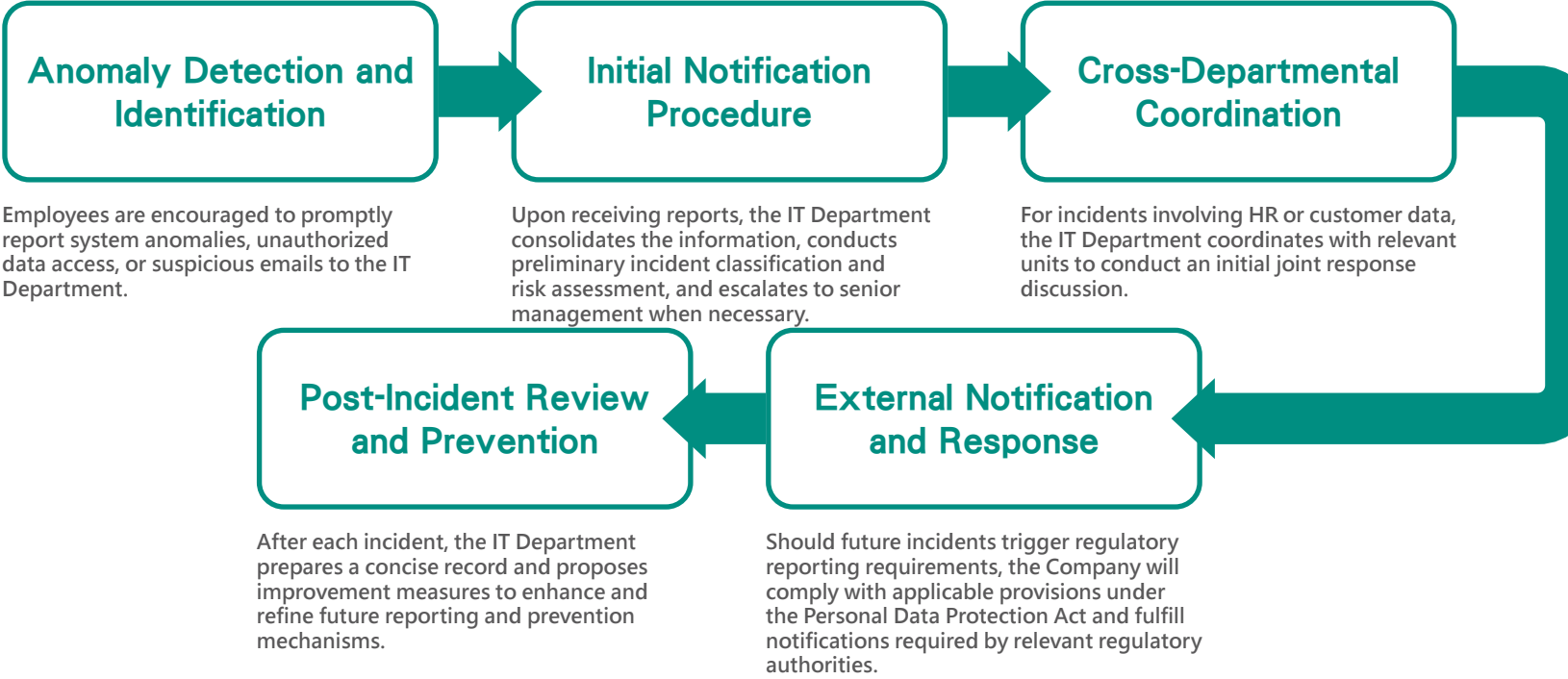
Current Practices:

Management Aspect	Management Aspect
Data Storage Principles	Sensitive and general information are managed separately. Designated storage areas and authorized personnel are assigned by the IT Department and respective functional units.
Retention Periods	Preliminary retention categories have been set based on the nature of documents—three years, five years, or over five years—for financial, HR, and client-related records. Each department is responsible for labeling and maintaining relevant materials.
Electronic Data Management	Files are managed through layered folder structures and access permissions. A regular backup mechanism is under development to prevent unauthorized access or accidental deletion.
Physical Document Management	Paper records are archived using a sign-out and tracking system. Designated secure areas are maintained, and access is managed by department heads.
Disposal Mechanism Planning	The Company is drafting procedures for scheduled data clean-up, including secure shredding of physical records and verification of electronic file deletion. The IT Department will oversee the documentation and auditing of disposal activities.
Compliance and Record-Keeping	Regulatory requirements—including those under the Personal Data Protection Act, tax laws, and contract retention obligations—are under review. Plans are underway to adopt standardized procedures and automatic reminders to improve traceability and compliance.

Privacy Incident Response & Notification Mechanism

M.J. International recognizes that any leakage of personal data may significantly impact the Company’s reputation, regulatory compliance, and stakeholder trust. In response, the Company has initiated the development of an internal privacy incident response and notification procedure. Although a comprehensive data breach reporting system has not yet been fully implemented, preliminary efforts have been made under the leadership of the Information Technology Department, in collaboration with the Human Resources and Sales Departments. These efforts include the formulation of potential incident scenarios and interdepartmental communication protocols as a preparatory step toward future institutionalization.

Current Framework:



Privacy Management Performance

In 2024, M.J. International achieved the following results in privacy management:

- **Data Breach Incidents:** No data breach incidents were recorded, achieving zero violations throughout the year.
- **Privacy Compliance Review:** No non-compliance findings were identified during internal audits or external assessments.

Chapter 2: Advancing Circular Economy & Green Energy

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M.J. International continues to monitor the potential impacts of climate change and environmental risks on business operations and has progressively incorporated the concepts of circular economy and energy management. Based on operational realities, the Company has initiated assessments and planning related to resource utilization and carbon reduction strategies. While relevant systems and performance indicators are still in the process of development and refinement, the Company has begun preliminary actions across various aspects including raw material selection, process optimization, energy consumption, water efficiency, and waste management. These efforts lay the foundation for strengthening long-term environmental governance capabilities.

2-1 Energy Management

M.J. International recognizes the environmental and operational cost implications of energy use and has taken initial steps to establish basic practices for energy monitoring and efficiency improvement. Although a formal energy management system or relevant certifications have not yet been adopted, the Company has initiated actions such as energy usage assessment at operational sites, identification of major energy-consuming equipment, and improvement of lighting systems as early preparations for developing a systematic energy management framework in the future.


Energy Use Profile and Assessment Scope

The Company primarily relies on electricity as its main energy source, which supports lighting, air conditioning, manufacturing processes, and warehouse logistics operations across its headquarters in Tucheng, the Tainan Facility, and the Dongguan Facilities in China. Current energy use covers the following areas:




Operational Areas

Office floors, finished goods warehouse, laboratories, and small-scale processing areas



Types of Equipment

Lighting systems, HVAC, cutting and calendering machines, and IT/server equipment



Energy Types

Primarily grid electricity, with limited use of fuel for backup generators and logistics vehicles

Energy consumption data is currently based on monthly electricity meter readings. An automated energy management system has not yet been implemented; however, future enhancements will be made according to the actual conditions and resources available at each site.



2-1 Energy Management

Energy Consumption Overview
To date, the Company has not procured green energy, renewable energy, or renewable energy certificates.

Note: The disclosed unit is megajoules (MJ). Energy Intensity is calculated as: Annual Energy Consumption / Total Number of Employees.


	2022			2023			2024		
	Tucheng	Tainan	東莞	Tucheng	Tainan	Dongguan	Tucheng	Tainan	Dongguan
Total Electricity Consumption (kWh)	216,234	3,916,300	36,266,590	194,744	8,556,160	30,652,390	189,453	20,063,720	32,994,991
Renewable Energy (Solar) Consumption (kWh)	-	-	-	-	-	229,308	-	5,381	2,502,765
Electricity from Energy Storage (kWh)	-	-	-	-	-	-	-	-	-
Total Consumption (kWh)	216,234	3,916,300	36,266,590	194,744	8,556,160	30,881,698	189,453	20,069,101	35,497,756
Total Energy Consumption (GJ)	778.44	14,098.68	130,559.72	701.08	30,802.18	11,174.11	682.03	72,248.76	127,791.92
Total Number of Employees	51	128	623	57	238	578	55	284	550
Energy Intensity (GJ/Employee)	15.26	110.15	109.57	12.75	183.35	192.34	12.40	254.40	232.35
Primary Emission Source	Electricity use (Scope 2), mainly from manufacturing equipment, lighting, and HVAC systems			Electricity use (Scope 2), mainly from manufacturing equipment, lighting, and HVAC systems			Electricity use (Scope 2), mainly from manufacturing equipment, lighting, and HVAC systems		
Carbon Emissions Reduction (Metric Tons CO ₂ e)	107.69	1934.65	17915.70	96.20	4226.74	15142.28	89.80	9510.20	17705.11
Proportion of Grid Electricity	100% (Electricity sourced solely from Taiwan Power Company)		100%	100% (Electricity sourced solely from Taiwan Power Company)		100%	100% (Electricity sourced solely from Taiwan Power Company)	99.97%	92.95%

2-1 Energy Management

Preliminary Measures for Energy Efficiency Improvement


In 2023, M.J. International gradually promoted energy efficiency initiatives, focusing on identifying energy-intensive equipment, establishing basic energy consumption monitoring, and introducing energy-saving technologies. A phased implementation strategy was adopted based on the maturity of each production site. Current energy-saving efforts are guided by the principle of conservative feasibility, with key actions summarized as follows:

Energy Data Monitoring and Management




Established a basic mechanism for regularly recording total factory electricity consumption and key equipment energy use; analyzed major sources of consumption and evaluated potential areas for improvement.

Inventory & Replacement of High-Energy Equipment




Assessed the feasibility of adopting high-efficiency motors and variable frequency drive systems; progressively replaced outdated energy-intensive machinery to enhance energy efficiency.

Lighting Efficiency Enhancement




Partially replaced lighting systems with LED fixtures in the Tainan and Dongguan Facilities; considered the adoption of motion-sensor lighting to improve usage efficiency and flexibility.

Review of Equipment Operating Modes




Reviewed operational logic of major production equipment based on energy consumption data to prevent prolonged idle time and inefficient cycles, thereby improving operational effectiveness.

Evaluation of Energy-Saving Technologies



Continued exploration of smart monitoring technologies and IoT-based energy sensing applications, and evaluated their potential to enhance energy visibility and management efficiency in the factory setting.

Promotion of Energy Awareness Among Employees



Promoted energy-saving practices such as “turning off lights when not in use” and “activating equipment only as needed” through announcements and meetings, thereby strengthening awareness of energy-saving in daily management.

Employee Engagement & Behavioral Guidance

M.J. International recognizes that effective energy efficiency and resource management rely not only on institutional frameworks and equipment improvements but also on the cultivation of employee awareness and daily behavioral practices. To this end, the Company has gradually implemented a behavioral guidance strategy centered on employee participation, aiming to foster energy-saving habits and resource sensitivity through simple behavioral reminders, interdepartmental communication, and system design. The following measures are currently being implemented in a phased manner:

Focus Area	Implementation Description
Promotion of Energy-Saving Awareness	Reinforced daily energy sensitivity through department meetings and internal digital announcements featuring messages such as “turn off lights when not in use,” “conserve electricity,” and “set air conditioning appropriately.”
Participatory Improvement Proposals	Encouraged employees to submit suggestions related to process equipment operation, lighting, and air conditioning management. In 2024, four energy-saving proposals were collected, some of which entered preliminary trial phases.
Integration of Energy Concepts in New Employee Training	Incorporated basic concepts of energy saving and information security into onboarding training to familiarize new employees with sustainability responsibilities and behavioral standards.
Establishment of Daily Feedback Mechanisms	Enabled employees to report observations and suggestions regarding energy waste via internal mailboxes or through supervisors. The Company is also planning to establish a simple reporting and tracking mechanism.
Demonstration and Recognition of Energy-Saving Behaviors	Departments verbally acknowledged teams that effectively implemented power management practices, serving as non-incentive-based recognition to encourage internalization of behaviors and peer-to-peer learning across departments.

Through these actions, M.J. International aims to cultivate an inclusive energy-saving culture during the system development phase and strengthen the practical feasibility of energy management in day-to-day operations. As the Company continues to grow and expand its operational sites, the scope of employee participation and feedback channels will be broadened to further internalize sustainability awareness and encourage voluntary engagement.

Energy Management Performance

In 2023, the Company progressively initiated energy data collection and behavioral improvement initiatives, compiling key energy usage information to establish a foundation for indicator-based management. Although the Company remained in the stage of data collection and system establishment, several observable outcomes were achieved, including lighting replacements, equipment inventory results, and implementation of specific improvement proposals. In 2024, the Company continued to strengthen energy management through systemized recordkeeping, KPI expansion, and training.

	2023	2024
Total Electricity Consumption (Factories)	Approx. 39,437,858 kWh (combined total of Tainan and Dongguan Facilities)	Approximately 55,566,857 kWh (combined total of Tainan and Dongguan Facilities)
Electricity Intensity per Product Unit	Approx. 8.2 kWh per ping of flooring product (based on annual production volume estimate)	Approximately 10.2 kWh per ping of flooring product (estimated based on annual production volume)
Energy-Intensive Equipment Inventory Frequency	One inventory conducted, identifying five major energy-consuming equipment items	Conducted one inventory of energy-intensive production equipment, with energy efficiency assessments and quotation procedures initiated for the two most energy-consuming machines
LED Lighting Coverage Rate	Approx. 45% (based on lighting points; 36 units replaced at Tainan Facility, 42 at Dongguan)	Approximately 50%, with feasibility assessments for introducing motion-sensor lighting in office areas (office corridors and emergency stairways)
Employee Energy-Saving Awareness Promotion Frequency	4 sessions (via departmental meetings and internal communications), reaching approx. 120 participants	Maintained quarterly campaigns, incorporating energy-saving promotion into new employee onboarding training
Number of Energy-Saving Improvement Proposals	4 proposals submitted, 2 in implementation phase (e.g., compressor standby logic optimization, segmented nighttime lighting control)	Two energy-saving proposals initiated and implemented (e.g., unified baking schedule for quality assurance ovens and laboratory tests; continuous operation of extruders to reduce heating energy consumption)

2-2 Water Resource Management

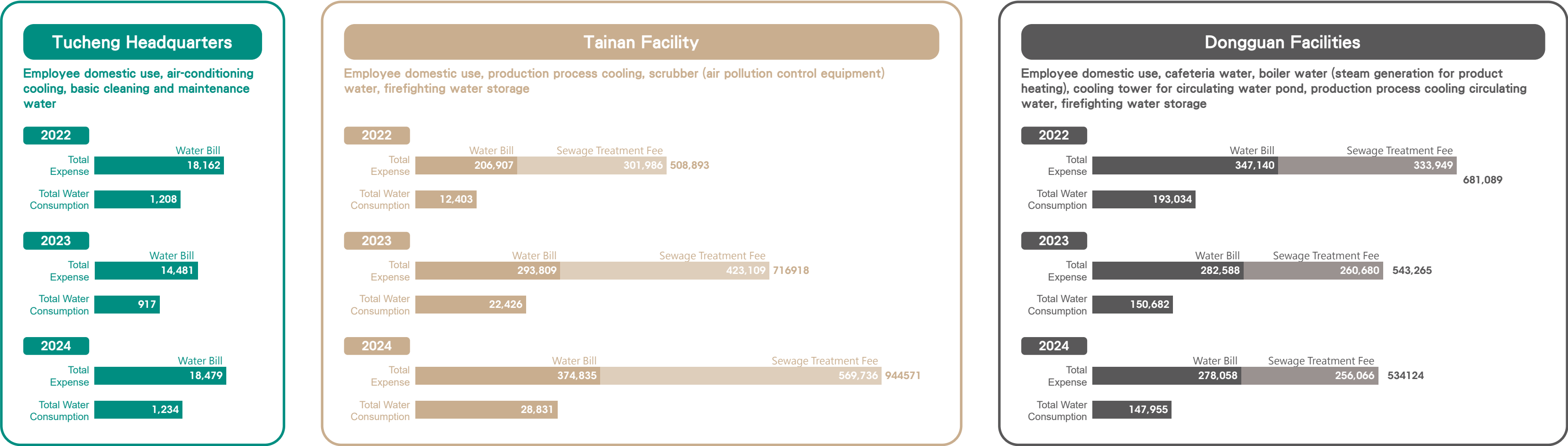
M.J. International recognizes water as one of the fundamental resources in manufacturing operations. Although the Company's primary processes involve dry processing and assembly, resulting in relatively limited water consumption, a commitment to conservation and efficiency remains a guiding principle. Accordingly, the Company has conducted basic assessments and management of water usage in office areas, employee facilities, and selected plant activities such as cleaning and cooling, serving as the foundation for enhancing resource efficiency and promoting water-saving awareness.

Overview of Water Usage

As of the end of 2024, the Company had not yet implemented real-time water monitoring systems. Water consumption at each facility was tracked on a monthly basis using utility bills, which served as the basis for preliminary management. The Company continued to explore feasible measures to improve water-use efficiency.

Water Usage Analysis and Trend Observation

Based on recent years’ statistics of water expenses and consumption across facilities, the Company’ s overall water usage has remained relatively stable. Fluctuations in costs and volumes are primarily correlated with changes in employee headcount and operational scale. In 2024, total water consumption and water expenses increased slightly compared to 2023, which is attributed mainly to expanded production capacity and increased staffing at the Tainan facility. Currently, the Company has not developed or utilized groundwater resources; all water is supplied by local municipal water systems, with no involvement in groundwater extraction or related environmental impact assessments or registration procedures for deep wells. Moving forward, the Company will regularly compare water expenses across locations to identify anomalies and potential water-saving opportunities. These findings will serve as important references to promote water efficiency management.



Note: This table consolidates water expense and consumption data across the Facilities. The figures are primarily derived from water billing statements. Real-time monitoring and system-based statistical functionalities have not yet been implemented.

Note: Tucheng and Tainan are denominated in New Taiwan Dollars (NTD), while Dongguan is denominated in Chinese Yuan Renminbi (CNY).

2-2 Water Resource Management

Water Management Recommendations

The main production facilities of M.J. International are located in the Tainan and Dongguan Facilities. Although the overall manufacturing processes are primarily dry operations, the demand for process cooling circulation and employee domestic water use results in higher water intensity compared to office-type locations. To improve water use efficiency and reduce resource waste and potential pollution risks, the Company has implemented multiple water management measures across its manufacturing facilities and continues to introduce localized water-saving initiatives and water resource management strategies to strengthen sustainable water resource management.

Water Efficiency Management

- Monitor monthly total water usage by billing statements and meter readings.
- Maintain facility data logs for management personnel to track peak usage periods and anomalies.

High Water Consumption Equipment Inventory

- Conducted preliminary inventory of water consumption for selected cooling equipment and cleaning machinery.
- Evaluate potential for water-saving upgrades or reuse capabilities.

Water Recycling and Reuse

- Dongguan Facilities are assessing feasibility of HVAC condensate water recovery.
- Tainan Facility is in preliminary design phase for a rainwater harvesting system, planning pilot projects based on cost-benefit analysis.

Wastewater Discharge Management

- Domestic wastewater is discharged through local sewage systems.
- Conduct regular inspections of drainage facilities to prevent odor and leakage.
- Production processes do not involve industrial wastewater discharge.

Non-Contact Water-Saving Devices

- Installed automatic sensor faucets in washbasins.
- Evaluating installation of aerators and pressure-reducing valves in pantries and restrooms.
- Gradually implementing dual-flush toilets in sanitary facilities.

Facility Maintenance and Inspection

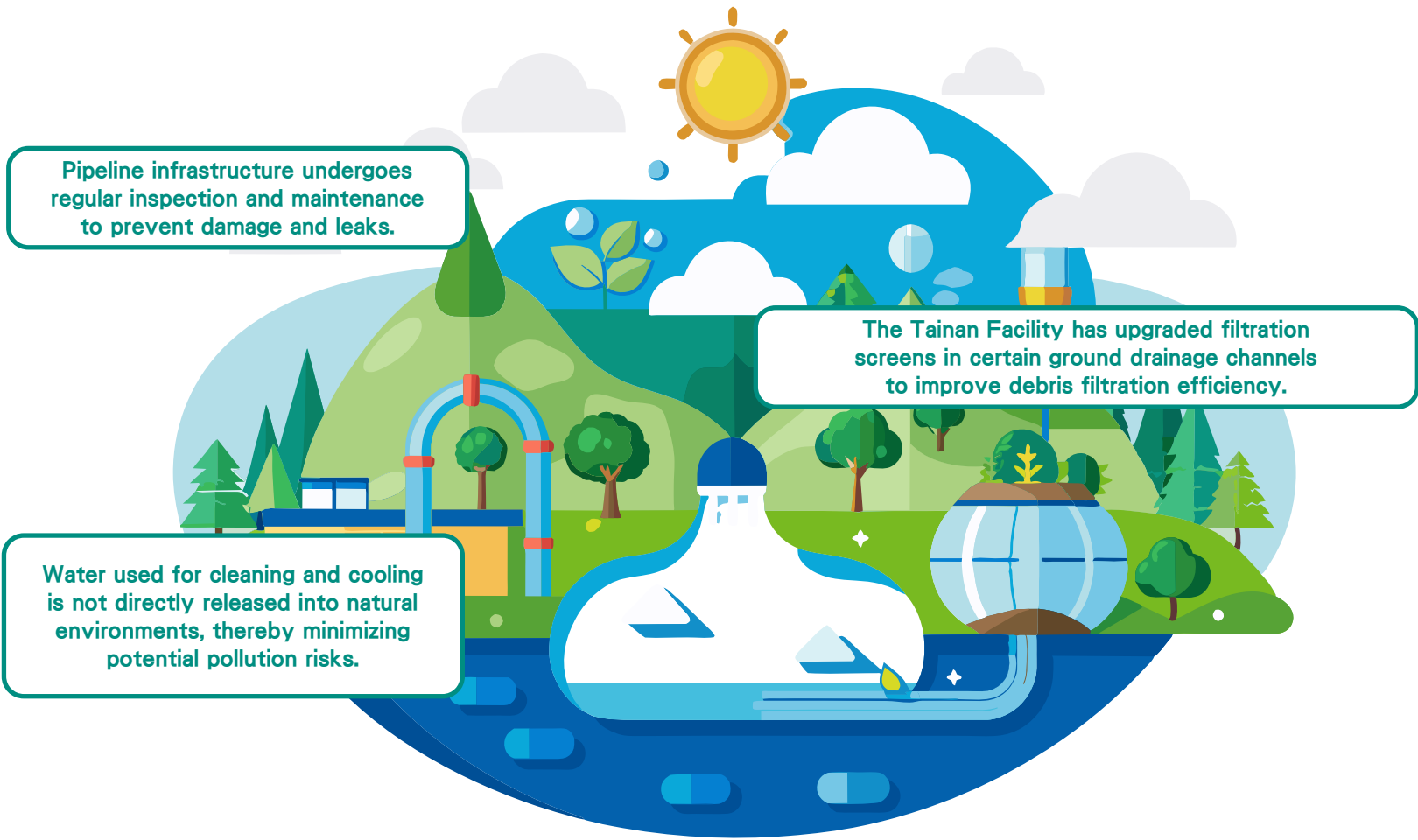
- Regular inspection of pantry and restroom fixtures for abnormalities.
- Prompt repair of leaks to minimize long-term water loss.
- Assess water-saving upgrade potential for high-consumption equipment such as cooling towers.

Data Recording and Monitoring

- Establish monthly water usage logs and trend tracking datasets.
- Plan installation of sub-meters in key areas for partitioned measurement.
- Utilize data as basis for behavior improvement and anomaly detection.

Water Pollution Prevention and Monitoring

All facility wastewater is discharged through legally compliant municipal water supply and sewer systems without dedicated treatment plants or direct discharge devices.



Currently, water recycling and reuse systems remain at the feasibility assessment and planning stages. The Company will continue to enhance water resource use efficiency and risk control capabilities based on production line layout and local regulatory requirements. These efforts aim to prevent water waste and potential pollution while advancing toward regional water-saving and reuse objectives.

2-2 Water Resource Management

Employee Engagement and Awareness Raising

In addition to system and technical improvements, effective water resource management relies heavily on the active participation of employees in adopting water-saving behaviors in daily operations. To foster a culture of sustainable water use, the Company has gradually implemented a variety of employee engagement initiatives and guidance mechanisms. Through simple practices and ongoing internal communication, the Company aims to build awareness and strengthen collective participation in water conservation. As of the end of 2024, the key implementation measures and initial outcomes include:

Water Resource Management Performance

The Company has gradually established fundamental inventory and management mechanisms for water usage across its operational sites. Through optimization of facility infrastructure, employee behavior guidance, and abnormality reporting procedures, the Company aims to enhance water use efficiency and improve transparency in water management. Although a complete set of water intensity indicators and real-time monitoring systems has yet to be implemented, relevant data collection has commenced to serve as a foundational reference for annual trend tracking and performance evaluation.

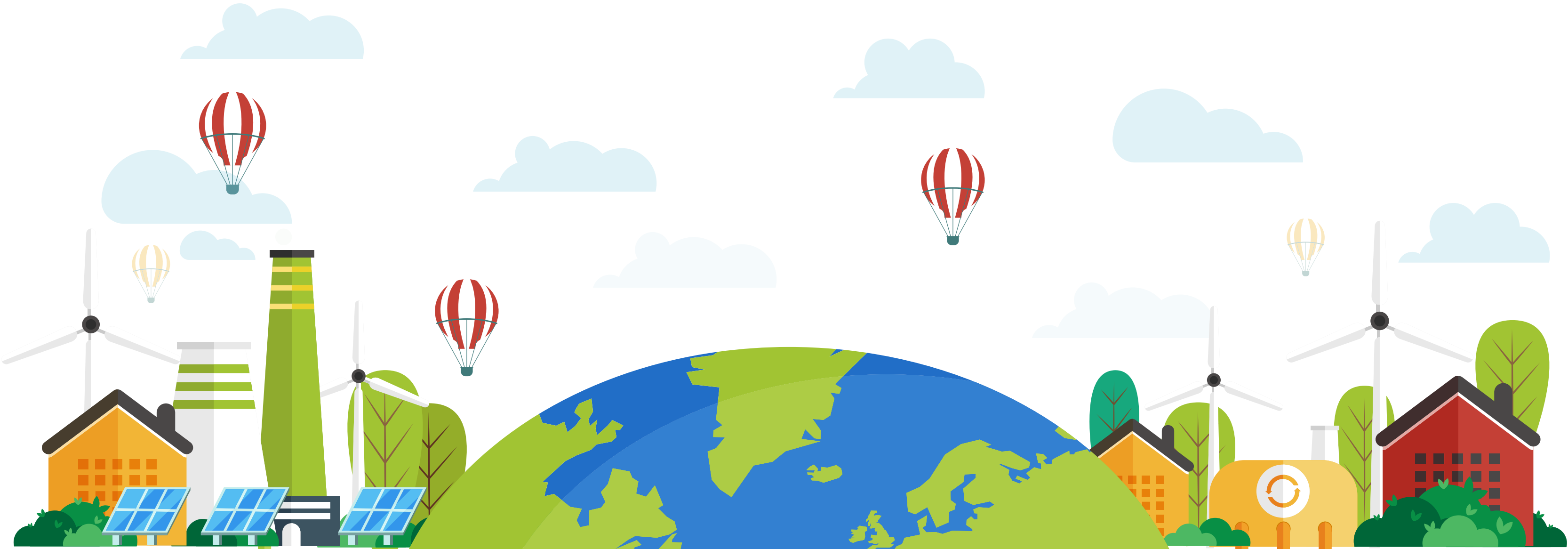
Taiwan Facilities

<div>Basic Water Use Behavior Management</div> <ul style="list-style-type: none">Display water-saving reminders (e.g., “Turn off the tap,” “Report any water leaks immediately”).Encourage the use of sensor-activated faucets to minimize water waste during waiting periods.Instruct cleaning personnel to follow pre-set water usage quotas by area to avoid prolonged water flow.	Indicator	2022		2023		2024	
		Tucheng	Tainan	Tucheng	Tainan	Tucheng	Tainan
	Total Water Consumption (kL)	1,208	12,403	917	22,426	1,234	28,831
<div>Application of Non-Contact Water-Saving Devices</div> <ul style="list-style-type: none">Evaluate installation of automatic sensor faucets in washbasins.Evaluate installation of aerators or pressure-reducing valves in pantries and public restrooms.Gradually replace traditional toilets with dual-flush systems to enhance water efficiency.	Number of Abnormal Water Usage Reports	0	1	0	1	0	0
	Indicator	2022		2023		2024	
		Dongguan		Dongguan		Dongguan	
<div>Employee Water Use Education and Awareness</div> <ul style="list-style-type: none">Share water-saving knowledge and behavioral reminders through departmental meetings, monthly gatherings, and Line groups.	Total Water Consumption (kL/ton)	193,034		150,682		147,955	
	Average Daily Water Use per Employee (L)	0.85		0.72		0.75	
	Number of High Water Usage Equipment Assessments	0		0		0	
<div>Cultural Initiatives and Engagement Activities</div> <ul style="list-style-type: none">Encourage employees to use personal reusable utensils such as eco-friendly cups and chopsticks to reduce single-use disposables and promote plastic reduction in daily office practices.Evaluate implementation of departmental water-saving leaderboards and incentive schemes for suggestions and improvements.	Coverage Rate of Non-Contact Water-Saving Devices	0		0		0	
	Water Recycling and Reuse Rate	0		0		0	
	Number of Abnormal Water Usage Reports	3 internal reports		3 internal reports		4 internal reports	

2-3 Resource Circularity

M.J. International continues to implement the principle of effective resource utilization by establishing a fundamental resource recycling management system within its production processes. The Company’ s manufacturing processes, covering composite material processing, cutting, and packaging stages, generate scraps, offcuts, packaging materials, and general waste, all of which have been incorporated into classification, recycling, and reuse workflows. For recyclable plastic materials, the Company has introduced crushing and conversion processes to produce recycled materials for reintegration into production and continues to optimize the proportion of recycled applications to enhance material utilization efficiency.

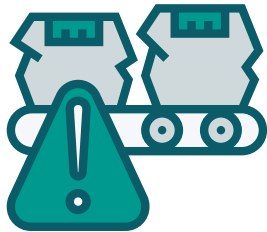
In terms of raw material selection, the Company primarily adopts recyclable materials such as PVC, PP, and PET, and develops product formulations that comply with recycling standards in line with market demand and environmental trends. Certain products have already obtained international environmental certifications and have been included in the Material ConneXion sustainable materials database, demonstrating the Company’ s substantive progress in embedding resource recycling concepts from the source. Going forward, the Company will continue to strengthen the use of recycled materials and recyclable structural designs, advancing toward more comprehensive circular material management.



2-3.1 Waste Reduction and Resource Circulation

Current waste management practices at the Tainan and Dongguan Facilities focus on the classification and source reduction of production offcuts, packaging materials, and general employee domestic waste generated during daily operations. In accordance with local regulations and disposal service provider requirements, designated temporary storage and recycling areas have been established at each site. These areas are centrally managed by the facility management units, which oversee waste collection and transfer processes. Efforts are continuously made to improve classification accuracy and increase the recycling rate.

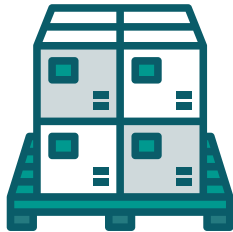
Waste Classification and Management



Defective Products and Production Scraps

PP, PET, PVC Offcuts

Production scraps, offcuts, and defective products generated at the manufacturing facilities are processed through crushing and conversion into recycled materials for reintegration into production. Standard operating procedures have been established for the application methods and formulations of all recycled materials to ensure consistency for production units.



Packaging Waste

Cartons, Wooden Pallets

Wooden pallets are partially reused for in-facility logistics and packaging. Cartons are sorted and collected by licensed waste contractors. Packaging reduction and reuse are encouraged.



General Employee Waste

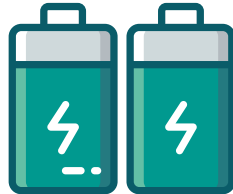
Recyclables, General Waste

Designated recycling areas are set up at each site, with categories for plastics, paper, metal, and general waste. Daily sorting education and inspection activities are promoted.



Food Waste

Food waste generated from personal meals is minimal. No independent recycling system has been established at this stage. Future implementation will depend on the scale of in-facility dining services and local disposal conditions.



Hazardous Waste

Fluorescent Tubes, Batteries

Collected in designated areas and disposed of regularly by licensed waste disposal contractors, in compliance with local regulatory reporting and treatment requirements.



Electronic Waste

IT Equipment, Sensor Modules, etc

Decommissioned equipment is inventoried by IT or facility teams, temporarily stored, and transferred to licensed e-waste recyclers. No dismantling or in-house processing is conducted. A dedicated tracking ledger has not yet been established.

2-3.1 Waste Reduction and Resource Circulation


Waste Reduction and Resource Circularity

M.J. International continues to promote waste reduction and resource circularity through practical improvements spanning manufacturing processes, packaging usage, employee behaviors, and waste disposal procedures. Although a comprehensive set of recycling performance indicators and automated tracking systems has not yet been established, the Company has gradually enhanced waste management efficiency and reduced resource consumption through initiatives such as scrap recycling, material reuse trials, employee education on waste segregation, and packaging reuse. During the current stage of framework development, the Company adheres to the principles of “waste avoidance, recycling first, and reuse,” beginning with feasible and executable measures. By building internal improvement momentum and fostering employee engagement, the Company aims to progressively increase the adoption of circular materials and work toward establishing a long-term closed-loop resource management system.




Employee Engagement and Awareness Raising


The successful implementation of waste classification and resource circulation depends not only on management systems and equipment, but also on cultivating appropriate behaviors and sorting habits among employees in their daily routines. M.J. International has gradually introduced participatory internal engagement strategies, leveraging departmental communication, visual reminders, and advocacy campaigns to enhance employee understanding of various waste types and correct disposal methods. Clear signage and collection guidance have been installed in offices, break rooms, and common areas.




Posting illustrated waste classification reminders in office and breakroom areas to improve identification and sorting accuracy;



Delivering key messages through monthly departmental meetings and internal communication channels, such as the concept that “recyclable ≠ disposable,” emphasizing the importance of cleanliness, classification, and proper storage;



Encouraging employees to reduce the use of single-use items by bringing personal cups, utensils, and containers;



Evaluating initiatives for office waste reduction, such as “Recycling Challenge Week” or “Paperless Daily Reminders,” to strengthen participation and awareness.

Waste Management Performance

To effectively advance waste reduction and resource circularity, M.J. International has progressively established a foundational system for tracking the classification, treatment, and reuse of various types of waste. Although a fully automated data tracking system and comprehensive recycling rate indicators have not yet been implemented, the Company has begun to consolidate site inventory data and operational records, while conducting reuse trials and developing management frameworks for key waste streams.

The following summary outlines the Company’s waste management performance and preliminary progress in resource circularity for the reporting years:

	2023	2024
Primary Waste Types	Initial establishment of waste classification and management mechanisms.	Enhanced comprehensiveness of waste classification management and improved ledger records.
Progress of External Production Scrap Reuse	Established a more stable recycling and reuse collaboration loop and gradually expanded the proportion and scope of recycled materials applied to different products.	Initiated feasibility assessments for resource recycling and circular economy applications of scraps generated across the supply chain; assessments remain ongoing and have not yet entered the implementation stage.
Packaging Reuse Rate (Estimated)	Pallet reuse rate reached approximately 60%; carton recycling rate approximately 50%.	Increased overall reuse rate to 70%, prioritizing the reduction of single-use packaging.
Compliant Disposal of Hazardous Waste	Completed scheduled disposal for items including fluorescent tubes and batteries; all contractors held valid licenses.	Maintained compliance with regulatory requirements and ensured timely reporting and documentation.
Employee Engagement Activities	Conducted two thematic advocacy campaigns and six departmental training sessions on waste classification.	Held 2 advocacy campaigns and continued institutionalized promotion of classification awareness.
Coverage of Waste Classification Signage and Training	Waste bins and classification signage installed in main public areas and break rooms; included in onboarding training.	Maintained existing coverage; extended classification efforts to manufacturing and warehouse areas.
Electronic Waste Management Planning	Initiated inventory of decommissioned ICT equipment; planned centralized disposal through qualified vendors.	Included in annual waste tracking; implemented classification and internal audit protocols based on needs.

2-4 Climate Change Response and Disclosure

In response to the operational challenges and transition pressures posed by global climate change, M.J. International has gradually established a framework for identifying and managing climate-related risks. In alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the Company has initiated preliminary assessments and adaptation planning for physical risks, transition risks, and supply chain-related pressures. To enhance the accessibility and transparency of emissions data, the Company launched a greenhouse gas (GHG) inventory initiative in 2023, engaging external consultants to assist in developing the carbon accounting process. The inventory covered Scope 1 and Scope 2 emissions, with comprehensive data reporting completed for the year. The Company also plans to progressively evaluate the inclusion of Scope 3 emissions to meet the growing expectations of global supply chain partners regarding low-carbon management.

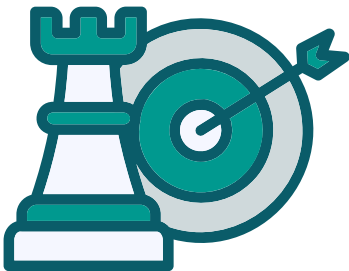
M.J. International is currently implementing concrete climate actions including the establishment of energy usage logs, execution of energy-saving measures, promotion of recycled materials, and deployment of renewable energy infrastructure. These initiatives are part of the Company’s evolving climate action roadmap, supported by the Sustainability Task Force, which regularly reports progress and climate-related risk strategies to the Board of Directors to ensure sound climate governance and disclosure practices.

Organizational Response and Strategy



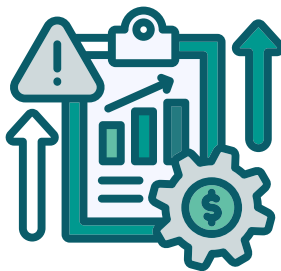
Governance

- The Board of Directors serves as the highest supervisory body for climate-related risks and opportunities. The Sustainability Task Force regularly consolidates updates on climate-related issues, risk response progress, and GHG management for Board review.
- Since 2023, members of the Board have begun participating in professional development programs related to climate risk and carbon neutrality to strengthen sustainability knowledge at the governance level.
- The Sustainability Task Force is supported by five cross-functional subgroups (Environmental Sustainability, Product Sustainability, Supply Chain Sustainability, Social Engagement, and Corporate Governance), which coordinate ESG-related initiatives, advance carbon management practices, identify risks, and formulate improvement recommendations.



Strategy

- In accordance with the TCFD framework, the Company has identified short-, medium-, and long-term physical risks such as the impact of extreme weather on operations and financial performance.
- While climate scenario analysis has not yet been implemented, the Company plans to gradually adopt basic scenario-based risk assessments and hypothetical analyses by 2026.



Risk Management

- A preliminary process for identifying and assessing climate-related risks has been established, covering regulatory, market, technological, and weather event dimensions. Starting in 2023, the Sustainability Task Force, in collaboration with the Environmental Sustainability and Supply Chain Sustainability subgroups, has been conducting site-specific assessments.
- At present, climate risk management is not yet fully integrated into the enterprise risk management (ERM) system. The Company plans to establish a risk-tiered reporting and departmental feedback mechanism to enhance integrated climate risk governance.



Metrics and Targets

- In 2023, the Company initiated a GHG inventory in accordance with ISO 14064-1:2018 standards, covering Scope 1 and Scope 2 emissions. A preliminary report was completed by the end of 2024. Based on the findings, a phased plan for incorporating Scope 3 emissions will be developed.
- Environmental data tracking systems for energy, water, air emissions, and materials are already in place. Beginning in 2025, the Company will implement key performance indicators (KPIs) related to electricity intensity, carbon intensity, and renewable energy usage. The 2030 targets will align with the Science Based Targets initiative (SBTi), with net-zero emissions by 2050 serving as the long-term strategic benchmark.






2-4 Climate Change Response and Disclosure

Governance

In alignment with the recommendations of the TCFD framework, M.J. International has progressively enhanced its governance mechanism regarding climate change issues. The Board of Directors serves as the highest supervisory authority for climate-related risks and opportunities, responsible for reviewing the overall risk management strategy and guiding responses to significant climate-related matters. The Sustainability Task Force regularly consolidates updates on climate actions and assessments of potential risks and opportunities, which are reported to the Board as a reference for strategic planning and resource allocation.

Several independent directors have completed professional training courses on climate risk management, carbon neutrality, and low-carbon transition. This ongoing capacity building enhances the Board's understanding and decision-making capabilities regarding climate issues, thereby laying the groundwork for more comprehensive sustainability governance.

At the operational level, the Company has established a "Sustainability Task Force" to coordinate and execute climate-related and ESG initiatives. This Task Force is supported by five dedicated working groups: Environmental Sustainability, Product Sustainability, Supply Chain Sustainability, Social Engagement, and Corporate Governance. These groups correspond to the four pillars of the TCFD framework—Governance, Strategy, Risk Management, and Metrics & Targets—and are supported by a horizontal collaboration mechanism that enables information integration and reporting across departments, thereby strengthening the Company's cross-functional sustainability governance capabilities.

	<h3>Environmental Sustainability</h3>	<ul style="list-style-type: none">Consolidate data on energy use, water resources, waste, and carbon emissionsPromote GHG inventory, energy saving, carbon reduction, and environmental management measuresDevelop and update climate-related environmental indicators and ledgers	Metrics & Targets, Risk Management
	<h3>Product Sustainability</h3>	<ul style="list-style-type: none">Promote product carbon footprint assessments and application of recycled materialsSupport low-carbon product design and green manufacturingAssess climate impacts on product portfolios and market strategy	Strategy, Metrics & Targets
	<h3>Supply Chain Sustainability</h3>	<ul style="list-style-type: none">Identify climate-related risks and collaboration needs in the supply chainCollect upstream carbon emission data and promote sustainable procurementCollaborate with suppliers on information disclosure and emission reduction	Strategy, Risk Management
	<h3>Social Engagement</h3>	<ul style="list-style-type: none">Organize employee climate action campaigns and training programsFoster internal communication and a culture of sustainable engagementRaise awareness on resource conservation, climate literacy, and behavioral change	Governance, Strategy
	<h3>Corporate Governance</h3>	<ul style="list-style-type: none">Coordinate Board-level communication and governance policiesDesign climate risk notification and management systemsSupport sustainability disclosure and risk response frameworks	Governance, Risk Management

2-4 Climate Change Response and Disclosure

Strategy

The Company recognizes the potential risks and development opportunities that climate change poses to business operations and is committed to establishing a comprehensive response strategy to maintain competitiveness and achieve sustainable development amid the global low-carbon transition. In alignment with the TCFD framework, the Company has conducted an initial assessment of short-, medium-, and long-term climate-related risks and opportunities, and is gradually implementing corresponding management measures to ensure operational resilience and sustainable growth. This year, the Company formulated preliminary management measures for climate risks and opportunities across short-, medium-, and long-term timeframes.

Timeframes and Strategic Focus for Climate-Related Risks and Opportunities:

Short-term

1-2 years

As this is the first year of TCFD disclosure, the Company prioritizes foundational climate risk management by focusing on data collection, internal capacity building, and operational optimization to establish baseline climate adaptation capabilities.

Medium-term

2-6 years

Building on the short-term foundation, the Company will further strengthen climate risk management, with an emphasis on supply chain and energy management to address market challenges and opportunities arising from the low-carbon transition.

Long-term

6-10 years

Long-term strategies focus on enhancing climate resilience, developing low-carbon transition technologies, and investing in climate-resilient infrastructure to mitigate the impact of extreme weather events and maintain competitiveness in a future net-zero economy.

As of the reporting date of this report, the Company has initiated the following specific actions:



Conducted detailed recordkeeping and statistical analysis based on existing greenhouse gas (GHG) emissions data to identify key emission sources;



Designed and began implementing GHG management measures to gradually enhance environmental management across operational sites;



Collaborated with internal experts and external consultants to ensure that management processes align with international standards and are implemented with high transparency.

2-4 Climate Change Response and Disclosure

Climate-Related Risk and Opportunity Impact Assessment

Risk Assessment

In response to the potential challenges posed by climate change, M.J. International has conducted its first identification and assessment of climate-related risks and their impacts. This preliminary assessment aims to evaluate the potential effects on the Company’ s operations, financial performance, and supply chain. Although this work remains in its initial phase and various mechanisms and datasets require further refinement, cross-departmental collaboration has facilitated the identification of physical and transition risks and the establishment of an initial risk management framework.

Item	Risk Type	Scope of Relevance	Description of Risk	Emp.	Cust.	Suppl.	Inv	Reg. Auth.	Rating & Eval. Ag
Water Shortage	Physical Risk - Acute	Tainan and Dongguan	Water restrictions may lead to operational disruptions; cooling tower output may be limited due to insufficient water supply	V	V	V			
Energy Supply	Physical Risk - Acute	Facilities	Power shortages or restrictions could hinder production	V	V		V	V	
Extreme Heat (Personnel)	Physical Risk - Acute	Employee Work Environment (Dongguan)	Increased risk of heat-related illness and occupational hazards due to poor ventilation or lack of air conditioning	V				V	V
Extreme Heat (Equipment)	Physical Risk - Acute	Facility Equipment (Dongguan)	High temperatures may require schedule adjustments, resulting in increased operating costs	V	V		V	V	V
Extreme Rainfall	Physical Risk - Acute	Tucheng, Annan, Dongguan	Severe rainfall could lead to facility flooding and operational interruptions	V	V		V	V	
Wastewater Discharge	Transition Risk - Regulatory	Tainan Facility	Stricter wastewater discharge standards may affect compliance				V	V	V
Waste Management	Transition Risk - Regulatory	Tucheng, Annan, Dongguan	More stringent regulations may lead to penalties for improper waste sorting	V			V	V	V
Stricter Energy Transition Policies	Transition Risk - Regulatory	Corporate, Financial, and Production Processes	Lack of carbon footprint data or emission reduction proof may result in carbon tariffs		V		V	V	V
Insufficient ESG Disclosure	Transition Risk - Reputational	Corporate	Inadequate ESG disclosure may lead to loss of orders and stakeholder trust	V	V		V	V	V
Market Demand for Sustainable Products	Transition Risk – Market	Product Design, Marketing, Sales	Inability to provide eco-labels or carbon footprint declarations may lead to missed market opportunities		V			V	V
Green Supply Chain Pressure	Transition Risk – Market	Supply Chain Partners, Procurement	Suppliers’ failure to meet decarbonization targets may affect delivery capabilities		V		V	V	V
Carbon Management	Transition Risk - Regulatory	Dongguan, Tainan, Tucheng	Non-compliance with carbon disclosure regulations may lead to penalties				V	V	V

2-4 Climate Change Response and Disclosure

Climate-Related Risk and Opportunity Impact Assessment

Opportunity Assessment

In light of evolving market conditions and policy developments, the Company remains vigilant in identifying potential climate-related opportunities and evaluating their positive impacts. Through the gradual adoption of green technologies, optimization of operational models, and enhancement of product differentiation, the Company aims to reinforce its competitiveness while facilitating a sustainable transformation.

Item	Risk Type	Scope of Relevance	Description of Risk	Emp.	Cust.	Suppl.	Inv	Reg. Auth.	Rating & Eval. Ag
Preparedness for Energy Transition (e.g., Carbon Footprint)	Opportunity - Products and Services	Corporate	Early completion of product carbon footprint inventory may position the Company as a preferred supplier		V		V	V	V
Response to Extreme Heat	Opportunity - Market	Corporate (primarily Dongguan)	Investments in smart HVAC and environmental control systems to ensure operational stability	V			V	V	
Innovation in Wastewater Management	Opportunity - Technology	Tainan Facility	Implementation of dry vacuum pumps to achieve zero-liquid-discharge goals and enhance environmental image					V	V
Green Supply Chain Integration	Opportunity - Market	Procurement and Supply Chain	Integration of carbon reduction requirements and disclosure to strengthen supply chain competitiveness	V	V	V		V	V
Innovation in Green Product Development	Opportunity - Technology	Procurement & Supply Chain Design and R&D	Development of lightweight, low-carbon, and recycled plastic flooring to drive product differentiation		V		V	V	V





Although the above opportunities present promising potential and positive impacts, most remain in the preliminary research and observation stage. The Company will continue to monitor market dynamics and policy trends and evaluate the feasibility and timing of investment based on actual operational conditions and resource allocation. The goal is to progressively explore pathways for sustainable transformation and low-carbon development while ensuring operational resilience.

2-4 Climate Change Response and Disclosure

Risk Management

In light of the increasingly complex global economic and climate landscape, risk management is critical to ensuring stable operations and enhancing corporate resilience. In 2024, the Company initiated efforts to identify potential high-impact risks closely tied to business operations. Based on internal discussions and external trend monitoring, a preliminary risk inventory and impact analysis were conducted, with corresponding basic management responses launched.

The Company has prioritized several high-risk and high-probability issues, and initial response plans have been formulated. Cross-functional collaboration is underway to assess implementation feasibility and resource needs. Moving forward, a more comprehensive risk assessment and management system will be adopted to enhance adaptive capacity and minimize potential adverse impacts.

<div></div> <div>Abnormal Heat</div> <div><div>Short</div><div>Medium</div><div>Long</div></div> <div><div><div></div></div><div><div></div></div><div><div></div></div></div> <div><div>Impact Description</div><div>Bus.<div>High temperatures may delay production schedules, affecting lead time and customer satisfaction.</div></div><div>Oper.<div>Sites in Tainan and Dongguan are prone to high temperatures, raising occupational safety risks and labor costs.</div></div></div> <div><div>Financial Impact</div><div>Cooling efficiency of equipment and employee productivity may decline under extreme heat, reducing overall production efficiency and output. This may impact revenue performance. Additional investment in cooling and ventilation systems will increase capital expenditures and energy costs.</div></div> <div><div>Mitigation Strategies</div><div>Enhance air conditioning, ventilation, and cooling systems to ensure safe and stable operations. Implement high-temperature work warnings and shift adjustments to reduce safety risks and productivity losses. Introduce heat-resistant materials and optimize processes to stabilize product quality and yield. Anticipate energy demand fluctuations and prepare backup power strategies.</div></div>	<div></div> <div>Wastewater & Effluents</div> <div><div>Short</div><div>Medium</div><div>Long</div></div> <div><div><div></div></div><div><div></div></div><div><div></div></div></div> <div><div>Impact Description</div><div>Bus.<div>To meet regulatory standards, higher costs may be incurred for outsourced wastewater treatment. ESG compliance failures could impact supply chain standing.</div></div><div>Oper.<div>Inadequate treatment or outdated systems may lead to legal violations and penalties.</div></div></div> <div><div>Financial Impact</div><div>Non-compliance with environmental regulations may result in fines, mandated remediation, and potential operational disruptions. Investments in treatment infrastructure and monitoring systems will raise capital and maintenance costs.</div></div> <div><div>Mitigation Strategies</div><div>Upgrade wastewater treatment and monitoring systems. Implement source reduction and separation measures. Establish internal water recycling and reuse systems. Conduct regular third-party audits and training for compliance awareness.</div></div>	<div></div> <div>Energy</div> <div><div>Short</div><div>Medium</div><div>Long</div></div> <div><div><div></div></div><div><div></div></div><div><div></div></div></div> <div><div>Impact Description</div><div>Bus.<div>Poor energy efficiency or high carbon intensity may lead to exclusion from low-carbon supply chains and lost orders.</div></div><div>Oper.<div>Power outages or unstable energy supply may disrupt production or raise operating expenses.</div></div></div> <div><div>Financial Impact</div><div>Rising electricity prices and carbon fees will significantly increase operating costs. Export-oriented businesses may face added tax burdens from carbon border adjustments (e.g., CBAM).</div></div> <div><div>Mitigation Strategies</div><div>Conduct energy audits to identify inefficiencies. Replace high-energy equipment with energy-efficient alternatives. Deploy smart energy management systems. Increase renewable energy adoption via RECs or on-site solar installations.</div></div>	<div></div> <div>Waste Management</div> <div><div>Short</div><div>Medium</div><div>Long</div></div> <div><div><div></div></div><div><div></div></div><div><div></div></div></div> <div><div>Impact Description</div><div>Bus.<div>Stricter waste regulations may increase treatment costs and affect product pricing.</div></div><div>Oper.<div>Mismanagement or improper outsourcing of waste could lead to legal and financial risks.</div></div></div> <div><div>Financial Impact</div><div>Regulatory violations or pollution incidents can result in environmental fines and remediation costs, increasing operating expenses. Poor waste control may drive up long-term costs due to limited disposal capacity.</div></div> <div><div>Mitigation Strategies</div><div>Improve waste classification and recordkeeping. Apply design-for-reduction principles to materials and packaging. Partner with licensed waste contractors. Conduct improvement projects for high-waste departments and promote reuse under circular economy principles.</div></div>
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2-4 Climate Change Response and Disclosure

Risk Management

In light of the increasingly complex global economic and climate landscape, risk management is critical to ensuring stable operations and enhancing corporate resilience. In 2024, the Company initiated efforts to identify potential high-impact risks closely tied to business operations. Based on internal discussions and external trend monitoring, a preliminary risk inventory and impact analysis were conducted, with corresponding basic management responses launched.

The Company has prioritized several high-risk and high-probability issues, and initial response plans have been formulated. Cross-functional collaboration is underway to assess implementation feasibility and resource needs. Moving forward, a more comprehensive risk assessment and management system will be adopted to enhance adaptive capacity and minimize potential adverse impacts.



Extreme Rainfall



Impact Description

Bus.

Disrupted logistics due to flooding may delay deliveries and harm customer trust.

Oper.

Poor drainage may cause flooding, work stoppages, equipment damage, and material losses.

Financial Impact

Flooding may damage facilities and inventory, cause production loss, and increase insurance claims. Businesses may face penalties for contract breaches due to delayed deliveries.

Mitigation Strategies

Strengthen drainage systems and flood protection infrastructure.
Evaluate waterproofing for storage and machinery.
Develop employee emergency response plans.
Build backup logistics and supply chain plans.
Review insurance coverage for flood and business interruption risks.



Water Scarcity / Supply Disruption



Impact Description

Bus.

Production interruptions may result in delayed orders, cancellations, or customer dissatisfaction

Oper.

Inability to manage water use may reduce efficiency and disrupt production schedules.

Financial Impact

Water shortages can halt production lines, leading to order delays or cancellations, impacting revenue and cash flow.

Mitigation Strategies

Assess site-specific water risk and create contingency allocation plans.
Implement water-saving processes and equipment.
Establish water early-warning systems and maintain contact with local authorities or park management.



Energy Transition Policy



Impact Description

Bus.

Failure to meet carbon disclosure requirements may result in CBAM taxes and lost market access.

Oper.

Slow transition may lead to high carbon intensity and pressure to replace outdated systems.

Financial Impact

Incomplete carbon accounting and slow decarbonization can increase carbon cost burdens and reduce profit margins.

Mitigation Strategies

Establish carbon inventory procedures for Scope 1 and 2 emissions.
Set mid-to-long-term carbon reduction targets and install energy-efficient systems.
Complete product carbon footprint assessments.
Explore carbon subsidies and green finance opportunities.



ESG Transparency Demands



Impact Description

Bus.

Inability to meet green product expectations reduces competitiveness.

Oper.

Raw materials or processes may need costly transformation to meet green standards.

Financial Impact

Products without eco-labels or recycled content may be excluded from premium markets.

Mitigation Strategies


Integrate eco-friendly, safe, and low-carbon principles into product design.
Develop product lines with eco-labels, carbon footprints, and recycled materials.
Apply LCA (Life Cycle Assessment) methods.
Offer environmental declarations or green pricing to meet customer needs.

2-4 Climate Change Response and Disclosure

Risk Management

In light of the increasingly complex global economic and climate landscape, risk management is critical to ensuring stable operations and enhancing corporate resilience. In 2024, the Company initiated efforts to identify potential high-impact risks closely tied to business operations. Based on internal discussions and external trend monitoring, a preliminary risk inventory and impact analysis were conducted, with corresponding basic management responses launched.

The Company has prioritized several high-risk and high-probability issues, and initial response plans have been formulated. Cross-functional collaboration is underway to assess implementation feasibility and resource needs. Moving forward, a more comprehensive risk assessment and management system will be adopted to enhance adaptive capacity and minimize potential adverse impacts.



Market Demand for Sustainable Products

ShortMediumLong

Impact Description

Bus.

Inability to meet green product expectations reduces competitiveness.

Oper.


Raw materials or processes may need costly transformation to meet green standards.

Financial Impact

Products without eco-labels or recycled content may be excluded from premium markets.

Mitigation Strategies

Integrate eco-friendly, safe, and low-carbon principles into product design.
Develop product lines with eco-labels, carbon footprints, and recycled materials.
Apply LCA (Life Cycle Assessment) methods.
Offer environmental declarations or green pricing to meet customer needs.



Green Supply Chain Pressure

ShortMediumLong

Impact Description

Bus.

Inability to qualify for brand or government sustainable procurement lists.

Oper.


Lack of ESG oversight in the supply chain increases legal and social risk exposure.

Financial Impact

Non-compliance with green supply chain standards may result in lost contracts and increased management costs.

Mitigation Strategies

Develop a supplier sustainability evaluation system (carbon, water, labor, etc.).
Co-create sustainability goals with key suppliers.
Implement tracking and auditing systems.
Provide training and capacity-building programs for suppliers.



Carbon Management

ShortMediumLong

Impact Description

Bus.

Incomplete carbon disclosure limits access to green finance, tenders, and supply chains.

Oper.

Fragmented data impairs decision-making and management efficiency.

Financial Impact

Poor carbon data management increases financial risk and missed opportunities under carbon pricing or client audits.

Mitigation Strategies

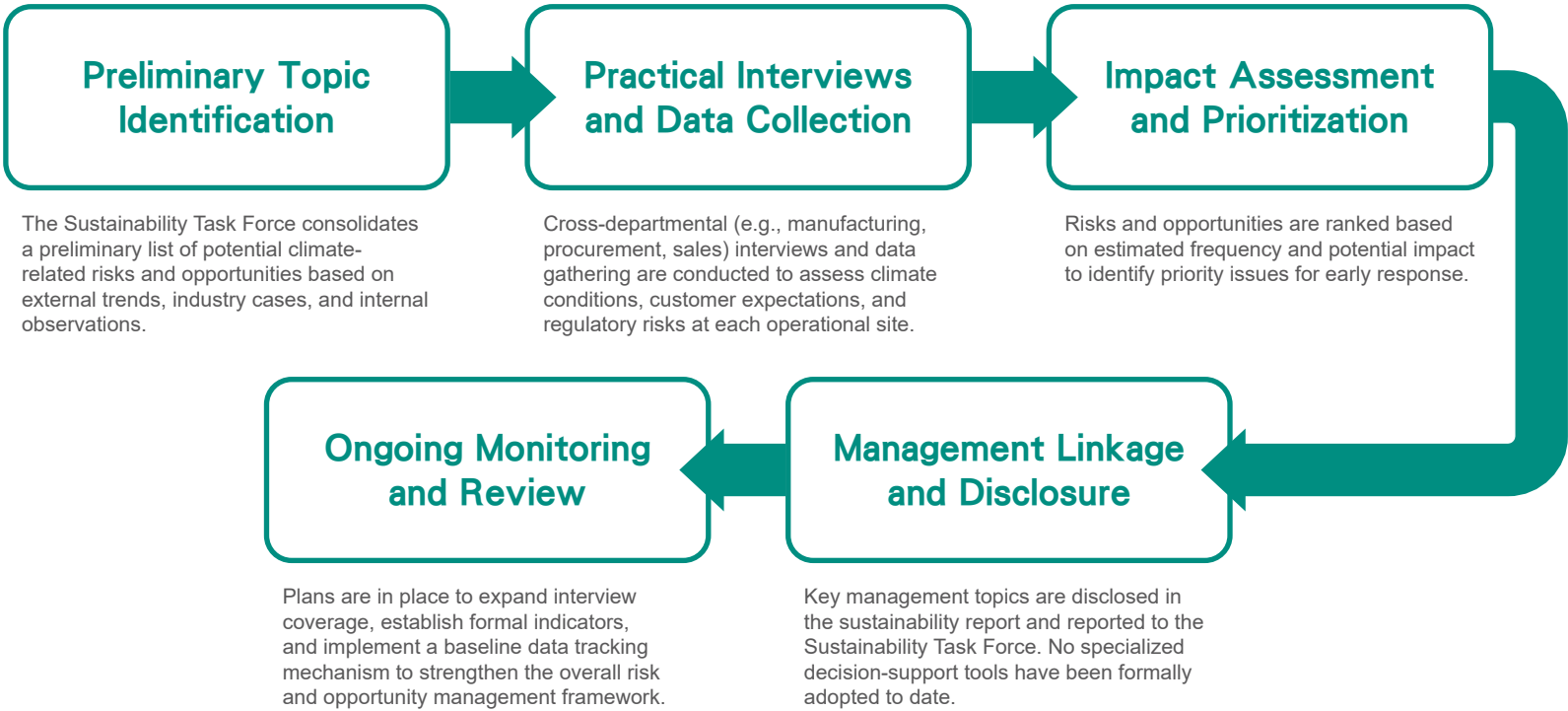
Establish carbon accounting and reporting systems for Scope 1–3 emissions.
Set department-level emission targets and performance linkages.
Align with SBTi, TCFD, ISO 14064/50001 standards.
Explore carbon credit trading opportunities.

2-4 Climate Change Response and Disclosure

Climate-Related Risk and Opportunity Identification Process

In 2024, M.J. International initiated the identification of climate-related risks and opportunities, establishing a preliminary management process tailored to the Company’ s operational model. Given that operations span both Taiwan and China, and are subject to intersecting climatic and regulatory influences, the Company adopted a dual approach based on departmental feedback and external trend analysis to identify potential climate-related risks and opportunities, serving as the foundation for subsequent strategic planning.

This process is currently overseen by the Sustainability Task Force and aligns with the principles of the Task Force on Climate-related Financial Disclosures (TCFD) and the Global Reporting Initiative (GRI). It encompasses topic identification, risk analysis, and monitoring, with ongoing refinements based on practical needs.



Greenhouse Gas (GHG) Emissions

In response to global decarbonization trends and increasing environmental expectations from industry clients, M.J. International has begun establishing a greenhouse gas (GHG) inventory and management system. In 2024, a preliminary GHG emissions inventory was conducted at the Company’ s key manufacturing sites under the principle of practical feasibility. This initiative laid the foundation for the future development of carbon management strategies. Through the inventory process, major emission sources were initially identified, enabling the assessment of potential carbon-related risks and management challenges.



2-4 Climate Change Response and Disclosure

GHG Inventory Methodology

M.J. International began implementing GHG inventory processes in 2022 and formally established an organizational-level emissions calculation framework in 2023 as the starting point for a carbon management system. The inventory was conducted in accordance with the ISO 14064-1:2018 standard, focusing on the Company’ s major operational sites in Tainan, Tucheng, and Dongguan, facilitating the establishment of baseline data and comparative analysis. The operational control approach was adopted to define organizational boundaries, covering facilities and offices under direct management responsibility. Based on the maturity of data collection, the inventory currently includes Scope 1 (direct emissions) and Scope 2 (indirect emissions from purchased electricity), with the potential disclosure of Scope 3 (indirect emissions from the supply chain) under ongoing exploration.

Inventory Boundaries

GHG Categories

Inventory Timeline and Base Year

Calculation Methodology

Emission Factor Sources

Boundaries are defined based on operational control, in line with ISO 14064-1:2018 and Taiwan EPA GHG inventory guidelines. Certain administrative offices are included where applicable.

Covers the seven gases defined under ISO 14064-1:2018: Carbon dioxide (CO₂), Methane (CH₄), Nitrous oxide (N₂O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulfur hexafluoride (SF₆), and Nitrogen trifluoride (NF₃).

The organizational-level inventory was first introduced in 2023. In accordance with international practices, 2023 has been designated as the base year to support annual performance tracking and ensure data traceability and consistency.

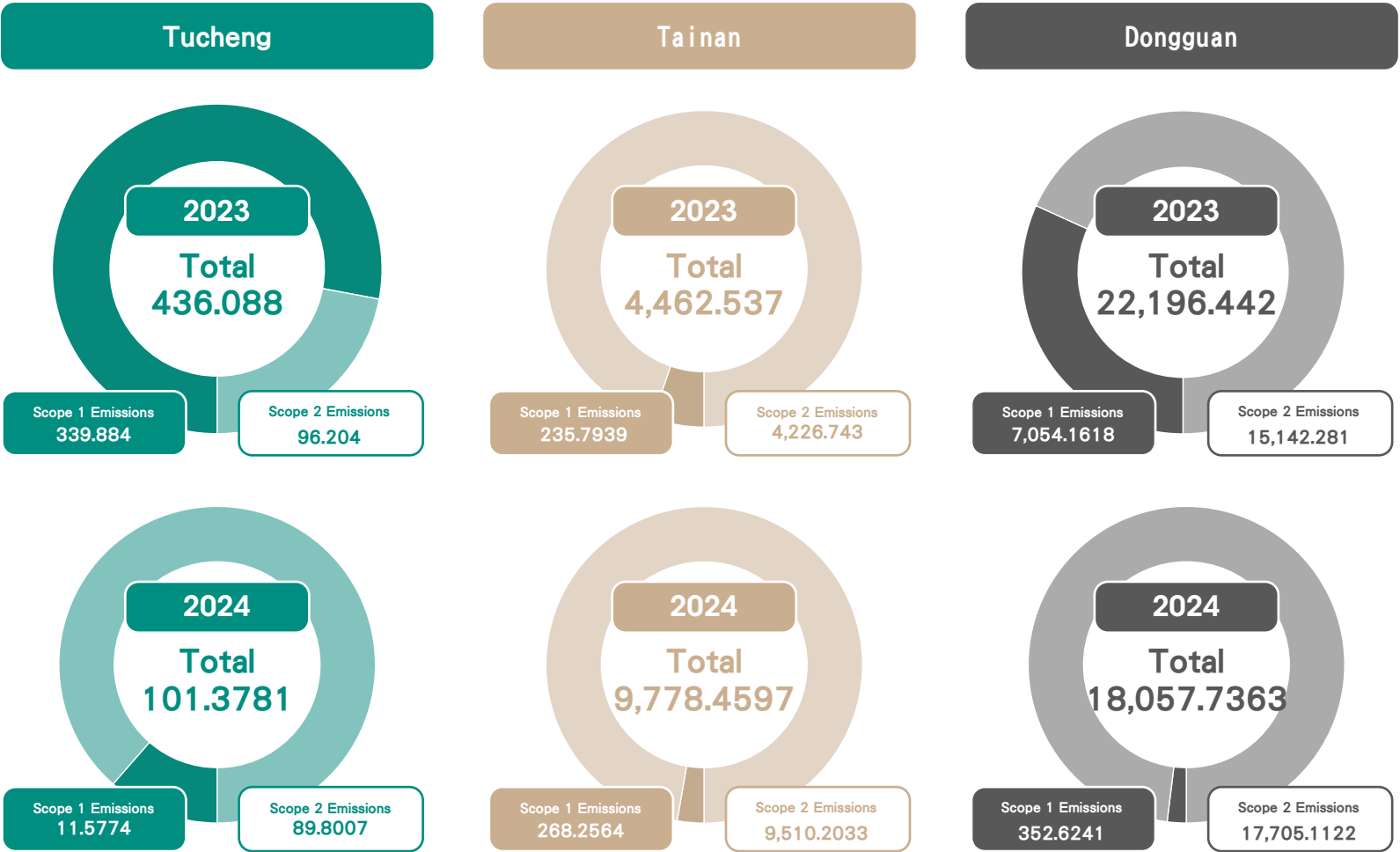
Emissions are calculated using the following formula:
Activity Data × Emission Factor × Global Warming Potential (GWP) = CO₂e
Emission sources include both direct and significant indirect emissions (e.g., purchased electricity), with sources documented accordingly.
Emission factors are based on the Taiwan EPA’ s GHG Reporting Guidelines and supplemented by the “Greenhouse Gas Management Coefficient Manual.”
GWP values are referenced from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5, 2007), with all emissions converted into CO₂equivalents (CO₂e) in metric tons per year.

Primarily based on official data from the Taiwan Environmental Protection Administration, with GWP conversion referencing IPCC AR5 values.

Currently, foundational data is compiled by the administrative and environmental, health, and safety (EHS) units at each facility, with calculations coordinated and consolidated by the Company’ s headquarters. This process serves as a starting point for developing in-house GHG accounting capabilities and formalizing the inventory system. Future expansion and systematization of the inventory process will be implemented progressively, taking into account actual operational needs and resource allocation.

2024 Greenhouse Gas (GHG) Emissions Results

In 2024, the total Scope 1 and Scope 2 GHG emissions amounted to 27,937.57 metric tons of CO₂e. Direct emissions from Scope 1 (Category 1) totaled 632.46 metric tons of CO₂e, accounting for 2.26% of the total emissions. Indirect emissions from energy consumption under Scope 2 (Category 2) totaled 27,305.12 metric tons of CO₂e, representing 97.74% of total emissions. The majority of emissions consisted of carbon dioxide (CO₂) and methane (CH₄).




2-4 Climate Change Response and Disclosure

Greenhouse Gas (GHG) Status and Risk Assessment


According to the organizational GHG inventory completed in 2023, the majority of M.J. International’s emissions fall under Scope 2 (purchased electricity), accounting for over 80% of total emissions. This reflects a high dependency on electricity for operations and manufacturing processes. Scope 1 emissions mainly originate from boiler fuel, specific process equipment, and backup power systems at facilities, contributing a relatively smaller proportion. Currently, the Tainan and Dongguan Facilities are the primary sources of GHG emissions, mainly associated with flooring-related equipment, compressed air systems, and cooling systems. With ongoing automation and capacity expansion, energy consumption and associated emissions are expected to continue increasing.

In response to rapidly evolving climate policies and rising market expectations, the Company has identified the following potential risks:




Regulatory Risks

The upcoming carbon fee scheme in Taiwan and the expansion of carbon trading in China may lead to increased operational costs.




Customer Requirement Risks

Growing pressure from international brand clients to disclose carbon footprints across the supply chain may impact order competitiveness if data is insufficient.



Energy Dependency Risks

High reliance on conventional electricity sources could pose a risk to production stability in the event of price volatility or unstable supply.



Reputation and Brand Risks


Inadequate progress in carbon management could undermine the Company’s sustainability image, which is increasingly critical to brand competitiveness.

The Company plans to enhance its GHG inventory processes progressively, based on available resources and system maturity. Preliminary data validation is targeted for completion in 2024, alongside evaluation of improvement measures such as energy-saving technologies, renewable energy certificate (REC) acquisition, and optimization of major emission sources.

Indicators and Targets


In response to the global trend of climate change and the development of domestic and international carbon management policies, M.J. International has progressively established climate-related indicators and medium- to long-term management targets as a reference framework for operational stability and low-carbon transition. Although the Company is currently in the early stages of implementation, preliminary targets have been formulated across key areas, including greenhouse gas emissions, renewable energy planning, operational resilience, and product innovation. These targets will be reviewed and adjusted periodically based on future inventory results and institutional development.

The following table outlines the key climate-related management indicators and initial targets currently set by the Company:




Annual total GHG emissions at each Facility

Using 2023 as the base year, initiate improvement plans before 2025, targeting a 10–20% reduction in Scope 1 and Scope 2 emissions.




Number and causes of production interruptions (times/year)

Continuously track the number of production line disruptions at each site due to climate or energy interruptions annually; aim to limit to no more than 2 occurrences per year and gradually strengthen backup energy capabilities.




Recovery time after disaster (hours)

A comprehensive business continuity management system has not yet been fully implemented; the Company plans to complete initial risk assessments and response procedures for high-risk Facilities by 2025, with the goal of establishing the capability to resume operations within 48-72 hours after an event.



Proportion of renewable energy used (%)

Dongguan Facilities’ solar installation has been operating for self-use since 2023. The Tainan Facility’ s solar installation began operation in 2024 with partial self-use. By 2028, the proportion of renewable electricity is projected to reach 15%–20%.



Proportion of products with low-carbon or eco-design features

Leverage the development of green building label-certified products, with the sales share of green products projected to reach 20% by 2026.

These targets have been adopted as pilot management items starting from 2024 and will be reviewed and adjusted on a rolling basis in accordance with the outcomes of GHG inventories, policy developments, and client requirements.

2-4 Climate Change Response and Disclosure

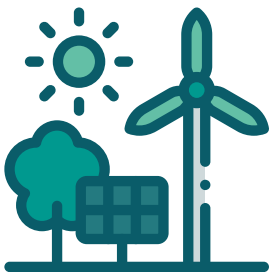
Greenhouse Gas Reduction Plan

M.J. International initiated its organizational-level greenhouse gas (GHG) inventory in 2023 and, in 2024, engaged professional consultants to support the establishment of emission data systems and the analysis of emission hotspots. The inventory results indicated that purchased electricity (Scope 2) is the primary source of emissions, followed by boiler operations and fuel combustion in production equipment (Scope 1). Although the Company is not currently subject to mandatory carbon fees or carbon taxation, it has proactively developed a phased decarbonization plan in anticipation of future policy developments, increasing client expectations, and its corporate environmental responsibilities. The core strategies are outlined as follows:



Enhancing Energy Efficiency

- Identify and assess energy-intensive equipment (e.g., cooling systems, air compressors) and adopt high-efficiency motors or variable frequency drive controls
- Optimize production schedules to avoid peak electricity usage periods
- Review the energy efficiency of air conditioning and lighting systems; evaluate adoption of energy-saving lighting and zoned control systems



Adopting Renewable and Green Energy

- Solar power systems have been installed at the Tainan and Dongguan Facilities; in 2024, efforts will continue to increase the proportion of on-site solar energy used
- Assess the feasibility of acquiring Taiwan Renewable Energy Certificates (T-RECs) and entering Power Purchase Agreements (PPAs)
- Set medium- to long-term targets to increase the proportion of renewable energy in total electricity consumption as a foundation for carbon neutrality



Improving Raw Materials and Manufacturing Processes

- Review material formulations and introduce low-carbon or recycled materials
- Promote recycling and reuse of production scrap to reduce the use of virgin materials and associated indirect emissions
- Streamline process steps and eliminate unnecessary rework procedures



Establishing Carbon Management Systems

- Define annual carbon emission baselines for each Facility and set departmental emission reduction targets
- Introduce the concept of internal carbon pricing to support future investment decision-making
- Explore collaboration with supply chain partners to implement product carbon footprint accounting and carbon labeling initiatives

This reduction plan is currently in the implementation and pilot phase. Using the 2023 inventory as the baseline, the Company will set phased reduction targets and track performance through annual inventories. In the future, depending on policy developments and internal resource readiness, the scope of management will be progressively expanded to include Scope 3 emissions. The Company will also evaluate the potential adoption of frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD) and the Science Based Targets initiative (SBTi).

Chapter 3: Co-Creating a Sustainable Ecosystem



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3-1 Sustainable Supply Chain Management

Material Topic: Sustainable Supply Chain Management

Short-term goals (to be achieved by the end of 2026) :

- Complete ESG risk assessments and classifications for the top 20 suppliers.
- Achieve a signing rate of over 80% for the Supplier Code of Conduct or sustainability clauses among contracted suppliers.
- Conduct at least one sustainability training session for suppliers, with a participation rate of 70% or above.
- Include sustainability clauses in at least 90% of new contracts.
- Complete a supply chain carbon footprint potential analysis and establish a priority list.
- Develop a supplier sustainability scoring system and internal tracking mechanism (at least one pilot round).

Mid-to-long-term goals (to be achieved by the end of 2030) :

- Implement an annual supplier sustainability evaluation system covering suppliers representing ≥70% of total procurement value.
- Achieve a passing rate of ≥70% in annual supplier sustainability scores (based on internal assessment criteria).
- Include suppliers with high carbon reduction potential as sustainability tracking targets, with a coverage rate of ≥70%.
- Complete at least two key supplier improvement and support projects per year.
- Maintain a local procurement ratio of ≥52% (based on each Facility's regional standard).
- Obtain signed climate or carbon reduction cooperation letters from at least two suppliers annually.

**Complaint Mechanism &
Communication Channels** PUR@mjig.com

Policies

The Company has established supplier selection, contract signing, and audit procedures based on the Supplier Management Procedures (M.J. Taiwan) and relevant regulations (e.g., procurement laws, environmental and labor regulations). The Company also references standards such as GRI 308, GRI 414, ISO 20400, and the Responsible Business Alliance (RBA) to incorporate principles of integrity, environmental protection, and social responsibility into supply chain management.

Commitments

The Company is committed to establishing fair, transparent, and long-term partnerships with suppliers, placing emphasis on environmental responsibility, labor rights, and business ethics. Carbon management and sustainable procurement requirements are being progressively introduced to jointly achieve sustainability goals across the supply chain.

Responsibility

- The Procurement Department is responsible for supplier selection, evaluation, and contract signing.
- The Quality Assurance Department is responsible for audits and monitoring implementation.
- The Sustainability Task Force supports the integration of carbon management, social responsibility, and other sustainability issues into the supply chain management framework.

Resources

Human Resources

Dedicated procurement and quality personnel are assigned, with a sustainability coordinator overseeing integration efforts. A total of four staff are allocated.

Financial Resources

A budget is allocated for supplier evaluation and audit activities.

Technical Resources

A supplier management database and audit record system are established.

External Resources

Third-party organizations are engaged to assist with audits and conduct supplier sustainability training.

Evaluation Mechanism for the Effectiveness of Management Approach

- Proportion of suppliers signing sustainability clauses annually ≥ 60%
- ESG risk assessment completion rate > 50%, with improvement tracking completion rate > 80%
- Proportion of new suppliers included in sustainability clauses annually ≥ 70%
- Local procurement ratio at major facilities (Tainan and Dongguan) ≥ 45%

Evaluation Mechanism for the Effectiveness of Management Approach

Tainan Facility

- 80% of procurement value suppliers signed sustainability-related contract requirements during the year
- 60% of newly engaged suppliers signed sustainability clauses during the year
- Local raw material procurement ratio reached 58%

Dongguan Facilities

- 80% of procurement value suppliers signed sustainability-related contract requirements during the year
- 60% of newly engaged suppliers signed sustainability clauses during the year
- Local raw material procurement ratio reached 94% (including 52% within Guangdong Province)

3-1 Sustainable Supply Chain Management

The Company’ s product portfolio includes a wide range of plastic flooring sheets and decorative materials. Its supply chain encompasses multiple stages, including raw material sourcing, processing and manufacturing, packaging, and logistics, with partners located across Taiwan, China, and other Asia-Pacific regions. To ensure product quality, on-time delivery, and cost efficiency, the Company has established a basic supplier selection and management mechanism. In parallel, the Company is progressively addressing potential environmental and social risks within the supply chain, moving toward responsible supply chain management. In response to global sustainability trends and the increasing ESG requirements from customers, the Company seeks to strengthen long-term partnerships with suppliers through practical collaboration. Supplier selection and engagement processes now incorporate diverse considerations, such as regulatory compliance, quality performance, labor conditions, and environmental risks. These efforts aim to build a transparent and resilient supply chain management framework, thereby enhancing the overall sustainability and risk resilience of the supply network.

Supply Chain Overview & Management Principles

M.J. International’ s product manufacturing involves a diverse range of raw materials and processing steps. Major supplied items include plastic powder, calcium carbonate, printed layers, and wear-resistant layers. Based on the characteristics of materials and the geographical distribution of operational sites, the majority of suppliers are located in China and Taiwan, primarily serving the Dongguan and Tainan Facilities, respectively.

Category	Description
Major Items	Plastic powder, calcium carbonate, printed layers, wear-resistant layers, soundproof layers, plasticizers, coatings, packaging materials, logistics, etc.
Key Materials	Plastic powder, calcium carbonate, printed layers, wear-resistant layers, plasticizers, etc.
Type of Partnership	Long-term contract suppliers (stable cooperation), short-term project-based suppliers (price-flexible)
Geographic Distribution	Taiwan (mainly supplied by the Tainan Facility), China (mainly supplied by the Dongguan Facilities)
Procurement Model	Direct local sourcing

In supply chain management, the Company upholds product quality consistency, delivery reliability, and contractual transparency as fundamental principles, while gradually integrating sustainability risk awareness. For critical raw materials, redundancy mechanisms have been established to reduce the risk of single-source dependency. In parallel, local procurement policies are being promoted to enhance operational flexibility and reduce transportation-related carbon emissions. To strengthen management efficiency and risk control, the Company has established a preliminary supplier management system, including supplier data registration, contract clause execution, and regular assessments. ESG-related clauses have been trialed for specific material categories. Moving forward, the applicability of these mechanisms will be expanded in accordance with actual collaboration and risk levels, with the objective of building a more resilient and transparent responsible supply chain.

Supplier Distribution & Material Types

Tainan Facility					
Material Type	Annual Procurement Ratio (%)	Local Procurement Ratio	Number of Backup Suppliers	Code of Conduct Signed	Included in Evaluation
Plastic Powder	26.0%	100%	1	Yes	Yes
Wear Layer	12.9%	6%	2	Yes	Yes
Printed Layer	10.8%	53%	Multiple	Yes	Yes
Plasticizers	12.3%	1%	Multiple	Yes	Yes
Fillers	6.7%	100%	3	Yes	Yes
Packaging Materials	13.7%	98%	Multiple	Yes	Yes

Dongguan Facilities					
Material Type	Annual Procurement Ratio (%)	Local Procurement Ratio	Number of Backup Suppliers	Code of Conduct Signed	Included in Evaluation
Plastic Powder	23%	100%	Multiple	Yes	Yes
Wear Layer	23%	100%	2	Yes	Yes
Printed Layer	19%	90%	Multiple	Yes	Yes
Plasticizers	13%	100%	3	Yes	Yes
Fillers	3%	100%	3	Yes	Yes
Packaging Materials	7%	100%	Multiple	Yes	Yes

3-1 Sustainable Supply Chain Management

Sustainable Supply Chain Management System

To ensure the stability of supply chain quality and the controllability of operational risks, M.J. International has progressively established a supplier management system based on contracts, evaluations, and classifications. The current system covers the following key management aspects:

System Name	Implementation Status	Remarks
Supplier Information Registration and Classification System	Established	Suppliers are classified as either critical or general suppliers
Contract Management and Corporate Social Responsibility Clauses	Partially Implemented	Some suppliers have signed simplified contracts including environmental and human rights clauses
Backup Management System for Critical Suppliers	Implemented	Major alternative suppliers have been identified to prevent disruptions
Annual Supplier Performance Evaluation System	Implemented	Includes criteria such as delivery timeliness, quality, and responsiveness
Abnormal Supplier Incident Handling and Improvement Tracking Mechanism	In Progress	Severe cases are included in evaluations and future cooperation considerations
Local Procurement Strategy	In Initial Stage	The Tainan Facility has begun shifting some materials to local procurement; over 50% of materials at the Dongguan Facilities are sourced within the same province, with the remainder sourced from other provinces in China
Integration of Sustainability Criteria into Supplier Evaluation	Not Yet Implemented	Plans to incorporate ESG criteria as future selection and evaluation benchmarks



The Company’ s supply chain management system currently prioritizes quality assurance and delivery timelines, while gradually incorporating sustainability principles and responsible sourcing standards to align with market trends and stakeholder expectations.

3-1 Sustainable Supply Chain Management

Supplier Classification Management

To ensure supplier quality and compliance with corporate standards, the Company adopts strict supply chain oversight, including regular audits to verify raw material quality and sustainability. Key practices include:

- Conducting supplier performance evaluations focusing on quality, delivery stability, and technical capabilities.
- Including high-risk suppliers in the annual quality audit plan to ensure compliance with standards.

Tainan Facility					Dongguan Facilities				
Supplier Grade	Definition & Criteria	Key Management Approach	2023	2024	Supplier Grade	Definition & Criteria	Key Management Approach	2023	2024
Grade A (≥90 pts)	Quality (50) Cost (25) Cooperation & Delivery (22) Environmental Contribution (3)	Outstanding suppliers. Maintain order volumes, prioritize inclusion in new product development and material improvement projects, and consider increasing purchase volumes.	69.0%	55.2%	Grade A (≥94 pts)	Quality (70) Delivery (20) Service (10)	Eligible for increased order volumes and priority procurement.	94.5%	93.5%
Grade B (70–89 pts)		Maintain current order volumes without reward or penalty.	28.4%	37.0%	Grade B (85–94 pts)		Order volumes maintained.	4.6%	4.8%
Grade C (60–69 pts)		Maintain current order volumes while identifying a second alternative supplier. Suppliers scoring below 69 must provide a corrective action plan.	0.0%	6.5%	Grade C (<85 pts)		Classified as non-compliant; orders reduced or suspended, with corrective actions required.	0.9%	1.7%
Grade D (<60 pts)		Required to implement corrective measures within a deadline. Suppliers failing to do so may be disqualified with Facility Head approval.	2.6%	1.3%					

Supplier Grading and Management Mechanism

Evaluation Cycle	Scope of Application	Evaluation Method	Feedback Management
Conducted annually, with ad-hoc assessments triggered in the event of significant abnormalities.	The current grading evaluation system primarily applies to suppliers of bulk raw materials, core formula materials, and environmentally functional materials. General packaging materials and administrative service suppliers are not yet included in the regular evaluation process.	The procurement unit is responsible for the evaluation, supported by quality and technical departments, which provide assessment data. Scoring records and recommended actions are documented accordingly.	Evaluation results are communicated to suppliers. Where necessary, suppliers are required to submit improvement reports, which are followed up in the subsequent year.

3-1 Sustainable Supply Chain Management

Promotion of Supplier Sustainability Evaluation

M.J. International is gradually assessing the integration of Environmental, Social, and Governance (ESG) considerations into its supplier management framework. Building upon existing quality, delivery, and cost management foundations, the Company aims to incorporate ESG risk identification and responsible partnership mechanisms. Currently, certain suppliers have signed Corporate Social Responsibility clauses and integrity agreements, and hold certifications such as ISO 9001 or ISO 14001. These elements will serve as the foundation for establishing a comprehensive ESG evaluation structure. The Company plans to prioritize “key material suppliers” as the initial group for pilot implementation, with the following phased goals:

Phased ESG Supplier Evaluation Plan

Time Frame	Planned Actions
Short Term (1-2years)	Establish a basic sustainable supplier evaluation mechanism; initiate pilot assessments with key suppliers and define preliminary ESG evaluation criteria.
Mid Term (3-5years)	Expand the scope of ESG evaluations to include more suppliers; begin developing a green procurement policy.
Long Term (5-10years)	Fully implement sustainable supply chain management; ensure suppliers comply with international sustainability standards; incorporate ESG monitoring into supply chain performance indicators.

M.J. International is currently in the early stages of developing a supplier sustainability evaluation mechanism. Future integration of ESG assessment items into the supplier evaluation process will be carried out progressively based on feasibility.

	2023	2024	2025
Percentage of key suppliers passing sustainability evaluations	No unified evaluation standard established	Internal discussions initiated and pilot evaluations conducted	Establish a formal ESG evaluation mechanism and define assessment criteria
Suppliers certified with ISO 14001 Environmental Management (%)	Gradual requirement for key suppliers to sign relevant clauses	Target to reach 2.5%; preference given to ISO 14001 certified suppliers	Develop criteria to incorporate environmental management into supplier selection
Suppliers certified with ISO 9001 Quality Management (%)	26.5%	30.0%	-
Suppliers signing CSR and Anti-Corruption Declarations (%)	Gradual requirement for key suppliers	Gradual expansion to a broader supplier base	Establish a formal policy requiring supply chain partners to sign commitments
Expected share of suppliers passing ESG evaluations (%)	No formal evaluation mechanism	ESG indicators and evaluation process under planning	Set short- and mid-term ESG evaluation targets
Target share of green procurement products (%)	No defined green procurement strategy	Preliminary assessment of low-carbon materials and suppliers	Establish green procurement strategy and set improvement targets

3-1 Sustainable Supply Chain Management

Supply Chain Risk Monitoring and Response Management

The Company is actively establishing mechanisms for supply chain risk monitoring and contingency management to enhance the stability and resilience of its supply system. Through digital management, periodic risk identification, and emergency planning, the Company aims to effectively manage supply fluctuations and mitigate operational impacts under risks such as climate change, geopolitical tensions, raw material price volatility, and unexpected events.

Key Risk Monitoring Strategies and Practices

Supplier Diversification and Dual Sourcing

Priority is given to establishing more than two backup suppliers for critical raw materials to reduce the risk of sole sourcing.

Annual Supply Chain Risk Assessment

Annual risk assessments are conducted on major procurement items and critical suppliers, covering factors such as delivery performance, financial stability, and regulatory compliance.

Scenario Simulation and Supply Disruption Testing

A standard operating procedure (SOP) for supply chain disruption response has been developed to simulate responses to incidents such as logistics delays or geopolitical conflicts.

Implementation of Digital Management Systems

Progressive adoption of supply chain digitalization is undertaken to improve real-time monitoring and decision-making efficiency.

Exception Reporting and Tracking Mechanism

Suppliers are required to report abnormal incidents and submit improvement plans, which are then incorporated into annual performance tracking.


Supplier Risk Monitoring Indicators:

Tainan Facility			
Year	Multi-Supplier Procurement	Local Procurement Ratio	Remarks
2022	Not yet established	-	Since operations commenced in October 2022, systematic management has not yet been established.
2023	49.40%	66.10%	
2024	50.30%	58.60%	


Dongguan Facilities			
Year	Multi-Supplier Procurement	Local Procurement Ratio	Remarks
2022	93%	93%	
2023	96%	93%	
2024	92%	94%	

Green Procurement & Local Sourcing


To enhance supply stability and responsiveness in operating regions, the Company promotes a local sourcing strategy that prioritizes the selection of raw materials and packaging suppliers located near production sites (e.g., the Tainan Facility). This approach not only reduces carbon emissions from transportation and mitigates logistics-related risks, but also strengthens the responsiveness of the supply chain and the stability of partnerships with local suppliers.



Prioritize procurement of raw materials and critical process materials from local suppliers, such as plastic powder, printed layers, and wear layers, to shorten delivery lead times and reduce risks associated with cross-regional transportation and unexpected disruptions.



Implement a diversified sourcing strategy to increase flexibility in supplier selection, reduce reliance on a single region or supplier, and enhance the overall resilience and adaptability of the supply chain.



Collaborate with local suppliers in the development of key technologies and process applications, leveraging technical support and industry-academia cooperation to continuously improve the quality and competitiveness of the local supply network.

The Company remains committed to enhancing supply chain risk identification capabilities, advancing information transparency, real-time responsiveness, and flexible management. These efforts are complemented by the integration of sustainable procurement practices and ESG risk governance, thereby building a resilient and responsible supply chain system.

3-2 Customer Relationship Management

Material Topic: Customer Relationship Management

Short-term goals (to be achieved by the end of 2026) :

- Achieve an average customer satisfaction score of at least 80
- Maintain an average response time of ≤ 3 days for handling customer complaints
- Attain a 100% resolution rate for complaints, with a ≥ 95% follow-up rate on major issues
- Maintain a customer repurchase or renewal rate of ≥ 90%
- Integrate 100% of customer feedback into internal improvement processes
- Conduct at least two customer engagement activities (including key client interviews or forums) annually

Mid-to-long-term goals (to be achieved by the end of 2030) :

- Establish and optimize a comprehensive Customer Relationship Management (CRM) system
- Achieve a customer satisfaction score of ≥ 85
- Attain a survey response rate of ≥ 95%
- Ensure no significant deficiencies in personal data protection audits, with compliance to GDPR or relevant local regulations
- Increase the annual conversion rate of new customers to repeat customers by ≥ 5% each year
- Integrate customer relationship indicators into overall performance evaluations and internal incentive systems

Complaint Mechanism &
Communication Channels CRM@mjig.com

Policies

The Company has established customer communication and feedback mechanisms in accordance with the Consumer Protection Act, Personal Data Protection Act, and Product Liability Act. Service quality and trust are further strengthened by referencing GRI 418, SASB standards, and ISO 10002. Internal regulations, such as the Customer Management Procedures and Customer Complaint Handling Procedures, institutionalize the management of order fulfillment, delivery, after-sales service, and complaint resolution processes.

Commitments

The Company is committed to delivering stable and reliable products and services, continuously listening to customer feedback to improve internal processes. Efforts are made to enhance both pre-sale and post-sale communication quality, establish long-term, trustworthy relationships, and adjust service approaches and communication frequency in line with industry trends to improve overall customer satisfaction.

Responsibility

The Sales and Customer Service departments are responsible for managing customer engagement and communications. The Marketing Department is tasked with consolidating and analyzing customer feedback, while the Office of the President oversees the execution effectiveness of the Company’ s annual customer relationship strategy.

Resources

Human Resources

Dedicated customer service and account personnel assigned based on customer tiering, with appropriate staffing allocated

Financial Resources

Annual budget allocation for customer relationship management, including client visit and feedback initiatives

Technical Resources

Customer data analytics tools

External Resources

Collaborations with external consultants and research firms for customer satisfaction surveys and marketing advisory services

Evaluation Mechanism for the Effectiveness of Management Approach

- Annual customer data inventory with 100% completion rate of internal audit review
- Formulation of an annual company-wide customer relationship action plan
- Achievement of customer satisfaction survey results of ≥ 70
- 100% resolution rate for annual customer complaint cases
- 100% customer interaction coverage rate
- Response to customer feedback within 3 days

Evaluation Results of the Management Approach

- Completed customer data inventory in 2023 with 100% internal audit review
- Formulated the 2024 company-wide customer relationship action plan, approved by the Chairperson
- In 2024, achieved an average customer satisfaction score of 70 with a 95% survey response rate
- Achieved a 100% resolution rate for customer complaints during the reporting year
- Attained 100% customer interaction coverage throughout the year
- Average response time to customer feedback was within 24 hours

M.J. International has established long-term and stable partnerships with international brand clients by building a trustworthy brand image through rigorous quality control processes, professional technical support, and prompt customer responsiveness. In response to increasing global expectations regarding product quality, delivery reliability, and sustainability responsibilities, the Company continues to enhance its quality management system and customer service processes. Through feedback mechanisms and satisfaction surveys, two-way communication and continuous improvement cycles are strengthened, enabling the delivery of high-quality, consistent, and regulation-compliant products and services. This section outlines how M.J. International has developed a customer-centric quality and service management system, with practical implementations demonstrated in two key areas: “Quality Process Management” and “Customer Satisfaction Mechanism.”

3-2.1 Quality Process Management

To meet customer requirements for consistent product quality and to enhance regulatory compliance in the market, M.J. International has established fundamental quality control processes encompassing key stages such as raw material inspection, in-process quality checks, and finished goods inspection. These operations are jointly executed by the Quality Assurance and Manufacturing departments, supported by routine reporting and continuous improvement practices to ensure production stability. Although a comprehensive quality management system and third-party verification mechanism have not yet been implemented, the Company is gradually planning the establishment of standardized procedures and system frameworks as a foundation for reinforcing customer trust.

Quality Management System and Structure

The Quality Assurance department is responsible for coordinating and overseeing quality-related activities and has established daily collaboration mechanisms with other departments, including Production and Procurement. Standard Operating Procedures (SOPs) have been developed internally for certain key processes and product categories, such as raw material inspections, in-process patrol checks, and final shipment confirmation. The handling and analysis of nonconforming products are led by the Quality Assurance team, with supplier feedback and collaborative improvement initiated when necessary. Overall, the Company’s quality management approach is currently in a practical operational phase with ongoing institutional development. Further systematic documentation and process integration will be promoted in alignment with operational needs and the maturity of the quality framework.



3-2.1 Quality Process Management

Quality Control & Production Process

To ensure product stability and consistency throughout the production process, M.J. International’ s current quality control procedures cover three critical stages: raw material acceptance, in-process inspections, and final product shipment checks. Each stage includes basic inspection protocols and recordkeeping mechanisms, with inspection items defined according to product categories. While current practices mainly rely on manual records and visual inspection, certain product lines are gradually adopting instrument-assisted testing and automated comparisons as part of future quality enhancement strategies.

Key Quality Control Procedures

Control Stage	Sample Control Items	Method and Frequency	Recordkeeping Method
Raw Material Acceptance	Material dimensions, appearance, thickness, COA from suppliers	Batch sampling upon delivery; frequency adjusted by grade	Inspection Record Sheet / Acceptance Form
In-Process Inspection	Thickness, tolerance, bonding strength, print alignment, ΔE	Spot checks per shift; results recorded in inspection sheet	In-Process Inspection Log
Final Product Inspection	Visual integrity, dimensions, packaging labels, color uniformity	Sampling per batch according to shipping standards	Final Product Inspection Report

Note: Inspection standards may vary slightly depending on the product category and the combination of equipment or materials used.

Inspection Standards and Specifications

M.J. International defines its inspection criteria based on product structural characteristics, customer specifications, and applicable market regulations. For example:

Color difference (ΔE)

Most products are controlled within the range of 1.5–2.5, with specific products adjusted per customer requirements.

Thickness tolerance

Tolerances are set at ±0.05 mm or ±0.1 mm depending on product specifications.

VOC emissions

Some products have been certified under the U.S. FloorScore and GREENGUARD standards, as well as the EU REACH regulation.

Surface adhesion strength


Products are required to pass internal peel strength tests and meet minimum adhesion strength thresholds.

These standards are currently maintained through internal procedural documents. The Company is progressively establishing a more structured documentation and data tracking mechanism to enhance long-term quality consistency and regulatory compliance.

Supplier Product Audit System


To ensure the stability of raw material quality, compatibility with manufacturing processes, and consistency of finished goods, M.J. International has implemented a supplier product audit system. This system focuses on verifying whether supplied materials meet the Company’s internal specifications and quality standards, rather than auditing the supplier’s entire operational management framework. The audit process primarily targets high-volume or technically demanding raw materials (such as base materials, printed films, and wear-resistant layers). Selection of audit samples is based on actual usage patterns and historical nonconformance records. Key inspection items during annual sampling or irregular batch testing include thickness variation, adhesion strength, ΔE color difference, weather resistance, and other functional indicators.

Audit Focus Areas




Material Quality

Ensuring all components comply with technical specifications to minimize material defect rates.



Process Control

Suppliers’ manufacturing processes are expected to comply with ISO 9001 quality standards and incorporate traceability mechanisms.



Environmental and Regulatory Compliance

Suppliers are required to comply with ISO 14001 (Environmental Management Systems) and ensure products are free from hazardous substances (e.g., RoHS, REACH).

Audit Classification and Follow-up Mechanism

Classification	Audit Results	Corrective Actions
Compliant (Preferred Supplier)	Meets all quality and environmental standards	Priority for long-term cooperation
Improvement Needed (Qualified Supplier)	Partial compliance with quality standards	Improvements required within 6 months; re-audit needed for continued cooperation
Non-compliant (High-risk Supplier)	Major quality or environmental violations	Cooperation suspended; improvement report required

In cases of nonconformance identified during audits, suppliers are required to submit root cause analyses and corrective action plans as per the Company’ s request. The Quality Assurance team is responsible for tracking the implementation of improvements and may adjust supplier rankings or future cooperation strategies based on performance.

Quality Audits & Supplier Performance

To strengthen supply chain quality stability and delivery reliability, the Company continuously monitors key quality indicators and works collaboratively with suppliers through audits and communication. In 2024, the product return rate at the Dongguan Facilities significantly declined to 0.40%, reflecting the effectiveness of ongoing quality improvement efforts. For the Tainan Facility, relevant quality data is still being compiled, and additional enhancements to the quality audit framework and data integration are planned.

3-2.1 Quality Process Management

Product Safety & Regulatory Compliance

M.J. International prioritizes product safety and regulatory compliance throughout the product life cycle. In response to customer requirements and applicable regulations in target export markets, the Company is progressively establishing product safety design principles and hazardous substance control standards. Although a comprehensive regulatory management system has not yet been fully implemented, basic compliance testing requirements have been defined for specific products and raw materials. Collaboration with third-party testing institutions has also been initiated to strengthen environmental and safety verifications.

2024 Performance:

No incidents of non-compliance related to product health and safety or product recalls were recorded in 2024. The Company remains committed to enhancing its regulatory compliance mechanisms and improving information transparency.

Product Safety Design Principles & Material Selection Standards

During product formulation and design phases, the Company prioritizes the use of raw materials that comply with safety and environmental standards. Material selection increasingly incorporates low-emission, phthalate-free, and formaldehyde-free components to minimize potential impacts on human health and the environment. Key product safety design principles include:

Use of phthalate-free plasticizer
(phthalates-free)

Adoption of low-VOC emission materials
(e.g., PUR wear layers)

Prioritization of materials sourced from third-party certified suppliers

Regulatory & Certification Compliance

M.J. International’ s product markets include the European Union, the United States, Japan, and ASEAN countries. Material selection and product testing are conducted based on applicable regulations and customer requirements. Current compliance status is summarized as follows:



GREENGUARD

United States, interior decoration product category

All products from all production facilities are certified



REACH / RoHS

European Union

Certificates of non-hazardous substances have been provided for certain products



CE Mark

European Union

Verification arranged depending on customer requirements and product category



FloorScore

United States, interior decoration product category

All products from all production facilities are certified



CNS

Taiwan

Implemented according to customer specifications or internal standards

Hazardous Substance Management and Compliance Testing

M.J. International has established basic control protocols for substances of high concern. Products designated for export are subject to periodic third-party testing, with results serving as a basis for raw material selection and process adjustments. Testing frequency is determined based on customer requirements and destination markets, currently focusing on key product lines.

Control Category	Target Substances	Reference Standards/Regulations	Sampling Frequency	Applicable Products/Markets	Remarks
Heavy Metals	Lead (Pb), Cadmium (Cd), Mercury (Hg), etc.	RoHS 、 EN 71-3 、 GB-18586-2001	Annually	Export products to Europe/U.S., domestic sales in China	Sampling size varies by product category
Plasticizers	Phthalates, etc.	RoHS 、 REACH 、 GB/T22048-2015	Every 1–2 years	Export products to Europe/U.S., domestic sales in China	Phthalate-free materials prioritized
Formaldehyde	Free Formaldehyde	ISO 16000 、 GB-18580-2017	Every 1–2 years	Export products to Europe/U.S., domestic sales in China	Often tested alongside flame-retardant properties
Volatile Organic Compounds (VOC)	TVOC, Toluene, Ethylbenzene, etc.	REACH 、 GB-18586-2001 、 ASTM-5116-10	Every 1–2 years	Export products to Europe/U.S., domestic sales in China	Varies depending on product thickness and application

The Company currently prioritizes hazardous substance testing for products exported to Europe, the United States, and Japan. Based on test results, raw material formulas are adjusted or alternative materials evaluated. Looking forward, the Company aims to expand the scope of self-managed substances and enhance data archiving practices to support supplier management and product compliance efforts.

3-2.1 Quality Process Management

Product Safety Management Mechanism

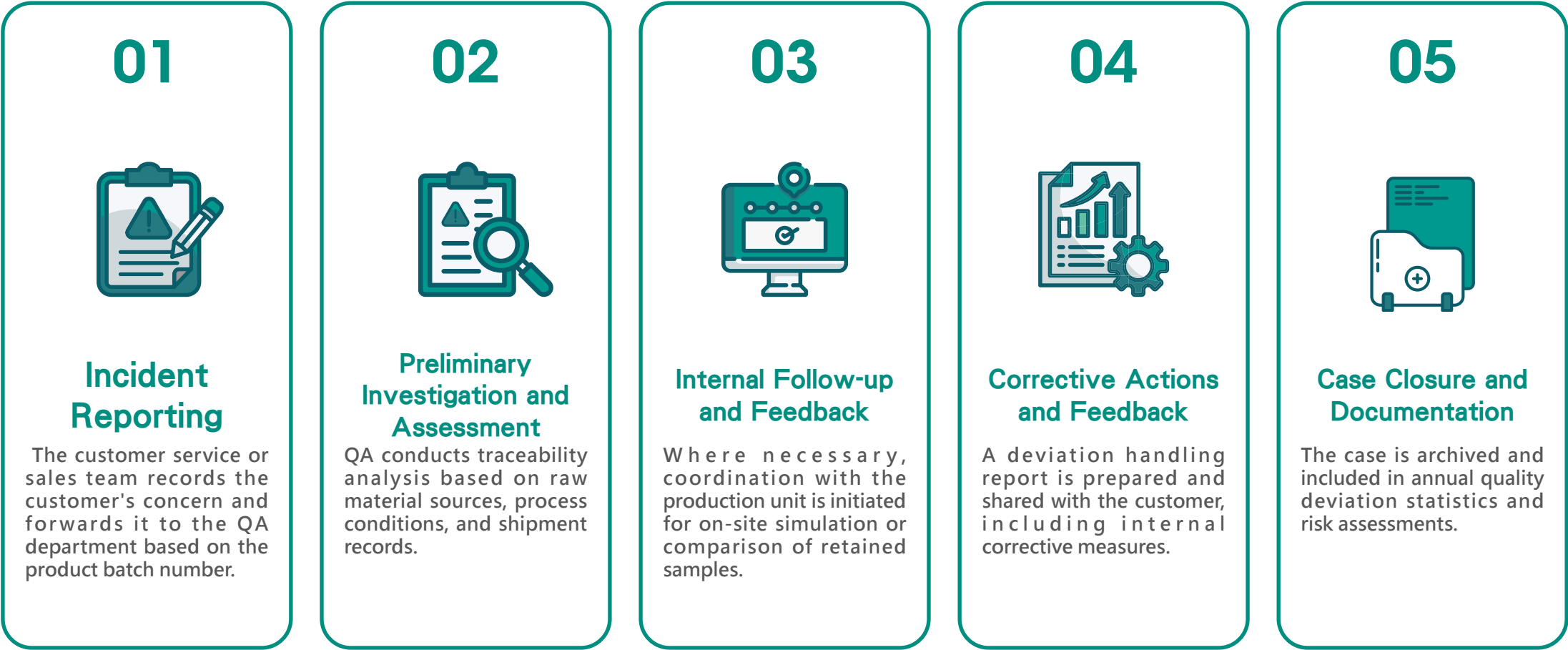
Responsible Unit and Operational Procedures

While M.J. International has not yet established a comprehensive product recall system or a dedicated product safety team, customer feedback regarding product quality or potential safety issues is handled through a basic reporting, investigation, and improvement process led by the Quality Assurance (QA) department. Product safety matters are primarily managed by QA in coordination with the sales, production, and procurement departments.

Internal Training and Information Management

QA and QC personnel have received basic training in product specifications, inspection methods, and non-conformance identification. To strengthen compliance awareness and product safety management capabilities, the Company plans to implement regular internal training and external regulatory workshops based on customer profiles and regional legal requirements.

The current internal procedure for handling potential product safety incidents reported by customers is as follows:



At present, incident tracking and analysis are conducted manually.
The Company plans to gradually adopt a digitalized system to enhance traceability efficiency and reporting transparency.

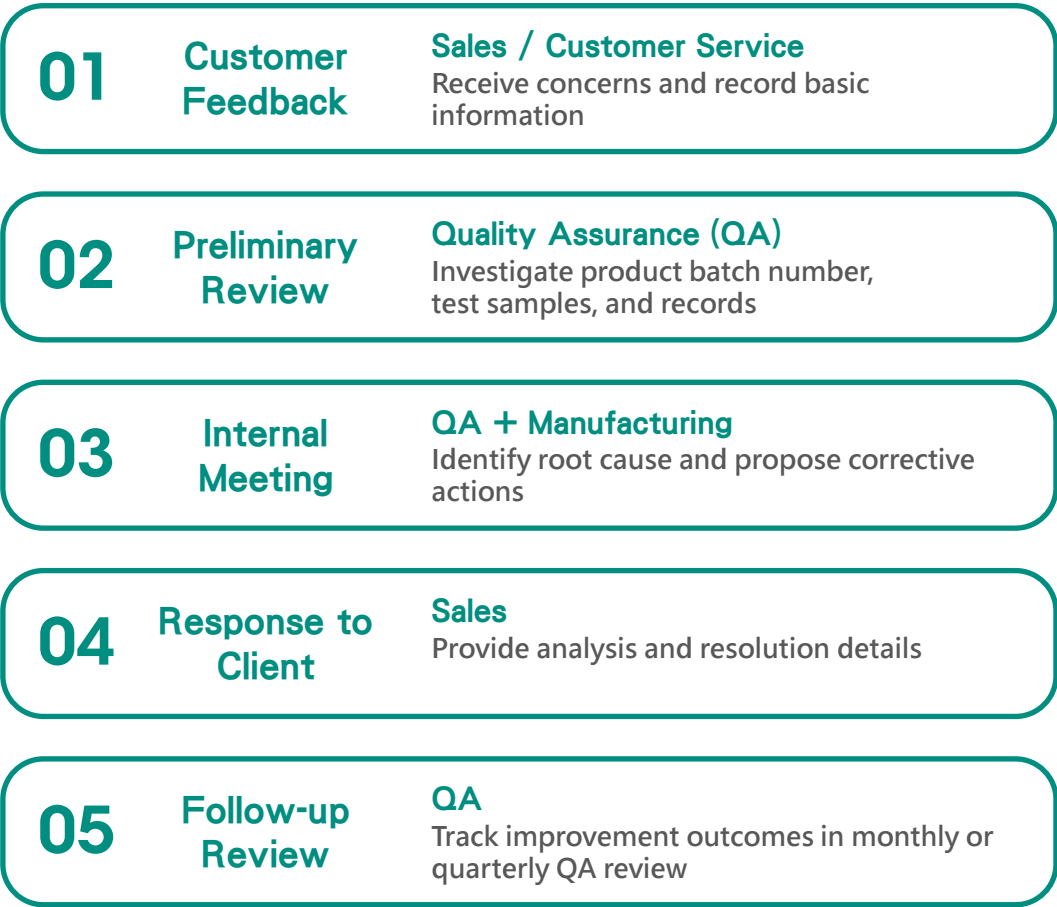
3-2.2 Customer Satisfaction

M.J. International places high importance on communication and long-term relationships with customers. Continuous efforts are made to understand customer needs and product improvement directions through quality feedback, after-sales services, and satisfaction surveys. Although a comprehensive Customer Relationship Management (CRM) system is not yet in place, the Company has developed a collaborative mechanism among the sales, customer service, and QA departments to manage customer feedback, incident reporting, and improvement tracking. This contributes to building mutual trust and enhancing the stability of customer partnerships.

Customer Engagement and Feedback Mechanism

Designated contact windows have been established to handle product inquiries and customer feedback. Significant feedback items are incorporated into internal quality review meetings for ongoing tracking and improvement. For international brand clients, a one-on-one contact mechanism is in place, with dedicated account managers or project leads responsible for handling post-sales quality and technical issues to support long-term business cooperation.

Customer Feedback Handling Procedure

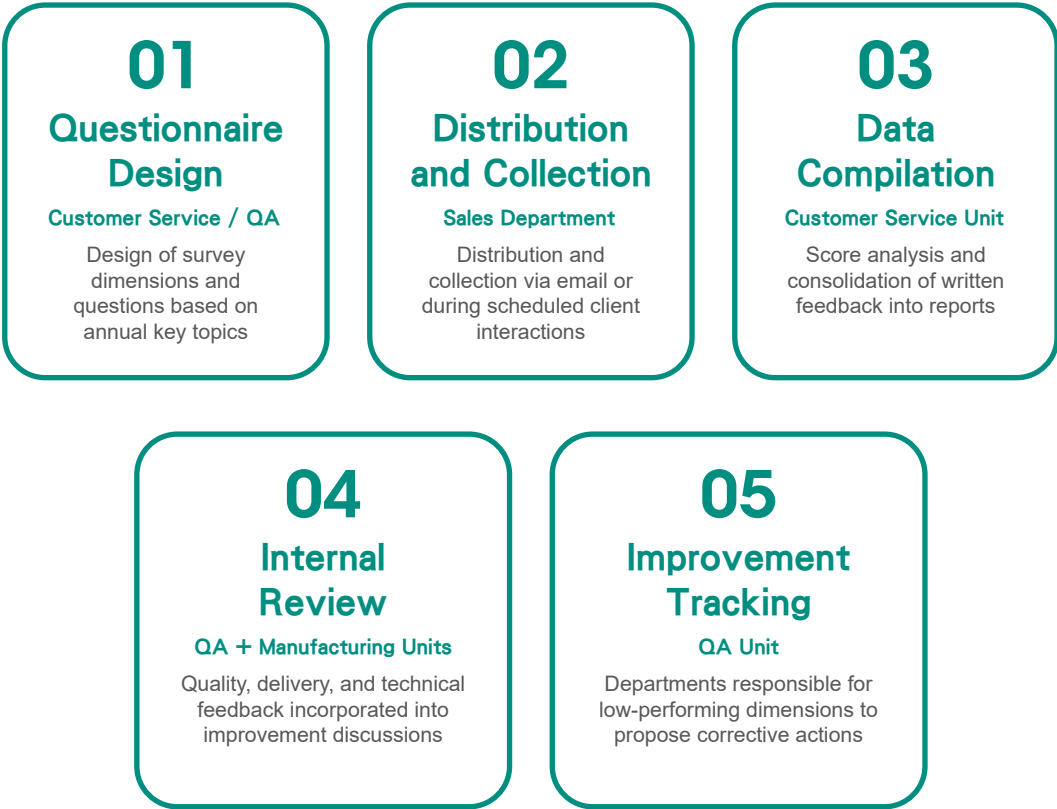


Customer Satisfaction Survey Mechanism

M.J. International has gradually implemented a customer satisfaction survey mechanism focused on evaluating product quality, delivery accuracy, technical response time, and overall service performance. Surveys are conducted primarily through online forms or paper questionnaires, administered by the customer service or designated project teams. Based on survey results, internal feedback and departmental improvement suggestions are formulated. Currently, the survey is conducted annually and targets core strategic clients. The scope of coverage will be expanded progressively in line with business stability.

Survey Procedure

本制度之設計與執行內容強調我們與客戶間的溝通機制與持續改善實踐，後續將逐步制度化與資訊化以提升滿意度管理效益。



Customer Satisfaction Survey

Customer satisfaction surveys are primarily conducted through questionnaires, either distributed via email or in paper form collected by the sales team. The customer service or quality assurance units are responsible for compiling the survey data. Surveys are conducted annually or as needed for specific projects, based on the schedule and strategic priorities of the year. The assessment focuses on the following key dimensions:

Product Quality	Evaluation of consistency in product appearance, functionality, and stability	5-point scale (1 = lowest, 5 = highest)
Delivery and Packaging	Assessment of on-time delivery and whether packaging is secure and undamaged	
Responsiveness and Support	Ability to respond promptly and provide solutions when issues arise	
Technical Support and Documentation	Ease of access to technical data, test reports, and certification documents	
Overall Service	General impression of cooperation, attitude, and level of support	

Satisfaction Survey Statistics

Year	Customer Satisfaction Score (out of 100)	Response Rate (%)	Customer Complaint Resolution Rate (%)
2022	85	100%	100%
2023	80	100%	100%
2024	75	100%	100%

3-2.2 Customer Satisfaction

After-Sales Service and Technical Support

The Company continues to place strong emphasis on customer feedback and issue resolution following product use. After-sales matters—including quality abnormalities, technical support, and requests for supplementary documentation—are jointly managed by the Customer Service and Quality Assurance departments. While an integrated digital after-sales service platform has not yet been established, the Company maintains high efficiency and response quality through cross-departmental collaboration mechanisms.

After-sales support encompasses the following areas:

Product Technical Consultation and Application Guidance

Assisting customers in understanding product specifications, usage limitations, and installation precautions.

Quality Abnormality Handling and Sample Re-Verification

Addressing issues such as color variance, damage, and dimensional discrepancies by tracing production batches and rechecking samples.

Compliance and Verification Documentation

Providing material reports, test certifications, or third-party verification documents for international brand clients or special projects.

Incident Reporting and Tracking

Utilizing an internal process in which Customer Service issues a Nonconformance Handling Form to be reviewed and resolved by Quality Assurance and Manufacturing departments.

Year	Number of Customer Issues Reported	Average Response Time	Response Rate (%)	Technical Support Instances	Recurring Cases
2022	20	30-60	100%	20	0
2023	12	30-60	100%	10	0
2024	19	30-60	100%	20	2

Note: Technical support instances refer to the number of times the Company provided product testing reports, material specifications, or certification documents.

Currently, case handling is conducted through manual procedures. The Company is evaluating the implementation of a visual tracking mechanism or simplified inquiry tool to support internal analysis of issue types, response timelines, and corrective actions. These improvements aim to strengthen cross-departmental coordination and enhance the quality of customer responses.

3-3 Technological Innovation and R&D

The Company recognizes that technological innovation and research and development (R&D) are key drivers of sustainable growth and long-term business viability. In response to the global market’ s increasingly diverse demands for product performance, environmental standards, and user experience, the Company continues to invest in R&D resources. These efforts focus on technical upgrades in product structure, material applications, and process stability, while also aligning functional design and customized development with client requirements and application scenarios.

Current R&D efforts are centered on three key areas :



Market-Oriented Product and Service Development :
Enhancing product utility and customization flexibility to meet market application needs.



Material Innovation and Low-Carbon Design:
Addressing environmental regulations and sustainability trends through eco-friendly product development.



Application Technology Expansion and Integrated Services:
Improving practical performance and strengthening solution integration across products.

R&D activities are jointly promoted by dedicated R&D teams in collaboration with Quality Assurance, Production, and Sales departments. The Company is also gradually establishing a technical database, a sample retention system, and a formula traceability mechanism to enhance R&D capacity and elevate product value over time.

3-3.1 Product and Service R&D Applications

Material Topic: Products and Services

Short-term goals (to be achieved by the end of 2026) :

- Maintain product shipment pass rate ≥ 99%.
- Zero product liability incidents (no accidents caused by quality issues or labeling noncompliance).
- Maintain 100% labeling compliance across all products (in line with the Commodity Labeling Act and environmental regulations).
- Achieve 85% coverage of proprietary branded products/technical services with digital traceability labeling or descriptions (e.g., QR codes).
- Obtain ISO 14067 product carbon footprint verification for at least one product.
- Ensure at least 10% of new product launches utilize recycled materials or comply with green building design principles.

Mid-to-long-term goals (to be achieved by the end of 2030) :

- Maintain product shipment pass rate ≥ 99.5%.
- Zero product liability incidents.
- Maintain 100% labeling compliance across all products.
- Achieve 90% coverage of proprietary branded products/technical services with digital traceability labeling or descriptions.
- Obtain ISO 14067 product carbon footprint verification for at least one product.
- Ensure at least 20% of new product launches utilize recycled materials or comply with green building design principles.
- Provide user manuals and installation guidance materials that meet customer requirements for all products.

Complaint Mechanism & Communication Channels **R&D Department :**
+886-6-3009666 ext. 3050

Policies

The Company conducts product design and quality management in accordance with the Commodity Labeling Act, the Consumer Protection Act, the Product Liability Act, and relevant environmental regulations pertaining to the construction industry. Reference standards include GRI 417, SASB, ISO 9001, and the Green Building Material Label. Internally, the Company has established the Product Quality and Green Design Management Guidelines and the Technical Specifications for Green Building Materials. By adopting principles of the ISO 9001 Quality Management System, the Company strengthens product responsibility, eco-friendly design, and process control to enhance product safety, performance, and regulatory compliance.

Commitments

The Company is committed to delivering high-quality products with low environmental impact. Product development integrates carbon reduction and circular design principles across the full product life cycle. Green Building Material Label certification has been obtained, and the Company will continue to increase the share of certified eco-friendly products and the use of recycled materials.

Responsibility

- The R&D Department is responsible for product design and material optimization.
 - The Quality Assurance unit is responsible for quality control and validation.
 - The Marketing and Sales departments are responsible for promoting green products.
- Overall product sustainability strategy is coordinated and supervised by a senior executive appointed by the Board of Directors.

Resources

Human Resources

22 R&D personnel and 19 quality assurance and validation personnel.

Financial Resources

Annual budget allocated for new product development, green material substitution, certification applications, customer education, and marketing promotion.

External Resources

Third-party certification bodies and legal advisors.

Evaluation Mechanism for the Effectiveness of Management Approach

- ≥ 95% pass rate for new product material compliance testing.
- Customer product satisfaction survey score ≥ 70.
- Continued renewal of ISO 9001, ISO 14001, SA8000, and Green Building Material Label certifications.
- At least one product safety and proper usage awareness session conducted annually.
- At least one employee training session on product quality assurance held every six months, with 100% participation rate.

Evaluation Results of the Management Approach

- Annual compliance testing of new product materials achieved a 98% pass rate.
- Customer product satisfaction survey result: 70 (meeting the Company's target).
- One major customer complaint occurred and was resolved through settlement and product replacement.
- Three product safety and proper usage awareness sessions conducted during the year.
- Continued renewal of ISO 9001, ISO 14001, SA8000, and Green Building Material Label certifications.
- Two employee training sessions on product quality assurance were held, with 100% participation rate.

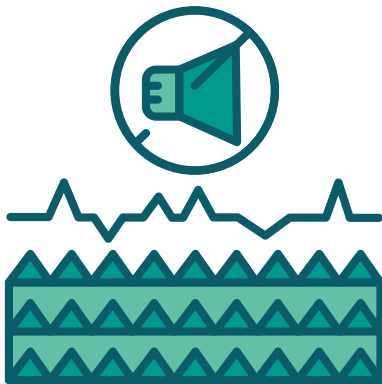
3-3.1 Product and Service R&D Applications

M.J. International has long supported brand clients in product technology transformation and structural development. R&D efforts focus on functional enhancement, improved installation efficiency, and compliance with environmental regulations, enabling clients to swiftly respond to evolving end-market demands and standards. In recent years, key R&D directions have included:



Abrasion Resistance Enhancement

Improving scratch resistance and durability of commercial products to reduce maintenance costs.



Acoustic Structure Development

Creating sound-absorbing materials and resilient base layers suitable for residential and educational settings.



Installation Efficiency Optimization

Enhancing click-lock structures and lightweight designs to increase installation efficiency.



Green Materials Adoption

Incorporating low-VOC and phthalate-free formulas that comply with FloorScore, GREENGUARD, REACH, and other standards.

3-3.1 Product and Service R&D Applications

For export markets such as the United States, the European Union, and Japan, the Company also provides regulatory compliance testing and customized formulation adjustments to accelerate time-to-market and enhance brand collaboration stability.

Application Scenarios and Structural Types

	 Residential Spaces	 Commercial Spaces	 Educational & Childcare Facilities	 Healthcare & Long-Term Care Facilities	 Retail & Exhibition Spaces	 Green Building Spaces
Client-Specified Structure/Series	SPC, acoustic layers, click-lock structures	High-durability wear layers, lightweight thick-board designs	Anti-slip structures, antibacterial coatings	Low-emission eco-friendly series, antiviral wear-resistant structures	High-resolution printed flooring layers, scratch-resistant series	Certified green building materials
Key Application Requirements	Acoustic comfort, convenience, cleanliness	Abrasion resistance, anti-slip, installation efficiency	Safety, noise reduction, antibacterial properties	Antiviral performance, easy cleaning, low emissions	Aesthetics, durability, easy maintenance	Fire resistance, non-toxic safety, compliance with green building standards
M.J. International's Collaborative R&D Support	Acoustic base material design, low-VOC formulation, lightweight structural design	Surface treatment upgrades, mold adjustments, and reinforced lightweight structures with dimensional stability	Customized PUR coatings, comfort-enhanced structural design	Support in designing formulations that comply with FloorScore and GREENGUARD Gold standards, meet EPA safety testing, and provide antiviral coating functionality	Adoption of high-transparency wear layer materials to enhance the authenticity of flooring patterns and textures	1. Compliance with green building material certification 2. Formulations free of phthalates and with low formaldehyde content

3-3.2 Material Innovation and Low-Carbon Design

Material Topic: Technological Innovation and R&D

Short-term goals (to be achieved by the end of 2026) :

- Complete at least one product or process technology innovation project
- Successfully launch at least one new product to market
- Ensure that green design accounts for at least 15% of newly developed products
- Collaborate with clients to implement at least one customized design project

Mid-to-long-term goals (to be achieved by the end of 2030) :

- Obtain at least three new product technology patents
- Achieve a 100% success rate in new product verifications
- Successfully launch at least three new products to market
- Achieve a monthly sales volume of at least two containers of new products
- Ensure that green design accounts for at least 20% of newly developed products

Complaint Mechanism & Communication Channels R&D Department :
+886-6-3009666 ext. 3050

Policies

The Company promotes innovation and product optimization in accordance with the Industrial Innovation Act, intellectual property-related regulations, and ISO 9001 development control principles. Aligned with GRI 201 and GRI 203 standards, the Company emphasizes the positive impact of innovation on both social and economic development. Internally, the “New Product Development Management Guidelines (Group) 1.0” have been established to institutionalize the R&D process based on the PDCA (Plan-Do-Check-Act) cycle.

Commitments

The Company is committed to continuously investing in innovation and R&D to develop differentiated, low-carbon, and sustainable products and processes. Efforts include the active adoption of new technologies and materials to enhance resource efficiency and market competitiveness, while aligning with customer needs and industry trends to drive forward-looking innovation.

Responsibility

The R&D Center is the primary unit responsible for innovation and development, overseeing technical evaluation, product development, and material testing. The General Manager’s Office appoints project leaders to manage R&D projects and coordinate cross-functional collaboration. R&D performance and future plans are regularly reported to the Board of Directors

Resources

Human Resources

A dedicated R&D team composed of five professionals specializing in materials, processes, and design

Financial Resources

Annual R&D budget allocated to product innovation, material substitution, and smart manufacturing

External Resources

Collaborations with research institutes, academic institutions, and technical consultants to facilitate industry-academia alliances, co-development projects, and technology transfers

Evaluation Mechanism for the Effectiveness of Management Approach

- Completion of ≥1 technology innovation project annually
- Successful market launch of ≥1 new product with high sales volume
- Proportion of newly developed products incorporating green design ≥10%
- At least one patent application or grant annually
- Achievement rate of ≥90% for R&D team’s professional training hours and performance evaluations

Evaluation Results of the Management Approach


- Completed one technology development project involving new material application and mold improvements
- Among new products launched in the reporting year, 10% adopted lightweight, carbon-reducing bio-based designs
- Filed 10 patent applications
- Green design adoption rate reached 10%
- The R&D team achieved an average of 16 training hours per person, with an annual training attendance rate of 90%

As an OEM manufacturing partner for international branded flooring products, M.J. International has long collaborated with clients to meet their product development needs and market application requirements. The Company provides support in formula adjustment, functional structure design, and process optimization. Its products are widely applied in residential, commercial, educational, and healthcare spaces. The R&D team focuses on converting specified functional structures, optimizing production conditions, and enhancing quality stability to help clients respond to end-market and regulatory requirements.

3-3.2 Material Innovation and Low-Carbon Design


R&D Structure and Management System

M.J. International has established an R&D unit responsible for formula modifications, process transition recommendations, and proposals for material innovation. The R&D team collaborates closely with the quality assurance, sales, and production departments. Based on actual project timelines, the team arranges sample development, technical data preparation, and functional validation. The Company has gradually established internal R&D management systems and documentation procedures, including:




Sample Development and Retention System

A standardized form and process have been implemented to track each version of product development and its corresponding specifications.




R&D Project Documentation

Technical support materials—including quotation samples, product certifications, and compliance documentation—are compiled to enhance cross-departmental operational efficiency.



Formula Testing Records and Adjustment Reports

Each formulation test and adjustment is documented with parameters and results to support quality stability.



Periodic Development Meetings

Based on project or quarterly schedules, the R&D unit summarizes recent development progress and process improvement proposals to review and align future directions with the production and sales teams.

The R&D management system is currently in the phase of integration and implementation. The Company will continue to enhance departmental collaboration and documentation practices, gradually building a more robust R&D operations platform to improve the efficiency of new material applications and technical support capabilities.

Process Optimization and Technical Applications

As a contract manufacturer, the Company places significant emphasis on implementing process improvements without affecting the original formulations and design conditions specified by clients.

Current process optimization and technical applications focus on the following areas :			
Optimization Focus	Implementation	Expected Benefits	2024 Performance
Automation and Standardization	Introduced real-time pressure and temperature monitoring modules; established SOP-based operational standards.	Reduced operator errors, improved consistency among new operators, and enhanced process stability.	-
Quality Stability Enhancement	Adopted automatic thickness detection modules and warning systems, with cross-verification by QA	Improved thickness control accuracy and product qualification rates.	Thickness qualification rate: 98.0%
Energy Saving and Environmental Impact Reduction	Deployed high-efficiency motors, LED lighting, and energy-saving air compression equipment; conducted energy consumption assessments.	Provided data to support future carbon inventory and energy-saving improvement initiatives.	Energy Intensity: 14.44 kWh per NT\$1,000

3-3.2 Material Innovation and Low-Carbon Design

Green Design and Sustainable Innovation Practices

In response to the growing global demand for environmentally friendly product performance and carbon footprint transparency, M.J. International continues to promote green design and sustainable innovation practices throughout its R&D and manufacturing processes. As an OEM manufacturer, the Company collaborates closely with brand clients to support the development of eco-friendly formulations, low-carbon material applications, and optimized product structures. Furthermore, the Company is progressively establishing environmental impact data at the raw material level to enhance the sustainability and international competitiveness of its clients’ product lines.

Eco-Friendly Material Design and Hazardous Substance Management

The Company continues to assist brand clients in modifying material compositions to comply with health and environmental regulations in international markets such as the European Union (REACH) and the United States (FloorScore and GREENGUARD). Common areas of cooperation include:

- Developing low-VOC emission formulations to meet the requirements of the U.S. FloorScore indoor air quality certification.
- Replacing phthalate plasticizers to address toxicity concerns for products used by children and in sensitive environments in North American markets.
- Controlling heavy metals and halogens to ensure that stabilizers and pigment systems comply with RoHS and REACH Annex requirements.
- Adjusting flame-retardant and non-toxic material ratios to support applications for Taiwan’ s Green Building Material Label and meet local public construction standards.

Low-Carbon Structures and Improved Material Utilization

M.J. International’ s R&D team continuously optimizes material density and thickness across various product structures to improve material efficiency per unit area and reduce the carbon footprint of raw materials. Key technical practices include:

- Lightweight structural design to reduce material usage per unit and lower transportation emissions.
- Modular optimization of layer structures to balance physical performance with compressed material thickness.
- Recycled flooring waste and PCR plastics are systematically incorporated into the Company’ s internal recycling process. Through established post-treatment procedures, these materials are reintroduced into production, promoting the Company’ s continuous advancement toward recyclable and reusable product solutions.

Innovative Applications and Brand Collaboration

Several brand clients have already incorporated sustainability into their procurement criteria. In response to such development project needs, the Company offers the following support services:

- Designing green products using certified recycled materials and providing documentation for international green building certifications such as LEED and BREEAM.
- Supplying estimated material carbon footprint data (including raw material composition and energy consumption sources) to assist clients in compiling Environmental Product Declarations (EPD).
- Providing regulatory technical documentation and compliance statements tailored to various markets and project application contexts to support sales-related materials at the brand level.

Year	Recycled Material Usage Rate (%)	Products Incorporating Recycled Materials (%)	Lightweight Products (%)	Low-Carbon Products (%)	Low-VOC Formulation Products (%)	FloorScore Certification (%)	GREENGUARD Certification (%)	Green Building Material Mark (No. of Products)
2022	32.80%	100%	33.33%	16.67%	100%	100%	100%	1
2023	31.56%	100%	42.86%	28.57%	100%	100%	35.71%	1
2024	30.74%	100%	37.50%	25.00%	100%	100%	43.75%	1

3-3.2 Material Innovation and Low-Carbon Design

Investment in Technological R&D and Industry – Academia Collaboration

M.J. International has long been committed to technological research and development (R&D) in areas such as product formulation, process efficiency, and material applications. In alignment with brand client requirements, the Company continues to develop new formulations, produce samples, conduct testing and verification, and improve manufacturing processes. An annual R&D budget is allocated to support equipment upgrades and technical personnel.

Current R&D Investment Status

Year	R&D Expenditure (NT\$ Thousands)	Share of Total Revenue (%)	Key Investment Areas
2022	56,597	1.73	R&D on rice husk flooring, antiviral coating formula adjustments
2023	48,547	1.83	Development of eco-friendly materials, low-VOC material testing, surface scratch-resistance formula optimization
2024	56,468	1.46	Trial production of eco-friendly formulations, technological improvements in production equipment

R&D Outcomes and Project Advancement

Year	Cumulative Number of R&D Patents	No. of R&D Personnel	R&D Personnel as a Percentage of Total Workforce (%)
2022	27	18	22.2
2023	32	22	2.52
2024	36	22	2.47


The Company has previously collaborated with domestic universities to conduct formulation optimization and recycled material application experiments, establishing foundational technical data and integrating some outcomes into internal development processes. Moving forward, the Company will assess the feasibility of reinitiating collaborations with academic institutions based on industry trends and technical needs, with a focus on sustainable R&D topics such as carbon footprint data development, recycled material stability, and the creation of green formulation platforms.

3-3.3 Expansion of Product Applications and Market Integration


The Company’ s R&D efforts focus on assisting brand clients in translating product design requirements into actual manufacturing processes. In line with end-market conditions, the Company provides functional optimization and application-specific recommendations. Final products are widely applied in residential, commercial, medical and long-term care, and educational settings. Leveraging practical experience and manufacturing expertise, the Company also supports clients in making structural adjustments tailored to regional regulations, market specifications, and usage characteristics to enhance product competitiveness and application performance.

Application-Oriented Design Support


During the product development process, the Company integrates end-use scenarios with client requirements and provides the following application-oriented support:




Adjustment of wear layer thickness and slip resistance based on commercial space requirements



Introduction of sound-absorbing and lightweight formulations tailored for the residential market



Design of fire-resistant structures and selection of eco-certified materials in response to public infrastructure needs



Simulation of installation efficiency and optimization of click-lock systems to assist clients with constructability requirements

Customized Applications and Project Collaboration

The Company's R&D department also supports customers' project development processes by offering technical assistance such as design pattern recommendations, sample production, preliminary testing, and preparation of regulatory compliance documentation. Common types of applications include:

Client Type	Project Requirements Example	Support Provided by M.J. International
European Brands	REACH Compliance + Acoustic Structure Design	Material substitution, provision of test samples, construction simulation
North American OEMs	Phthalate-free Formulations + FloorScore Certification	Formula adjustments and coordination with third-party testing and declarations
Taiwan Government Projects	Green Building Label + Fire-Resistance Requirements	Certified material selection, assistance in preparing verification reports

In addition to development support, the Company continuously gathers and consolidates feedback from brand clients regarding market-end performance. This information is incorporated into future R&D planning and process optimization, including:

Addressing common consumer usage issues through improved formulation design.

such as floor warping, color variation, and functional requirements

Responding to construction-side feedback by adjusting tooling and materials accordingly.

such as difficulty in aligning locking mechanisms and heavier board weight

Structure standardization proposals based on sales data by region.

Looking ahead, the Company will strengthen the integration of client market insights and internal R&D data, establish a cross-project knowledge base, and support brand partners in enhancing product performance and optimizing perceived market value.

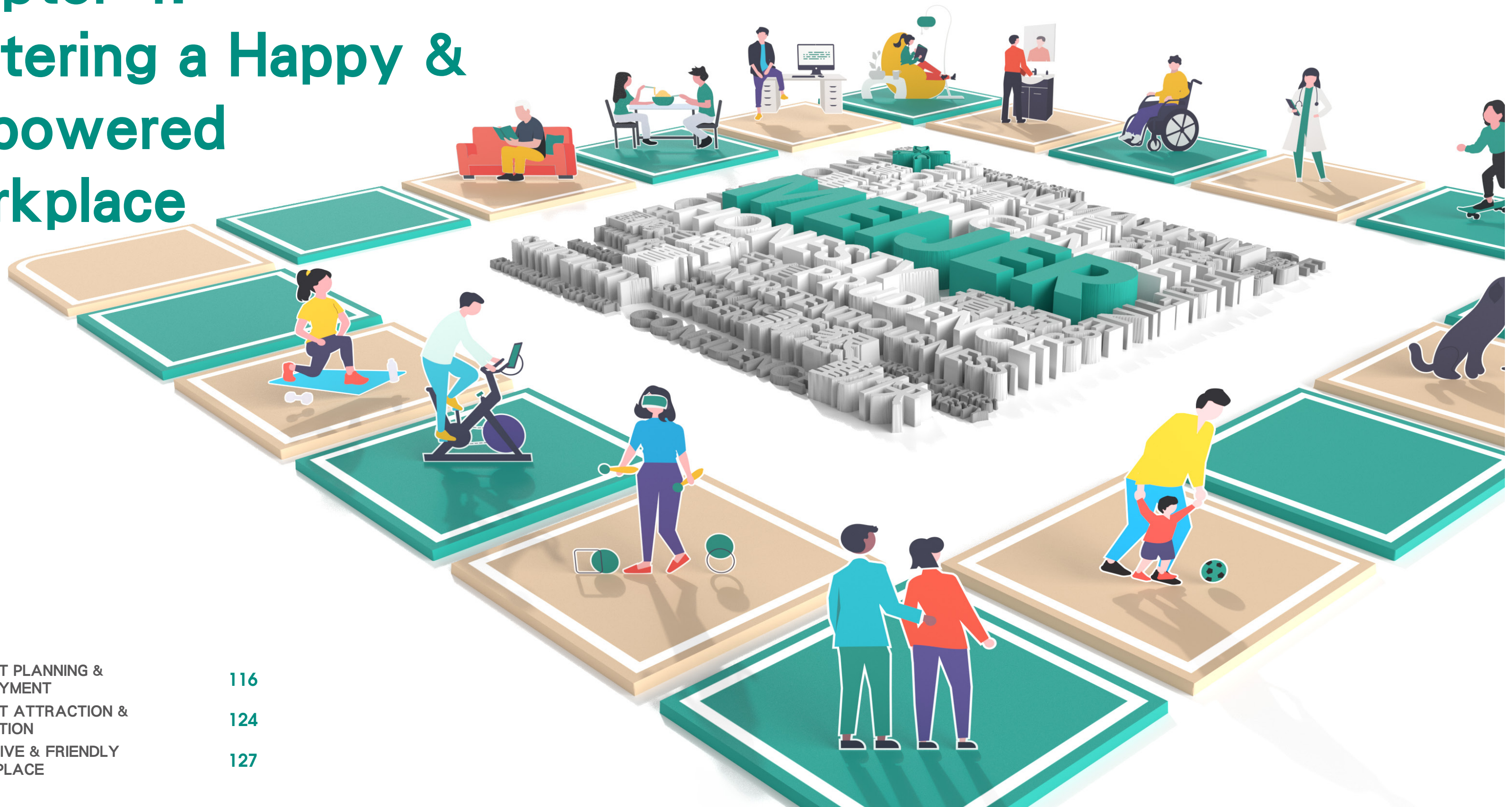
Digitalization of Product Shipment Traceability

The "Digitalization of Product Shipment Traceability" refers to the establishment of a systematic record system that captures key product information from manufacturing and inspection to shipment. By utilizing barcodes, batch numbers, and systemized data input, the process enables traceability, transparency, and manageability of product data. This contributes to enhanced quality control efficiency, improved customer service responsiveness, and strengthened product accountability. M.J. International has progressively implemented digital traceability management for outbound products by establishing a batch number labeling system. Key information—such as production date, equipment used, raw material batch, and inspection results—is recorded by the Quality Assurance and Manufacturing departments to support subsequent quality traceability, anomaly investigation, and reporting. Although current operations primarily rely on Excel spreadsheets or built-in system functions, the Company plans to integrate a centralized query platform and visual interface as the system matures to further improve transparency and technical support efficiency.

Traceability Data Item	Performance Indicator	2024 Performance Results
Batch Number / Barcode Management	Establishment rate; proportion of barcoded products	100% of shipped products included batch numbers
Production Date / Equipment Record	Number of system entries; production line coverage	All major production lines fully recorded
Raw Material Batch Information	Traceability rate of supplier batch numbers; number of raw materials documented	All major core raw materials included
Inspection Items and Results	Completion rate of finished product batch inspection; data digitization rate	100% of shipped batches included inspection records
QA Sign-off / Inspector Record	Sign-off completion rate; sign-off timeliness	95% of shipment orders completed approval within 2 days

To strengthen product traceability and transparency of quality information, M.J. International is progressively advancing the digitalization of five key traceability components: batch number management, production data registration, raw material sourcing batches, inspection results, and QA sign-off. As of 2024, more than 98% of products shipped include a complete digital shipment traceability record. The Company is further assessing the integration of a systematic query mechanism to enhance anomaly response efficiency and the quality of technical support provided to customers.

Chapter 4: Fostering a Happy & Empowered Workplace



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4-1 Talent Planning and Deployment

Material Topic: Talent Training and Development

Short-term goals (to be achieved by the end of 2026) :

- Achieve 100% completion in establishing an employee training management system and individual learning records
- Ensure training plan coverage rate exceeds 80%
- Achieve employee training participation rate above 95%
- Maintain an average of over 6 training hours per employee annually

Mid-to-long-term goals (to be achieved by the end of 2030) :

- Achieve an average of over 10 training hours per employee annually
- Ensure training plan coverage rate exceeds 85%
- Achieve 100% participation in sustainability and leadership training for mid- to senior-level management
- Fully establish a high-potential talent pool and internal job rotation and development system
- Establish an employee training satisfaction survey mechanism

**Complaint Mechanism &
Communication Channels** HR@mjig.com

Policies

The Company complies with the Labor Standards Act, Act of Gender Equality in Employment, Employment Service Act, and other relevant labor laws, and refers to the GRI 404 disclosure standards in establishing a fair and reasonable system for recruitment and employee training. Through the M.J. Group Employment Management Guidelines and Training Management Guidelines, the Company promotes on-the-job training, leadership development, and professional competency enhancement to strengthen employee career planning, long-term talent development, and organizational resilience.

Commitments

The Company is committed to providing a fair, diverse, and growth-oriented career environment. Systematic training resources and promotion opportunities are provided based on job types. The Company aims to cultivate core talents with sustainability awareness and innovative capabilities to enhance corporate competitiveness and support sustainable business operations.

Responsibility

- The Human Resources (HR) department is responsible for the overall planning of talent development policies and management of the training system.
- Department heads are responsible for proposing and implementing training plans based on functional needs.
- The internal audit function conducts regular reviews of the annual talent development outcomes and resource allocation.

Resources

Human Resources

A dedicated HR team and training liaison are assigned to manage training operations.

Financial Resources

An annual training budget is allocated to cover basic, professional, managerial, and ESG-related courses.

External Resources

The Company collaborates with consultants, academic institutions, and external instructors to offer training programs, incorporating cross-industry practices and global perspectives.

Evaluation Mechanism for the Effectiveness of Management Approach

- 100% of new employees complete pre-employment and on-the-job training
- Average training hours per employee reach at least 4 hours
- Employee training participation rate ≥ 85%; coverage rate ≥ 80%
- Participation rate in ESG/sustainability-related courses ≥ 80%

Evaluation Results of the Management Approach

- 100% of new employees completed pre-employment and on-the-job training
- In 2024, the employee training participation rate was 80%, and the coverage rate was 70%
- The average training hours per employee was 6 hours
- An annual ESG/sustainability training program was developed in 2024 and is scheduled for implementation in 2025

In accordance with its operational scale, geographic distribution, and manufacturing characteristics, the Company allocates human resources across its facilities. The primary production sites are located in Tainan and Dongguan, supported by management and R&D functional teams. Employees span across roles in manufacturing technology, R&D and quality control, administration, and sales. Workforce deployment is adjusted based on production line flexibility and order volumes. The Company continues to assess cross-regional talent allocation and internal job rotation mechanisms to enhance overall organizational agility and internal talent development capabilities.

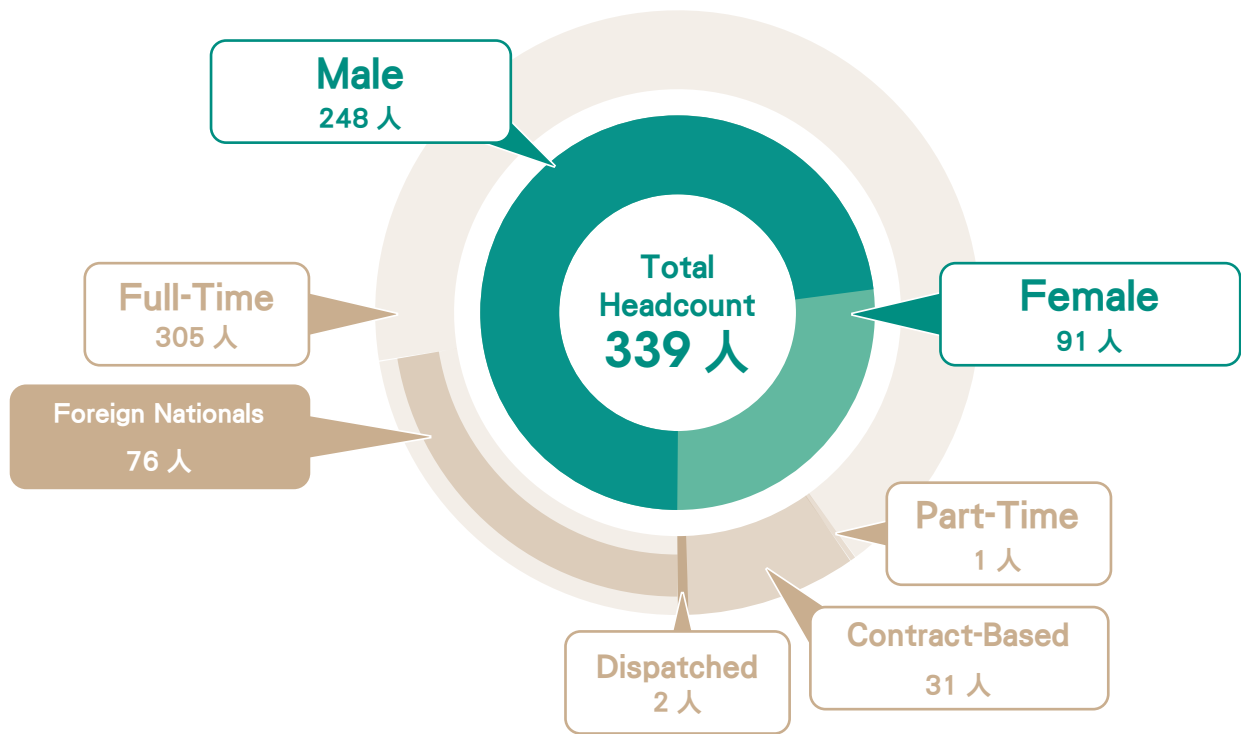
4-1.1 Talent Recruitment and Development

Workforce Structure

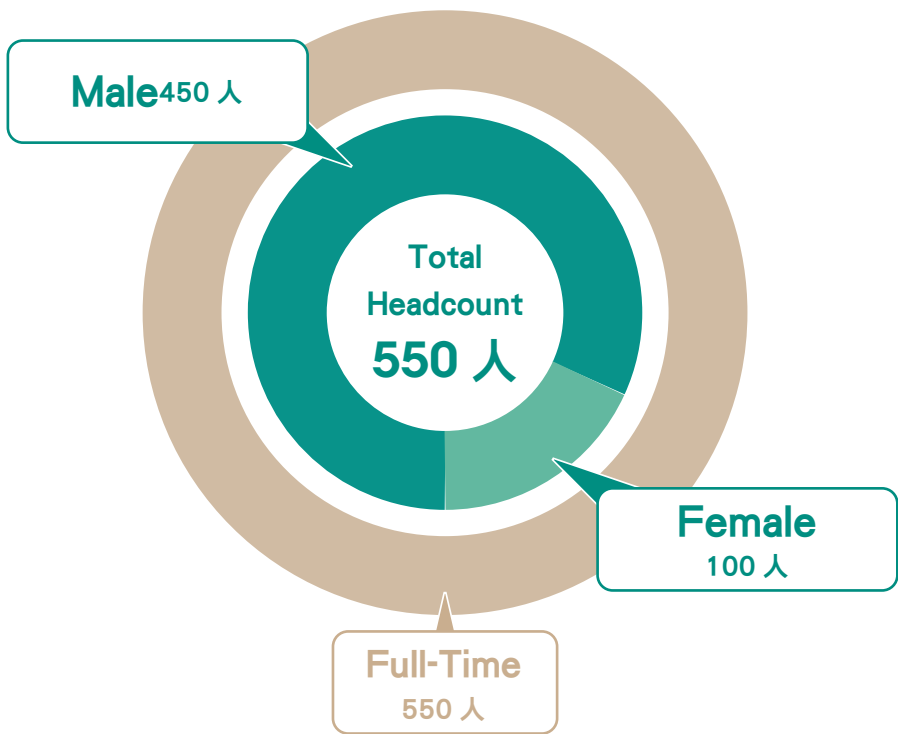
As of the end of 2024, M.J. International employed a total of 889 people, primarily located in the Tainan Facility, Dongguan Facilities, and the Headquarters. Employee roles include manufacturing, quality assurance, R&D, sales, and general administration. Manufacturing and quality inspection personnel accounted for more than 72.6% of the total workforce, supporting key production operations. The majority of employees are aged between 30 and 49, with female employees representing approximately 20.3% of the total. Each site is also staffed with frontline supervisors and technical personnel to support day-to-day operations and technological development.

Employee Profile

Taiwan Facilities



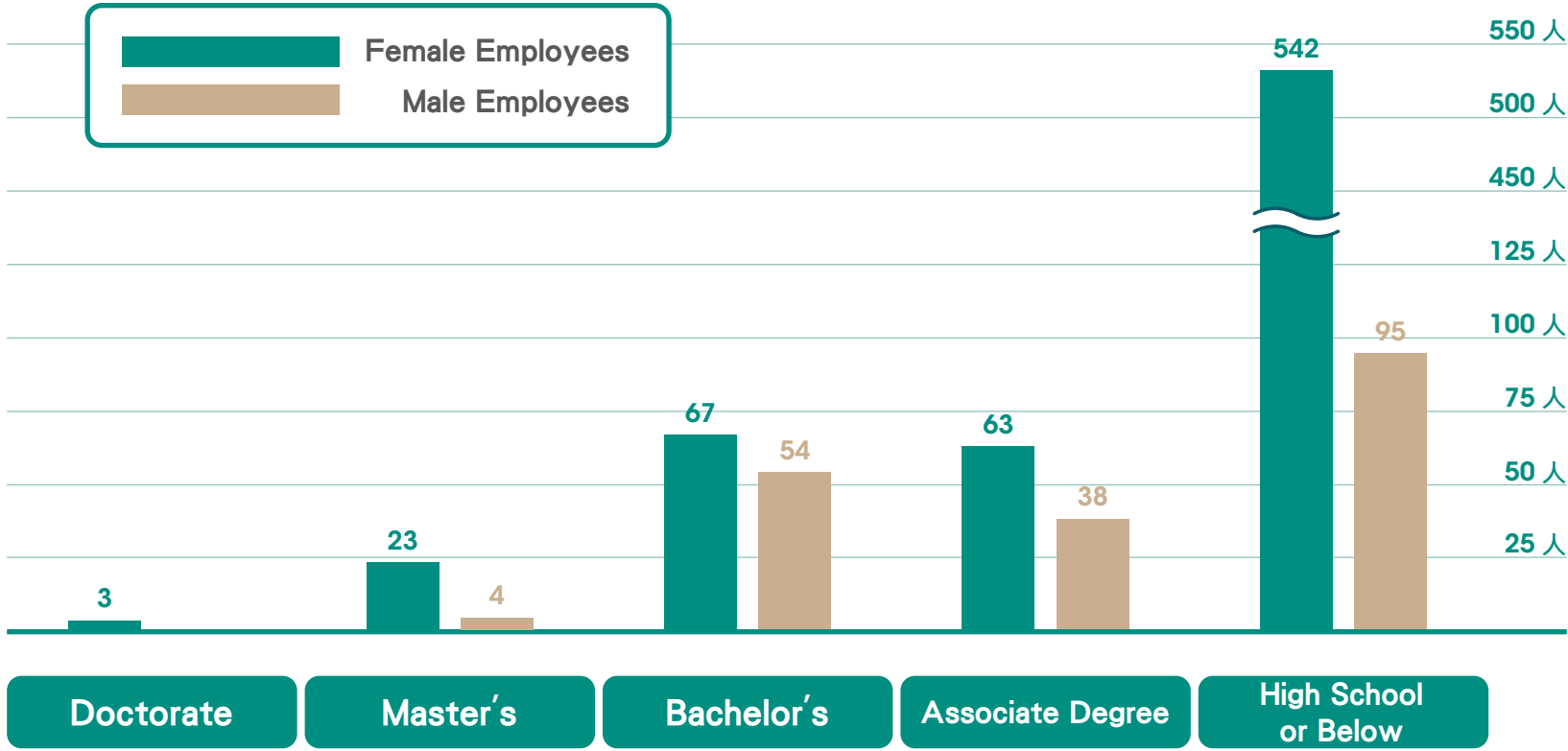
Dongguan Facilities



4-1.1 Talent Recruitment and Development

Educational Background of Employees

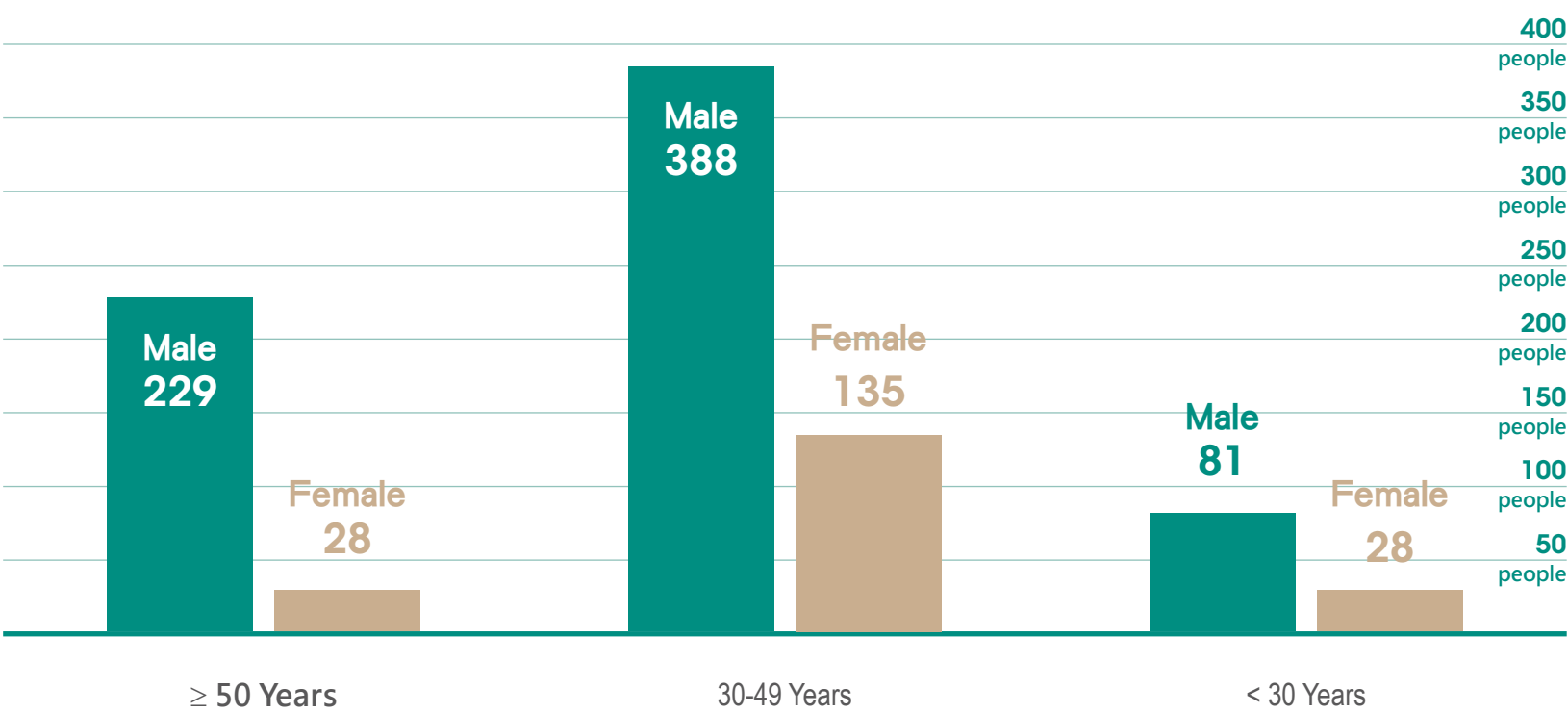
To better understand the knowledge composition and educational background of its workforce, M.J. International compiles statistics on employees’ highest levels of education. Due to the concentration of production technicians at the Dongguan Facilities, the majority of employees hold a high school diploma or below, accounting for approximately 71.65%. Among non-production personnel, the majority hold college or university degrees, representing over 24.95%, while the proportion of employees with postgraduate degrees has remained stable over time.



4-1.1 Talent Recruitment and Development

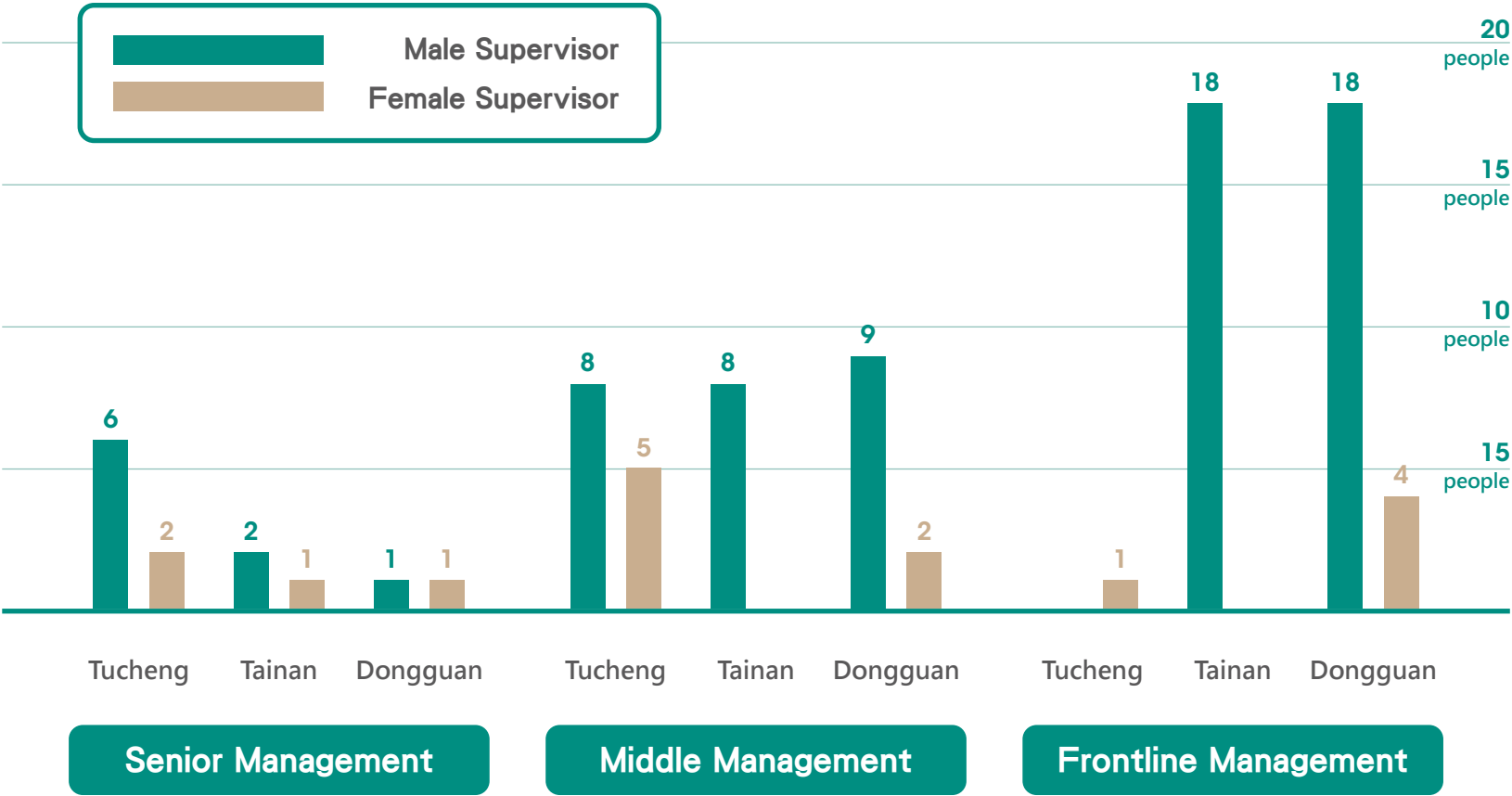
Age Distribution of Employees

The Company is committed to building a diverse workforce in terms of age and experience. The following data reflect the age composition of employees in 2024. The majority of employees fall within the 30-49 age group, indicating a stable and experienced technical labor force.



Gender Distribution Among Management Positions

To promote workplace diversity and equitable career advancement, the Company monitors gender representation across different levels of management. As of the end of 2024, senior management positions remain male-dominated. In production units, middle and frontline managers are predominantly male due to industry characteristics. However, in non-production functions, female participation in middle and frontline management is gradually increasing, reflecting the Company's potential for enhanced gender representation in leadership roles.



4-1.1 Talent Recruitment and Development



Job Function Structure

As of the end of 2024, M.J. International employed a total of 889 personnel across the Group. Among them, technical and manufacturing roles constituted the primary structure, accounting for 72.7% of total employees. These roles are primarily located at the Tainan and Dongguan Facilities, covering production operations, equipment maintenance, process conversion, and quality inspection, reflecting the Company’ s core focus as a manufacturing-based enterprise. The overall job function structure is centered on manufacturing, with technical and administrative roles providing supporting functions, aligning with the Company’ s strategy of balanced development between production efficiency and R&D capabilities.

A total of 41 employees, or 4.61%, were engaged in quality assurance and R&D functions, primarily based in the Tainan and Dongguan Facilities. These employees are responsible for formula testing, sample development, and quality stability control, supporting customer-side technical transitions and functional performance requirements.

Administrative and managerial personnel accounted for 163 employees, or 18.34%, covering finance, human resources, procurement, and general administration at both headquarters and production sites, ensuring smooth operational support. Additionally, 39 employees (4.39%) were assigned to sales and customer service functions, located in Taipei and Dongguan, and were responsible for client communication, order management, and cross-departmental coordination.

	Tucheng	Tainan	Dongguan	Total	Percentage (%)
Technical & Manufacturing	0	236	410	646	72.67%
Quality Assurance / R&D	4	12	25	54	4.61%
Administrative & Managerial	28	36	99	163	18.34%
Sales & Customer Service	23	0	16	39	4.39%
Total	55	284	550	889	100%

4-1.1 Talent Recruitment and Development

Talent Recruitment and Development

The Company conducts workforce recruitment based on the operational demands of each site and the flexible scheduling requirements of production lines. The primary focus is on recruiting technical, manufacturing, and quality management personnel, with supplementary recruitment of R&D, administrative, and sales support positions depending on project needs. Recruitment practices emphasize a practical, experience-oriented approach, utilizing online job platforms, internal employee referrals, and real-time staffing application mechanisms. New employees undergo departmental pre-employment briefings and on-the-job training to strengthen their adaptability and support organizational stability. In 2024, the Company invested in recruitment and related processes for new hires, covering advertising, agency services, interviews and assessment support, as well as onboarding training. A total of 317 full-time employees were successfully recruited throughout the year, demonstrating stable talent acquisition effectiveness. For the Dongguan Facilities, no agency fees were incurred in 2024; the primary expenditures included employee referral incentives of RMB 25,500 and an annual subscription fee of RMB 6,800 for the Zhitong Talent Platform. At the Taiwan Facilities, total spending on advertising and agency services amounted to TWD 1,740,454. Onboarding training for new employees was conducted internally by recruitment specialists, incurring no additional costs, thereby effectively leveraging internal resources to enhance recruitment efficiency and control expenditures.

	2022			2023			2024	
	Male	Female		Male	Female		Male	Female
Number of Interviews	406	78		172	32		317	146
Number of Job Applications	533	90		249	47		470	219
Number of Hires	281	52		170	35		289	119
Number of Onboarded Staff	216	43		118	27		264	98
Onboarding Rate (%)	76.87%	82.69%		69.41%	77.14%		91.35%	82.35%
Average Recruitment Days	39	39		25	24		15	16
New Hires as % of Workforce	26.93%	5.36%		13.52%	3.09%		29.70%	11.02%

In 2024, the Company opened 60 job vacancies. Recruitment was completed through online platforms, internal referrals, and project-based hiring needs. A total of 463 candidates were interviewed, with 408 accepted and 362 successfully onboarded, resulting in an onboarding rate of 88.73%. The primary recruitment channel was online job platforms, and recruitment efforts were mainly focused on manufacturing, quality assurance, and R&D positions to support production scheduling and sample development needs. The Company will continue to enhance transparency in the recruitment process and improve interdepartmental coordination to increase responsiveness and overall conversion efficiency in talent acquisition.

4-1.1 Talent Recruitment and Development

Fair and Diverse Employment Policy

The Company upholds the principles of fairness, respect, and inclusiveness in its employment practices, striving to provide equal employment opportunities regardless of gender, age, nationality, religion, ethnicity, or physical and mental condition. All stages of recruitment, appointment, training, promotion, and compensation are based on job responsibilities and functional performance, ensuring that every employee can develop professional capabilities and career potential in a fair working environment. In terms of workforce diversity, the Company’s facilities are staffed by employees of various age groups, genders, and professional backgrounds. In accordance with actual production needs, the Company also employs foreign workers, dispatched personnel, and short-term support staff to maintain operational flexibility and meet peak project demands. For foreign employees, the Company obtains legal work permits and signs labor contracts in accordance with relevant regulations. Designated personnel are assigned to assist with accommodation, daily life coordination, and cross-cultural communication to ensure workplace stability and quality of life.

Analysis of Workforce Age Groups and Gender Distribution

	Male	Female	Total
≤29 Years	81	28	109
30-50 Years	388	135	523
≥51 Years	229	28	257
New Hires	251	111	362
Percentage of Total Workforce	28.23%	12.49%	40.72%

Gender Equality and Ethnic Inclusion

The Company places high importance on gender equality and is committed to increasing the participation of women in technical and managerial roles, ensuring that both men and women have equal opportunities in recruitment, promotion, and career development. In 2024, women accounted for 28.79% of all newly hired employees, reflecting a continuous increase in female participation in the manufacturing and technology sectors. In addition, the Company actively recruits Indigenous peoples, new immigrants, and persons with disabilities to foster a diverse, inclusive, and supportive work environment, aligning with societal expectations for fair and equitable employment practices.

Category	Disabled Employees	Indigenous Peoples	New Immigrants
Number of Employees	11	0	6
Percentage of Total Workforce (%)	1.24%	-	0.67%
Remarks	Assigned to office or packaging roles	-	Primarily spouses of Southeast Asian origin, assigned to administrative or warehouse functions

Industry-Academia Collaboration and Youth Talent Development

To strengthen youth talent cultivation and align with industry needs, the Company has established partnerships with several technical colleges and universities, offering internships, industry-specific research projects, and skill training opportunities to help students transition smoothly into the workforce. In 2024, the Company offered numerous technical internship positions and formally partnered with Chia Nan University of Pharmacy and Science to jointly promote research and development projects and train key technical personnel, thereby building a talent pipeline with long-term sustainable competitiveness.



4-1.1 Talent Recruitment and Development

Functional Development and Training Mechanism

The Company places strong emphasis on enhancing employees’ professional competencies and awareness of occupational safety. Based on departmental functional requirements and regulatory obligations, the Company designs a diverse range of training programs that cover process skills, quality management, occupational safety, sustainability awareness, and fundamental management. These programs aim to support employees in building practical experience and workplace competitiveness while maintaining stable employment. Training courses are designed for practical application and are conducted by experienced internal personnel or external instructors. Programs incorporate hands-on practice and post-training feedback mechanisms to track learning outcomes. The training formats include:

	2022			2023			2024		
	Tucheng	Tainan	Dongguan	Tucheng	Tainan	Dongguan	Tucheng	Tainan	Dongguan
New Employee Training	24	1,504	547	44	1,008	74	64	2296	432
Professional Training	49	228	94.5	240.5	330	106	26	394	1,698
Management Training	70	20	34	0	40	38	36	60	42
Mandatory Training	78	78	28.5	33	254	30.5	107	266	28
Total Training Hours	221	1,830	704	317.5	1,632	248.5	233	3,016	2,200
Total Training Expenditure	NTD 297,014	NTD 694,453	CNY 27,344	NTD 11,800	NTD 102,022	CNY 8,800	NTD 158,950	NTD 297,481	-

Employee Training Outcomes in 2024

	Tucheng		Tainan		Dongguan	
	Male	Female	Male	Female	Male	Female
Management-Level Training Hours	61	67	72	-	112	28
Average Training Hours	4.36	8.38	2.57	-	4	4
Non-Management Training Hours	49	56	2,298	646	1,688	372
Average Training Hours	4.08	2.67	11.85	10.59	4	4
Total Training Hours	110	123	2,370	646	1,800	400
Average Training Hours per Employee	4.23	4.24	10.68	10.42	4	4

In 2024, the Company continued to promote continuous learning and functional development through departmental knowledge transfer, on-the-job skills training, and internal training programs. Training content covered the following key areas:



Understanding of production processes and quality standards

e.g., lamination operations, thickness inspection criteria



Operational safety and process risk prevention

e.g., equipment inspection, safe operating procedures



Product specification and work order interpretation

to assist employees in understanding customer requirements



Basic ESG concepts & the Company’s sustainability direction

to enhance awareness of environmental protection, safety, and corporate responsibility

4-2 Talent Attraction and Retention

To enhance employee retention and organizational talent competitiveness, M.J. International continuously strengthens internal development opportunities, compensation and benefits, and career support systems to create a work environment conducive to long-term service and continuous growth. The Company adopts a practice-oriented approach to manpower allocation and flexible staffing, and reinforces employee engagement and sense of belonging through an incentive-based reward structure and internal job rotation programs.

Internal Promotion Mechanism

The Company promotes internal advancement and job rotation based on employees’ professional capabilities, work performance, and years of stable service. Employees are encouraged to accumulate technical expertise and management potential through hands-on experience. Current internal promotions primarily target frontline supervisors, team leaders, and skilled operators, who are advanced to higher-responsibility positions following departmental recommendations and managerial evaluation. In 2024, the internal promotion rate reached 6.06% (including both rank and grade advancements), demonstrating the Company’s proactive efforts in cultivating internal talent and reducing employee turnover.

Internal Promotion Rate		
	2024 Rate (Promoted Employees / Total Employees)	Key Considerations
Male	4.94%	Overall evaluation of individual performance, functional capabilities, and departmental staffing needs
Female	1.12%	Consideration of job performance, responsibilities undertaken, and future development potential
Total	6.06%	-

The increase in internal promotion ratio helps strengthen employee confidence in career development and enhances organizational loyalty.

Gender Pay Equity Principle

In adherence to the Act of Gender Equality in Employment and the principle of fair employment, the Company explicitly prohibits any pay disparity arising from gender, age, religion, marital status, or disability—factors not related to job performance or responsibilities. Preliminary analysis of the current salary structure indicates no significant difference in compensation between male and female employees in equivalent positions and job grades. Moving forward, the Company will enhance compensation transparency and develop gender pay gap tracking indicators in alignment with the progress of human resources system upgrades. These measures will serve as foundational tools for promoting a diverse and inclusive workplace.

Compensation Competitiveness and Market Benchmarking			
	2022	2023	2024
Number of Full-Time Non-Managerial Employees (Taiwan)	129	173	288
Average Salary of General Staff (NTD ‘000)	43,280	37,207	32,039
Median Salary of General Staff (NTD ‘000)	40,800	33,600	32,000

Note: This data covers only employees based in Taiwan.



4-2 Talent Attraction and Retention

Equitable Compensation and Incentive System

A reasonable, equitable, and competitive compensation and incentive system is essential for attracting high-potential professionals and encouraging employees to remain committed and contribute to the Company’s long-term success. The Company’s overall compensation structure is based on job responsibilities, professional competencies, and performance, with regular reviews and refinements informed by industry benchmarks and the Company’s financial conditions. The Company adopts a responsibility-based and competency-tiered salary model that upholds the principle of equal pay for equal work. All decisions regarding remuneration explicitly exclude non-job-related factors such as gender, age, religion, marital status, or place of origin. Initial salaries for new hires are determined based on job grade, role responsibilities, and relevant prior experience to ensure consistency and fairness in recruitment and talent deployment.

Salary Adjustments and Incentive Design

Salary adjustments are generally conducted annually and determined with reference to the Company’s operational performance, workforce budget, and departmental evaluations. Final approval is obtained from senior management and the Board of Directors. In addition to fixed salaries, the Company offers the following incentives:

Year-End Bonus

Issued based on individual performance, departmental goal achievement, and overall operational results.

Project Bonuses and Spot Awards

Designed to incentivize project-based or task-driven teams through flexible performance-linked rewards.

Employee Profit Sharing

Allocated in accordance with legal requirements and distributed based on financial outcomes and Board resolutions. °

Annual Compensation Adjustment Overview

Compensation Indicator	2023	2024
Overall Salary Adjustment Range (%)	1~3%	1~3%
Management-Level Adjustment Range (%)	2~3%	2~3%
Technical-Level Adjustment Range (%)	3%	3%

To share the Company’s business achievements with employees, profit sharing is allocated in accordance with legal requirements and based on financial performance and Board resolutions. Historical profit-sharing disbursements are as follows:

Annual Employee Profit Sharing

To share operational achievements with employees, the Company, in accordance with Article 100, Paragraph 2 of the Articles of Incorporation, allocates 1% to 6% of the annual surplus as employee remuneration. Distribution is carried out based on the “Employee Bonus Management Measures,” which comprehensively consider job level, years of service, and performance evaluation results to acknowledge employees’ contributions to the Company’s development. This remuneration policy balances reflecting operational results and incentive design, demonstrating the Company’s commitment to human capital. Due to favorable overall operating results, employee remuneration allocation and distribution were carried out in 2022 and 2024 in accordance with regulations. No employee remuneration was allocated or distributed in 2023 due to an operating loss.

Employee Profit Sharing	2022	2023	2024
Total Amount Disbursed (NTD)	7,092,940	-	9,044,790

Employee Retirement Program

M.J. International places great importance on employees’ career continuity and retirement security. The Taiwan operations comply with the Labor Standards Act and the Labor Pension Act, while the Dongguan Facilities adhere to the Labor Law, Social Insurance Law, and the Interim Measures on Worker Retirement and Resignation issued by the State Council, among other relevant regulations. The Company has established compliant and robust retirement systems and actively promotes knowledge transfer mechanisms to sustain organizational experience and value.

Retirement Systems and Contribution Mechanisms

Taiwan Facilities

- All eligible employees are covered under the new labor pension scheme. The Company contributes 6% of each employee’s monthly salary to their individual pension accounts.
- Employees are encouraged to make voluntary contributions to enhance their retirement savings.
- The Human Resources Department regularly monitors the contribution status and account management to ensure the effective implementation of the retirement system.

Dongguan Facilities

- Provides all eligible employees with social old-age insurance and housing provident fund coverage.
- Retirement pensions are disbursed monthly by social security authorities, with payment standards set at approximately 80% of the local minimum wage.
- Retired employees are encouraged to return to work if physically able, enriching their retirement life.

Knowledge Transfer and Flexible Retirement

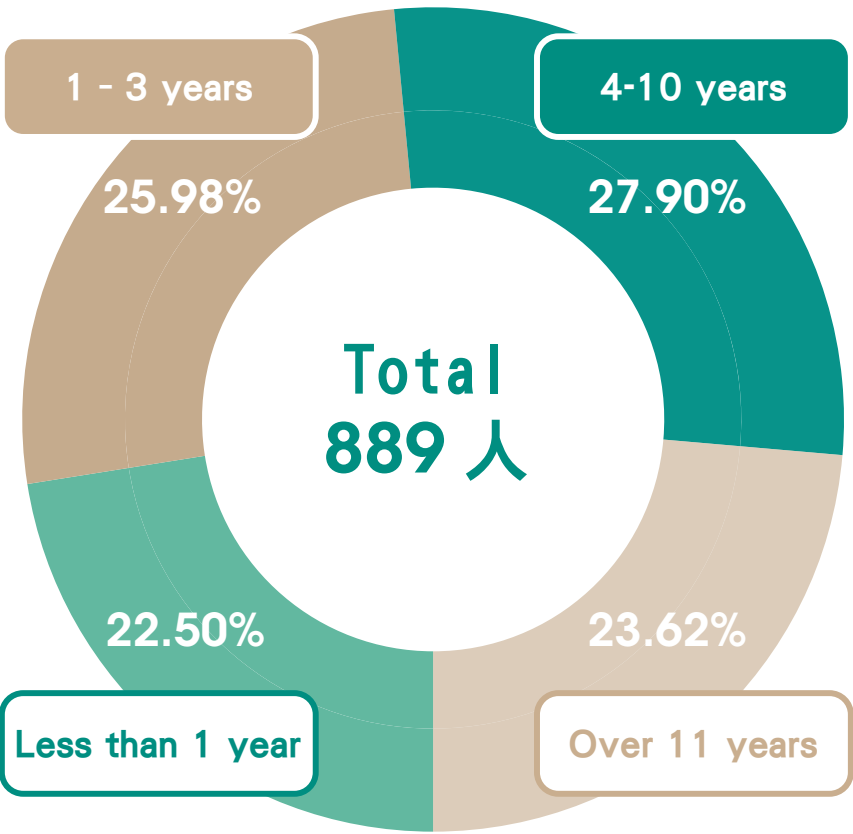
A mentorship system has been established, whereby experienced employees pass on technical and managerial knowledge to newer staff, supporting talent development and enhancing overall team capacity.

4-2 Talent Attraction and Retention

Employee Retention

To evaluate workforce stability and the effectiveness of human resource management, the Company monitors employee turnover rates. In recent years, the overall turnover rate has remained relatively low, indicating strong employee alignment with the Company’s culture and development environment. The Company will continue to enhance internal communication and career development opportunities to mitigate the risk of unplanned resignations.

Workforce Tenure and Stability



Annual Employee Turnover Statistics

	2022	2023	2024
Male	390	155	212
Female	85	41	76
Total	475	196	288
Annual Turnover Rate (%)	53.40%	23.03%	33.20%

Note: Annual Turnover Rate (%) = Number of Departing Employees During the Year ÷ [(Year-End Headcount of Previous Year + Year-End Headcount of Current Year) ÷ 2]

To further optimize workforce structure and reduce unnecessary turnover, the Company classifies and tracks reasons for employee resignations. Exit interviews are conducted with voluntary leavers to identify potential areas for improvement in policies, job roles, or management practices.

2024 Employee Turnover Reasons Classification

Since 2024, exit interviews and resignation reason classification have focused on personal career planning and external job opportunities. For feedback related to job expectation gaps and communication issues, the Company has planned initiatives to enhance job description clarity, increase frequency of manager-employee dialogues, and implement internal training courses on horizontal collaboration and communication skills as preventive and corrective measures.

Resignation Reason Category	Percentage (%)	Description / Response Measures
Personal Career Planning	28.57%	Increase internal rotation and career discussion frequency
Job Content and Expectation Gaps	14.29%	Review job descriptions and workload
External Career Opportunities	2.60%	Strengthen retention incentives and flexible benefits
Work Location or Commute Issues	1.30%	Assess applicability of shift work and remote work arrangements
Management Style or Communication Barriers	2.60%	Enhance supervisor training and horizontal communication
Others (Family, Health, etc.)	50.65%	Provide care resources and flexible handling mechanisms

4-3 Inclusive and Friendly Workplace

The Company consistently prioritizes workplace fairness and respects employee diversity, and is actively fostering a culture of inclusion, respect, and engagement. Ongoing efforts are being made to enhance organizational practices through the development of systems, employee communication, human rights awareness, and intergenerational workforce management. These initiatives are aligned with the Company's stage of organizational development and aim to build a stable, safe, and participatory work environment.

4-3.1 Diversity, Inclusion, and Equal Opportunities

Human Rights Protection

The Company strictly complies with the Labor Standards Act, Employment Service Act, and the conventions of the International Labour Organization (ILO). Child labor, forced labor, gender discrimination, and all forms of harassment are strictly prohibited. In support of this, the Company has implemented a Sexual Harassment Prevention Policy, along with anonymous reporting channels and investigation mechanisms. Workplace ethics and human rights education are also promoted to raise employee awareness of self-protection and rights advocacy. In 2024, the Company conducted two human rights awareness sessions (excluding the Dongguan Facilities), covering topics such as corporate human rights policy, sexual harassment prevention, trade secret and whistleblower protection, consumer rights, and support for persons with disabilities. These efforts aim to strengthen employees' understanding and capacity to uphold human rights in practice. The Company remains committed to creating a workplace that is equal and inclusive, where all employees are treated fairly, and where any form of discrimination or inappropriate treatment is prevented. Through ongoing training and advocacy, a human rights culture is continuously embedded across the organization.

Year	2024
Target Participants	All employees
Training Topics	<ul style="list-style-type: none">Human Rights CommitmentAnti-DiscriminationAnti-BullyingSexual Harassment PreventionWorkplace CultureLabor RightsOccupational Health and SafetyInformation Security and Personal Data Protection Act
Coverage Rate	100%

Labor Relations and Employee Communication

The Company is committed to establishing effective communication channels to ensure that employee rights and interests are protected:



Labor-Management Meetings

In 2024, the Company convened a total of five formal labor - management meetings, addressing topics such as direct labor salary adjustments, shift schedule modifications, flexible working hours mechanisms, and the introduction of new welfare facilities. During the year, six employee feedback cases were received, all of which were responded to and resolved within 30 days. No cases required escalation to external mediation or investigation.



Grievance and Protection Mechanisms

The Company has established internal grievance mailboxes and anonymous whistleblower hotlines, providing employees with channels to express work-related concerns, rights-related issues, or suggestions. Confidentiality of both the whistleblower' s identity and the content of the reports is strictly protected to foster a safe and trustworthy communication environment.



Unions and Collective Agreements

A trade union has been established at the Dongguan Facilities, while no union exists at the Taiwan Facilities, and no formal collective agreements have been signed. The Company supports employees' rights to freedom of association in accordance with applicable laws and will continue to assess the feasibility of related institutional arrangements based on organizational scale and operational needs.

Diversity and Inclusion

M.J. International is dedicated to fostering a diverse and inclusive workplace environment where employees from various backgrounds and characteristics can work with confidence in a culture of respect and trust, and where they can fully realize their professional potential. In alignment with international human rights principles and local laws, the Company ensures equal treatment through both institutional frameworks and cultural initiatives that promote a friendly and inclusive workplace. In 2024, female employees accounted for 21.48% of the workforce, and women in managerial positions accounted for 18.60%. Additionally, employees who are Indigenous Peoples, new immigrants, or persons with disabilities collectively represented approximately 1.68% of the workforce. This structure reflects the openness and flexibility of the Company's employment policies and demonstrates the foundation of workplace diversity. Moving forward, the Company plans to further strengthen its accessibility support systems and introduce multicultural activities and inclusive training programs to enhance organizational understanding and respect for differences, thereby increasing cohesion and a sense of belonging across the enterprise.



4-3.2 Employee Health and Supportive Care

The Company prioritizes employees' physical and mental well-being as well as workplace safety. In accordance with relevant labor laws and operational risk characteristics, a foundational occupational safety and health (OSH) system has been established. The Company is progressively promoting health enhancement and supportive care mechanisms, aiming to create a stable, safe, and trustworthy working environment.

Comprehensive Health Care Policies

M.J. International places great emphasis on the physical and mental health of its employees. In line with regulatory requirements and practical risk factors at each location, the Company has gradually developed institutionalized occupational health management and supportive care systems. By fostering a safe, stable, and reliable work environment, the Company strives to enhance employees' quality of life and job satisfaction through proactive health promotion measures.



Occupational Health Management and Implementation Measures

M.J. International provides all full-time employees at production facilities with annual health examinations, and implements specialized health monitoring for specific operational risks. At the headquarters, all full-time employees receive health examinations every two years. Based on the examination results, graded follow-ups and individual consultations are conducted to ensure preventive and supportive measures for employee health maintenance.

Type of Health Measure	Description
Annual Health Examination	All employees are entitled to annual health check-ups, covering items such as blood pressure, blood sugar, liver and kidney function, and X-rays to assess health risks.
Special Health Monitoring	For high-risk operations (e.g., noise, chemicals, dust), targeted tests are conducted for hearing, lung function, and hazardous substance metabolism.
Tiered Health Risk Tracking	A classification system is in place for abnormal findings, providing medical referrals, personalized consultations, and follow-up care managed by in-house medical staff.

2024 Implementation Results

Facility	Tucheng	Tainan	Dongguan
No. of Examinees	-	155 person	516 person
Coverage Rate	-	100%	98%
Company Subsidy	-	NT\$ 0	¥63,096
Key Notes	Health check-ups were conducted in 2023 and are scheduled again for 2025. Comprehensive examinations enhance workplace care and support, fostering employee morale and sense of belonging. A well-established employee health check-up system helps identify health issues early and raise overall health awareness.		

Coverage rate is calculated based on the number of employees at the time of the health examination.

4-3.2 Employee Health and Supportive Care

Workplace Health Promotion and Mental Health Support

To foster a balanced and positive working environment, M.J. International has implemented various workplace wellness initiatives. With on-site physicians and occupational health nurses stationed at its facilities, the Company provided 64 consultations throughout the year, covering mental health management, stress relief, exercise promotion, and lifestyle balance. Through in-person interactions, occupational health staff offered timely guidance, helping employees maintain both productivity and well-being.

Implementation Item	Outcome (No. of Cases / %)	Tucheng	Tainan	Dongguan	Remarks (Improvement Measures)
Identification and Assessment of High-Risk Groups	Employees with elevated disease risk due to abnormal workload	0	8	3	Risk assessment based on workload and health indicators
Medical Consultation and Health Guidance	1. Employees requiring physician consultation	0	0	60	
	1.1 Employees requiring observation or follow-up examination	0	7	15	
	1.2 Employees requiring medical treatment	-	1	0	
	2. Employees requiring health guidance	-	7	60	
	2.1 Employees who received health guidance	-	4	15	
Work Adjustment	1. Employees requiring adjusted or reduced working hours	-	-	-	
	2. Employees requiring job reassignment	-	-	-	
Health Screening, Management, and Promotion	1. Employees subject to health screening	-	155	284	
	1.1 Employees actually screened	-	155	284	
	1.2 Employees with abnormal results	-	62	152	
	2. Employees subject to periodic follow-up	-	51	0	
	3. Participation in health promotion activities (annual instances)	2	1	1	
Evaluation and Improvement of Implementation Effectiveness	1. Health screening participation rate (%)	-	100	100	Due to adjustments in blood pressure standards and aging, the proportion of abnormal results increased. The frequency of consultations and health education for hypertension and hyperlipidemia was increased. Ensured the accuracy of environmental monitoring data and planned subsequent detailed data analysis reports.
	2. Health promotion achievement rate (%)	-	92	100	

Annual Health Service Implementation Overview

	Required Consultations			Completed Consultations			Health Education Provided			Resigned			Not Yet Consulted			Completion Rate
	TC	TNN	DG	TC	TNN	DG	TC	TNN	DG	TC	TNN	DG	TC	TNN	DG	
Workload-Induced Illness (Cardiovascular High Risk)	-	8	3	-	4	3	-	-	3	-	1	0	-	3	0	63.64%
Maternity Protection	-	2	3	-	2	3	-	-	3	-	0	0	-	0	0	100%
Hyperglycemia (High Blood Sugar)	-	46	0	-	25	0	-	-	0	-	3	0	-	18	0	54.35%
Hyperlipidemia (High Blood Lipids)	-	94	0	-	50	0	-	-	0	-	6	0	-	38	0	53.19%



4-3.2 Employee Health and Supportive Care

Parental Leave

The Company provides legally compliant parental leave to ensure that employees’ long-term career development within the organization is not affected by family responsibilities. In 2024, three employees at the Taiwan Facilities and three employees at the Dongguan Facilities applied for parental leave, with a 100% return-to-work rate following leave, demonstrating the Company’ s effectiveness in supporting employees to balance work and family responsibilities.

Parental Leave Applications and Return-to-Work Rate (Tainan and Tucheng)						
	Number of Employees Eligible	Number of Applications	Application Rate	Expected to Return	Actual Returnees	Return-to-Work Rate
Male	0	0	0%	0	0	0%
Female	4	2	100%	2	2	100%

育嬰假申請與復職率（東莞美哲、普隆）						
	Number of Employees Eligible	Number of Applications	Application Rate	Expected to Return	Actual Returnees	Return-to-Work Rate
Male	0	0	0%	0	0	0%
Female	3	3	0.58%	3	3	100%

Note 1: “Number of employees eligible for parental leave in 2024” is based on the number of employees who took maternity or paternity leave between 2022 and 2024.
Note 2: “Expected to return in 2024” refers to those who applied for parental leave between 2022 and 2024 and were scheduled to return to work in 2024.
Note 3: “Actual returnees in 2024” refers to those who applied for parental leave between 2022 and 2024 and returned to work in 2024.

Diverse Health Initiatives and Cultural Heritage

To foster a friendly workplace that promotes both health and work-life balance, the Company continues to implement a wide range of employee wellness initiatives. Through periodic bulletin board updates, the Company shares knowledge on nutrition, stress management, and other health topics. In addition, health screenings, nutritional consultations, and mental health seminars are organized in collaboration with professional medical institutions to enhance employees’ awareness and self-care capabilities. The Company also integrates career development, learning support, festive benefits, and occupational safety into its benefits program, continually optimizing the system to create a holistic work culture that supports employees’ professional growth and overall well-being.

Creating a Diverse and Inclusive Workplace	The Company is committed to upholding internationally recognized labor and human rights at all operating sites, ensuring no discrimination based on race, gender, or other factors, and actively eliminating all forms of employment discrimination.	The Taiwan Facilities provided employment opportunities for new immigrants, dependent visa holders, and persons with disabilities. The Dongguan Facilities offered employment opportunities for persons with disabilities and re-hired retirees.
Reserved Parking for Pregnant and Injured Employees	To accommodate pregnant women and employees recovering from illness or injury, designated parking spaces are made available close to office buildings.	Accessible parking spaces were provided to support employees in need.
Breastfeeding Rooms	For employees with children under two years old who need to breastfeed or express milk, the Company provides suitable facilities and breastfeeding breaks, which are counted as paid working hours in accordance with legal requirements.	Taiwan Facilities established a dedicated nursing room; Dongguan Facilities provided one hour of nursing leave per day.
Health Checkup Subsidies	The Company provides annual health checkups free of charge for all employees who have completed one year of service, regardless of age, exceeding the statutory requirements.	Production facilities offered annual health checks; Tucheng headquarters provided health checks biennially.
On-Site Occupational Health Consultations	Based on the results of health checkups, the occupational health nurse provides proactive care and offers consultation services for employees.	Taiwan Facilities provided three monthly on-site consultations; Dongguan Facilities arranged periodic voluntary consultations by local medical institutions.
Various Subsidies	Includes holiday bonuses, marriage grants, maternity subsidies, and funeral condolence payments.	Taiwan Facilities managed through the Employee Welfare Committee; Dongguan Facilities managed by administration. Both provided holiday bonuses, marriage grants, maternity subsidies, funeral condolence payments, and birthday gifts.
Unpaid Leave of Absence Policy	Parental Leave without Pay: Employees with more than six months of service may apply for unpaid parental leave for each child under the age of three. The maximum period is two years or until the child turns three. Medical Leave of Absence: If an employee’ s ordinary sick leave exceeds the legal limit as certified by a physician, an unpaid medical leave may be granted upon mutual agreement, up to one year. Personal Leave of Absence: For handling personal affairs or for foreign workers who need to return to their home country.	In 2024, three employees applied for parental leave

4-3.3 Occupational Safety and Health

Material Topic: Workplace Safety and Health

Short-term goals (to be achieved by the end of 2026) :

- Zero major occupational accidents annually
- Zero total lost work hours due to occupational incidents
- 100% completion rate of employee annual health checkups; ≥90% follow-up improvement rate for abnormal results
- 100% completion rate of occupational safety training (including new and outsourced personnel), held at least once per year
- ≥90% coverage of special training for high-risk positions
- At least one fire drill and first aid exercise conducted annually at each facility
- Monthly safety promotion and risk identification updates by each department
- ≥95% completion rate for corrective actions on deficiencies identified by government or internal audits

Mid-to-long-term goals (to be achieved by the end of 2030) :

- Obtain ISO 45001 certification for major operational sites
- Establish a digital platform for occupational injury and health data management
- ≥80% participation rate in health promotion activities
- Develop advanced training modules for high-risk job categories and conduct them annually
- Continuously maintain a record of zero major occupational accidents

Complaint Mechanism & Communication Channels

- Employee complaint and feedback mechanisms (including occupational safety reporting channels)
- Email and anonymous reporting forms
- Bidirectional communication and safety culture are strengthened through health seminars, employee meetings, and Safety Day activities

Policies

The Company has established its occupational safety and health management system based on relevant international standards and regulations such as ISO 45001. The system is implemented in accordance with internal procedures including the Occupational Safety and Health Management Procedure, Health and Safety Committee Management Procedure, and Environmental Risk and Opportunity Control Procedure. Each operating site continuously enhances and enforces relevant measures to ensure employee health and workplace safety.

Commitments

The Company is committed to providing a safe and hazard-free work environment. Preventive measures, risk assessments, and health promotion initiatives are actively implemented to strengthen employee safety awareness and emergency response capabilities, with the ultimate goal of achieving zero occupational accidents.

Responsibility

The management unit is responsible for overall implementation, with designated occupational safety personnel and a departmental safety liaison mechanism in place. High-risk issues are regularly reported to management and the Board of Directors and are subject to oversight and review by a cross-departmental Health and Safety Committee.

Resources

Human Resources

A dedicated Occupational Safety Management team has been established, complemented by a Departmental Safety Liaison system, with a total of five personnel assigned

Financial Resources

Annual budget allocated for training, health checkups, and facility safety improvements

External Resources

Engagement of professional medical staff, consultants, or training organizations to support safety measures and health examinations

Evaluation Mechanism for the Effectiveness of Management Approach

- Occupational Injury and Health Data Analysis: Annual statistical analysis and review of occupational incidents and health risks for continuous improvement
- Health Checkup Completion Rate: 100% coverage across all sites, including new hires and dispatched personnel
- Follow-up Rate for Abnormal Results: Target ≥90% follow-up completion rate
- Occupational Safety and Health Training: 100% annual completion rate, covering new hires, dispatched, and contracted personnel
- Frequency of Emergency Drills: At least one fire drill and one first aid simulation annually per site
- Correction Rate for Audit Findings: Target ≥90% completion rate for corrective actions
- High-Risk Job Training Coverage: Target ≥90% annual training coverage for high-risk positions
- Mental Health and Stress Management Participation Rate: Target ≥70% participation in mental health seminars or stress management activities
- Zero Accident Target: Continue aiming for zero major occupational accidents and zero lost work hours annually

Evaluation Results of the Management Approach

Major Occupational Accidents and Lost Work Hours:
No major occupational accidents occurred throughout the year;
total lost work hours = 0

Health Checkup Completion Rate: - Dongguan Facilities: 98% (516 employees) - Tainan Facility: 100% (155 employees) - Overall coverage rate: approximately 80%	Follow-up Rate for Abnormal Results: - Dongguan Facilities: 97% - Tainan Facility: 92%	Occupational Safety and Health Training Completion Rate: - Both Dongguan and Tainan Facilities achieved 100%, conducting multiple training sessions including onboarding training
Fire and First Aid Drill Implementation: - Both Dongguan and Tainan Facilities conducted one fire drill and one first aid drill respectively	Correction Rate for Audit Findings: - Dongguan Facilities: 100% (10 deficiencies fully corrected) - Tainan Facility: 95%	High-Risk Job Training Coverage: - Dongguan Facilities: 93.3% (42 out of 45 employees completed training) - Tainan Facility: 90%
Mental Health and Stress Management Participation Rate: - Dongguan Facilities: 78%, with four health seminars held - Tainan Facility: Regular health consultations and communication sessions with on-site occupational health nurses, with active participation		

4-3.3 Occupational Safety and Health

Occupational Safety Risk Identification and Prevention

In accordance with its operational characteristics, M.J. International has gradually established mechanisms for workplace hazard identification and risk prevention. For high-risk areas such as hot pressing, lamination, die-cutting, and chemical handling, the Company has implemented basic risk control equipment and operating procedures. Regular safety inspections and abnormality reporting are conducted by occupational safety personnel and department supervisors at each Facility. Current occupational safety systems cover frontline protection, use of personal protective equipment (PPE), signage management, and training programs. The Company continues to strengthen procedures for risk identification, classification-based control, and improvement tracking, laying a foundation for further system optimization and data-driven management.



Preliminary Risk Identification and Inspection

Regular workplace inspections are conducted by frontline supervisors and occupational safety personnel at each Facility. Identified risks are documented, and improvement suggestions are submitted as departmental reports. The system remains under continuous refinement.



Permit and Control for Hazardous Tasks

For specific high-risk tasks such as working at heights, hot work, and confined space entry, a pre-task permit and supervisor approval are required. Basic safety training certification is also mandatory.



Chemical Inventory and Labeling Management

A chemical inventory has been established for key substances in use. Simplified SDS sheets and warning signs are posted in work areas to remind employees of proper handling and necessary protection measures.

The Company has developed basic inspection and permitting systems for common process-related risks. However, some elements are still under development and iterative revision. Moving forward, the Company will continue to identify high-risk operations and enhance chemical management mechanisms, promoting documentation, digitization, and referable operating standards to further improve prevention management effectiveness.

Occupational Injury Prevention Mechanisms

To prevent occupational injuries and enhance operational safety for on-site personnel, M.J. International has progressively established a comprehensive occupational injury prevention system, integrating engineering controls, operational management, and employee training based on the varying risk characteristics of different production processes. For major workstations and potential hazards, the Company has implemented necessary safety measures and procedural guidelines aligned with practical needs. Employee safety awareness is further reinforced through onboarding and annual safety training programs.

Key Operational Procedures and Corresponding Control Measures

Operation Type	Primary Risks	Control Measures and Equipment	Training Frequency
Hot Pressing & Lamination	Burns, Finger Entrapment	Protective covers, anti-scald labels and warning lights, two-hand activation devices	Onboarding + Annual Retraining
Die-Cutting & Cutting	Cuts, Machinery Entanglement	Emergency stop buttons, anti-entanglement guards, use of protective gloves	On-site Retraining Every Six Months
Die-Cutting & Cutting	Lower Back Strain, Slips/Falls	Adjustable worktable height, lifting guidance, anti-slip flooring	Annual + Onboarding for New Employees
Chemical Use (e.g., Printing Layer)	Irritant Gases, Skin Contact	Local exhaust ventilation, personal protective equipment (PPE), posted SDS	Annual + Regular In-Department Briefings
Daily Equipment Maintenance	Accidental Activation, Electric Shock	Lockout/tagout systems, warning signage, switch covers	Annual Training per Maintenance Schedule

2024 Performance:

In 2024, a total of 15 occupational injury cases were reported at the Tainan Facility, resulting in 144 lost workdays. At the Dongguan Facilities, 11 occupational injuries led to a total of 282.75 lost workdays. Both facilities recorded no major incidents or reportable cases. All incidents were handled in accordance with established procedures, including reporting, investigation, and corrective action, while ongoing safety training and workplace optimization measures were implemented. No work-related confirmed cases of COVID-19 were reported during the year. All personnel completed pre-entry training and passed the required competency assessments. Despite robust safety management measures, isolated cases of disabling injuries may still occur. In response to such incidents, the Company promptly activated its emergency response protocols to provide affected employees with timely medical care, psychological support, and long-term rehabilitation plans, ensuring comprehensive physical and mental well-being. Each case underwent thorough root cause analysis, and corrective actions were taken accordingly.

Contractor Safety Management

M.J. International regards outsourced contractors as an integral part of its overall occupational safety and health (OSH) management system and enforces rigorous safety protocols for all contractor personnel entering the facilities. All contractors engaged in construction, equipment installation, maintenance, or similar operations are required to comply with the following control measures:

Management Item	Measures
Pre-Entry Control	<ul style="list-style-type: none">- Contractors must complete safety and health education, including facility regulations and basic EHS knowledge.- Sign the Contractor Safety Commitment and Operational Safety Responsibility Statement.
Work Permit Control	<ul style="list-style-type: none">- For high-risk operations such as hot work, working at heights, confined space entry, and hoisting, contractors must submit a risk assessment and apply for a work permit.- Operations may proceed only after approval.
On-Site Supervision	<ul style="list-style-type: none">- The EHS Department and project supervisors conduct regular and ad hoc inspections of contractor safety practices on site.- Inspections cover PPE usage, hazard communication, and work area delineation.
Personal Protective Equipment (PPE)	<ul style="list-style-type: none">- All contractor personnel must provide and properly wear appropriate PPE (e.g., helmets, safety goggles, harnesses).- Violations will result in documentation or disqualification from work.
Emergency Response Requirements	<ul style="list-style-type: none">- All contractors must comply with the Company's emergency response plan and be familiar with facility evacuation routes and assembly points.- In the event of an incident, immediate reporting and cooperation in the investigation are required.
Incident Reporting and Disciplinary Action	<ul style="list-style-type: none">- In the event of a safety incident, contractors must promptly report the case, assist in root cause analysis, and implement corrective actions.- Serious violations may result in termination of cooperation and blacklisting.

4-3.3 Occupational Safety and Health

Occupational Injury Statistics and Analysis

The Company continues to implement systematic management of occupational injury incidents through regular incident documentation and fundamental analysis mechanisms. These efforts help identify potential risks and operational deficiencies, with corrective actions taken based on actual case reviews. For all reported occupational incidents, the Company has established preliminary reporting and investigation procedures. Additionally, early warning systems, enhanced safety training, and on-site improvement measures are progressively introduced to advance toward the goal of “zero major occupational accidents.” Upon the occurrence of an occupational injury, the Company initiates a four-step process—investigation, documentation, analysis, and improvement. Based on the root causes identified, the Company assesses procedural gaps and implements process optimizations or additional training, thereby enhancing the resilience of workplace safety protections.

Occupational Injury and Absenteeism Indicators - Taiwan Facilities										
		2022			2023			2024		
Total Working Days		248			244			249		
Total Working Hours		105,216			324,416			588,236		
Gender		Male	Female	Total	Male	Female	Total	Male	Female	Total
Occupational Injuries	Occupational Injury Cases	4	0	4	6	1	7	12	3	15
	Lost Workdays Due to Injuries	18	0	18	6,040	3	6,043	116	28	114
Total	Total Injury Cases	4	0	4	6	1	7	12	3	15
	Total Lost Workdays	18	0	18	6,040	3	6,043	116	28	114

In 2024, a total of 15 occupational injury incidents were reported at the Tainan Facility and Taipei operations, resulting in 144 lost workdays. Although the number of incidents increased compared to the previous year, the total number of lost workdays decreased significantly. The overall absenteeism rate remained stable throughout the year, indicating the effectiveness of the Company’s occupational safety training and risk control measures.

		2022		2023		2024	
Sick and Personal Leave Absenteeism Rate		3.37%		6.44%		2.86%	
Occupational Injury Absenteeism Rate (incl. commuting)		0.13%		0.06%		0.23%	
Overall Absenteeism Rate (incl. field staff)		3.50%		6.50%		3.09%	

All leave and absenteeism are managed and recorded in accordance with the Labor Standards Act. The Company continues to analyze absenteeism data as an early warning indicator and as a reference for human resource allocation planning.

Occupational Injury and Absenteeism Indicators - Dongguan Facilities										
		2022			2023			2024		
Total Working Days		251			250			250		
Total Working Hours		1,250,984			1,156,000			1,092,000		
Gender		Male	Female	Total	Male	Female	Total	Male	Female	Total
Occupational Injuries	Confirmed Work-Related COVID-19 Cases	0	0	0	0	0	0	0	0	0
	Lost Workdays Due to Confirmed COVID-19 Cases	0	0	0	0	0	0	0	0	0
	Occupational Injury Cases	14	2	16	10	0	10	11	0	11
	Lost Workdays Due to Injuries	304.5	43.5	348	108.75	0	108.75	282.75	0	282.75
Total	Total Injury Cases	14	2	16	10	0	10	11	0	11
	Total Lost Workdays	304.5	43.5	348	108.75	0	108.75	282.75	0	282.75

In 2024, a total of 11 occupational injury incidents occurred, resulting in 282.75 lost workdays—a significant increase compared to 2023. Despite the slightly higher absenteeism rate, there were no major incidents or confirmed work-related COVID-19 cases reported during the year. This indicates that routine occupational risks remained under control. Moving forward, the Company will strengthen preventive management in high-risk operational areas.

		2022		2023		2024	
Sick and Personal Leave Absenteeism Rate		1.2%		2.36%		2.87%	
Occupational Injury Absenteeism Rate (incl. commuting)		0.64%		0.87%		1.10%	
Overall Absenteeism Rate (incl. field staff)		1.84%		3.23%		3.97%	

4-3.3 Occupational Safety and Health

Hierarchical Prevention Mechanisms and Occupational Safety Training

Adhering to a core safety culture that emphasizes “prevention over remediation,” the Company has implemented systematic measures to reduce the recurrence of workplace accidents. The following practical prevention strategies have been introduced, emphasizing accident cause analysis and direct feedback from operations:



Work Environment Optimization

Redesign of workflow, installation of guardrails, and anti-slip warning signage in areas where incidents have occurred in recent years.



Hazard Reporting System

Frontline employees may report potential hazards during shift meetings. Reports are consolidated by departments into monthly improvement lists.



Targeted Training Programs

Based on recent incident patterns, courses such as "Slip Prevention," "Proper Lifting Techniques," and "Emergency Response Procedures" are offered to strengthen on-site safety competencies.

Risk-Based Multi-Layered Prevention Framework



Occupational Safety Training Plan

The Company regularly organizes safety training programs tailored to different job functions, covering topics such as operational standards, emergency response, and health management. These programs aim to enhance employees’ risk awareness and safety competencies.

Training Program Overview

Training Category	Summary of Training Content	Target Audience	Frequency
Basic Safety Orientation	Introduction to facility safety rules, operational precautions, use of personal protective equipment (PPE), and emergency evacuation routes	All new employees	Once, prior to onboarding
Hazardous Operations Training	Includes working at heights, crane and hoist operations, forklift usage, handling organic solvents, and electrical safety	Frontline operators and supervisors	Annually (refresher)
Safety Inspection Training	Daily inspection techniques, incident reporting procedures, and SOP audit methods	On-site supervisors and managers	Semi-annual
Emergency Response Drills	Fire, earthquake, and chemical spill response, as well as personnel evacuation drills; includes field simulation and debrief sessions	All employees (including contractors)	Annually
Health and Stress Management	Covers workplace mental health, stress identification and coping strategies, and peer support systems	All employees	Annually

4-3.3 Occupational Safety and Health

Hierarchical Prevention Mechanisms and Occupational Safety Education & Training

Annual Occupational Safety and Health Training Outcomes (Dongguan Facilities)			
Training Topic	Description	Number of Participants	Completion Rate
Occupational Safety Training for New Employees	Basic occupational safety and health education for all new hires	21	100%
Specialized Training for High-Risk Operations	Includes forklift operations, crane and hoist operations, and working at heights	21	100%
Emergency Response and Evacuation Drills	Simulated scenarios such as fires, earthquakes, and chemical spills	546	100%
Mental Health and Stress Adjustment	Workplace mental health awareness and stress management techniques	0	0

Annual Occupational Safety and Health Training Outcomes (Tainan Facility)			
Training Topic	Description	Number of Participants	Completion Rate
Occupational Safety Training for New Employees	Basic occupational safety and health education for all new hires	Based on HR onboarding records	100%
Specialized Training for High-Risk Operations	Includes forklift operations, crane and hoist operations, and working at heights	0	0
Emergency Response and Evacuation Drills	Simulated scenarios such as fires, earthquakes, and chemical spills	Entire facility staff	100%
Mental Health and Stress Adjustment	Workplace mental health awareness and stress management techniques	0	0

Note: All training sessions were delivered by certified instructors, and learning outcomes were evaluated through written tests and practical assessments.

2024 Occupational Safety and Health Certification Training Statistics (by Facility)			
Certification Title	Number of Certifications (Dongguan Facilities)	Number of Certifications (Taiwan Facilities)	Total
Class-1 Occupational Safety and Health Affair Manager	2	0	2
Class-2 Occupational Safety and Health Management Personnel	2	1	3
Occupational Health Specialist	0	0	0
Organic Solvent Operation Supervisor	0	1	1
First Aid Personnel	45	9	54
Fire Prevent Manager	5	2	7
Forklift Truck Operator	25	18	43
Crane Operator	0	4	4
Aerial Work Vehicle Operator	0	5	5
Dust Work Supervisor	0	1	1

Note: All certifications listed are within their valid periods.

A total of 120 valid occupational health and safety certifications were obtained in 2024, covering core areas such as first aid, fire prevention, forklift operation, high-altitude work, and safety supervision. Specific outcomes include:

Dongguan Plant

Totalcertifications issued: 79

Training primarily focuses on Emergency Response Personnel, and also covers Class A and Class B Occupational Safety and Health (OSH) management roles.

Tainan Plant

Totalcertifications issued: 41

Training is mainly concentrated on forklifts, aerial work platforms, and lifting equipment operations, and also includes certifications for Occupational Safety Supervisors and Operational Supervisors.

All certifications are currently within their valid periods, demonstrating the Company’ s effective scheduling of training and compliance with regulatory requirements. Through institutionalized training and management, the Company strengthens its foundational risk prevention efforts and enhances the safety culture at operational sites.

4-3.3 Occupational Safety and Health

Emergency Response and Employee Support Mechanisms

In addition to continuously enhancing workplace safety and preventive management measures, M.J. International also places strong emphasis on its capacity to respond effectively to emergencies and to provide post-incident support for employees. These efforts aim to ensure both risk control and employee well-being, thereby building a resilient operational framework. The Company has developed standard operating procedures and contingency plans for high-risk scenarios such as fires, chemical spills, and equipment failures. Annual drills, including fire safety and first aid simulations, are conducted to raise employee awareness and improve their practical response capabilities, ensuring the rapid activation of emergency procedures when needed.



First Aid Response Deployment

All departments are equipped with certified first aid personnel, first aid kits, and AEDs to strengthen initial emergency handling capabilities.



Medical Resource Linkages

Memorandums of understanding have been signed with nearby emergency hospitals to expedite medical transfers and enhance rescue efficiency.



Emergency Reporting Procedures

A real-time reporting and escalation mechanism has been established, including classification of emergency levels and assignment of responsible personnel to ensure smooth communication and prompt decision-making.



Return-to-Work Support

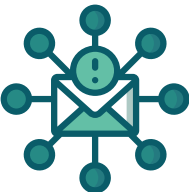
For employees who have experienced occupational injuries or traumatic events, flexible working hours, phased return-to-work plans, and job adaptation counseling are provided to help them reintegrate into the workplace with confidence.

Workplace Sexual Harassment Prevention Measures

M.J. International upholds a zero-tolerance policy and is committed to creating a safe, respectful, and equitable workplace free from gender discrimination, sexual harassment, and bullying. Prevention efforts are advanced across three key areas: policy and mechanism establishment, grievance handling, and employee education and training. These efforts aim to strengthen the workplace safety culture and safeguard employee rights.

Policy and Grievance Mechanism

The Company has enacted the “Workplace Sexual Harassment Prevention, Grievance, and Disciplinary Measures” , in accordance with the Act of Gender Equality in Employment and relevant legislation, and has implemented the following systems:



Multiple Grievance Channels

Anonymous reporting mailboxes, dedicated email addresses, and internal reporting hotlines are available to provide employees with safe and confidential channels for filing complaints.



Case Handling Mechanism

Designated personnel are responsible for accepting and processing grievances. Investigations are initiated within 7 days upon receipt and are generally completed within 3 months to ensure the protection of victims' rights.



Investigation Committee

A cross-departmental Sexual Harassment and Discrimination Grievance Investigation Committee has been established, comprising members from Human Resources, Legal, and external experts. At least 50% of committee members are women to ensure fairness and gender sensitivity in the investigation process.



Anti-Retaliation Clause

The identities of whistleblowers, witnesses, and related personnel are kept confidential throughout the grievance process. All parties are protected from any form of retaliation to preserve trust and ensure the safety of those involved.

Grievance Case Statistics and Follow-up

In 2024, no cases of gender discrimination, workplace bullying, or other forms of inappropriate conduct were reported across the Company’ s operational sites (Taiwan and Dongguan Facilities), demonstrating the effectiveness of the Company’s implementation of workplace equality and respect. However, in 2023, a single case of workplace sexual harassment occurred at the Tainan Facility. Following the initiation of the Company’ s investigation process, the case was resolved, and subsequent efforts were made to reinforce policy communication and training to mitigate the risk of recurrence. As of the end of 2024, the grievance case resolution rate was 100%, with no unresolved cases remaining.

Post-Investigation Procedures

If an investigation confirms the occurrence of misconduct, disciplinary actions are taken in accordance with the Sexual Harassment Prevention Management Measures and the Personnel Reward and Punishment Guidelines, including the possibility of dismissal as stipulated under Article 12 of the Labor Standards Act.

Disciplinary measures may include, but are not limited to:

- 01

Educational counseling
- 02

Formal warnings
- 03

Administrative penalties
- 04

Disciplinary actions such as demotion, suspension, or dismissal

Going forward, the Company will implement more robust internal monitoring and review mechanisms to ensure that all grievances are handled appropriately. Internal education efforts will continue to promote awareness of gender equality and workplace respect, thereby upholding corporate values and ensuring a fair and safe working environment. This enables all employees to grow in an inclusive and respectful environment, free from retaliation or improper treatment.

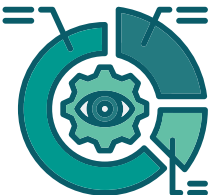
4-3.3 Occupational Safety and Health

Gender Equality and Workplace Harassment Prevention Training and Awareness


The Company organizes training and awareness programs on workplace sexual harassment prevention and gender equality to ensure all employees understand their rights and the Company’s policies. In 2024, multiple training and awareness sessions were conducted, achieving 100% employee coverage:

Region	2022			2023			2024		
	TC	TNN	DG	TC	TNN	DG	TC	TNN	DG
Sexual Harassment Prevention	0	0	2	2	20	2	2	287	54


To enhance information accessibility and cultural inclusiveness, the Company has gradually developed and provided corresponding translated materials and awareness resources for employees from diverse linguistic and cultural backgrounds, ensuring that all personnel can fully understand the relevant policies and grievance mechanisms. As of now, some foreign employees have not yet been fully integrated into the system access management framework, and efforts to strengthen language support and information dissemination mechanisms remain ongoing. Moving forward, the Company will continue to optimize its policy promotion and grievance support mechanisms, including:




Expanding multilingual translations and the design of visualized educational materials



Optimizing the anonymous reporting process to improve response efficiency and transparency



Establishing internal grievance tracking and response documentation mechanisms to safeguard employees' rights to raise concerns



Strengthening the integration of psychological support resources to enhance the comprehensiveness of the support system



4-3.4 Employee Communication and Engagement Mechanisms

Employees’ voices are a key driver of continuous improvement and institutional advancement. To foster trust, enhance engagement, and promote two-way dialogue, the Company has continued to strengthen diverse and responsive communication mechanisms, encouraging all employees to express their views in a safe and respectful environment and to actively participate in the Company’ s development. Upholding the principle of "walking alongside employees," the Company places equal emphasis on the delivery of policies and objectives as well as frontline feedback and suggestions. Through institutionalized processes and cross-functional collaboration, employee input is translated into concrete actions, reinforcing internal cohesion and a sense of belonging, while jointly cultivating a healthy and sustainable organizational culture.

Diverse Communication Channels

In 2024, the Company utilized both formal and informal communication channels to increase opportunities for dialogue with employees. A variety of employee rights–related topics were discussed, including but not limited to the following:

Communication Channel	Tucheng	Tainan	Dongguan	Notes
Internal Announcements	365			Group-wide announcements issued
Labor-Management Meetings	0	5	0	
Employee Welfare Committee Meetings	4		0	No welfare committee at Dongguan Facilities
Occupational Safety & Health	1	14	28	
Department Meetings	74	47	86	
One-on-One Meetings (e.g., Performance Reviews, Individual Development Plans)	55	224	187	
Training Courses & General Lectures	2	55	81	
Employee Engagement Activities	8	14	17	
Employee Suggestion Box	0	0	6	



Fostering a Trust-Based Communication Culture with Confidentiality Safeguards

The Company has established anonymous suggestion mailboxes and internal grievance channels. All feedback is compiled, categorized, and responded to by the Human Resources Department or other relevant units. Where necessary, issues are escalated to appropriate supervisors for further handling. These mechanisms have laid the foundation for an institutionalized response process and formal documentation. To encourage employees to voice their concerns without fear, the Company continues to uphold the principle of confidential handling, ensuring that feedback is addressed with due respect and protection. For matters that reflect systemic issues or potential risks, the feedback is consolidated and reported to management as a basis for policy adjustment and on-site management improvement. Looking ahead, the Company will continue to enhance the maturity of its systems, improve transparency and response efficiency, and foster an inclusive, traceable, and stable internal communication culture—strengthening the foundation of organizational trust and empowering greater employee engagement.

GRI (Global Reporting Initiative) Content Index

Usage Statement

This sustainability report has been prepared in accordance with the GRI Standards 2021 and covers the reporting period from January 1, 2024 to December 31, 2024.

GRI Standards Applied

GRI 1: Foundation 2021

Sector Standards

No sector-specific GRI standards have been applied in this report.

GRI Topic	Disclosure	Corresponding Chapter	Page Number	Reason for Omission / Explanation
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GRI 2: General Disclosures

The organization and its reporting practices

2-1	Organizational details	About M.J. International	9	
2-2	Entities included in the organization's sustainability reporting	About This Report	4	
2-3	Reporting period, frequency and contact point	About This Report	4	
2-4	Restatements of information	N/A		This is the first year of publication; no restatements of information are applicable.
2-5	External assurance	N/A		Third-party assurance has not yet been conducted.

Activities and workers

2-6	Activities, value chain and other business relationships	About M.J. International 3-1 Sustainable Supply Chain Management	9 94	
2-7	Employees	4-1.1 Talent Recruitment and Development	117	
2-8	Workers who are not employees	4-1.1 Talent Recruitment and Development	117	

GRI Topic	Disclosure	Corresponding Chapter	Page Number	Reason for Omission / Explanation
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Governance

2-9	Governance structure and composition	1-1.1 Sustainability Governance Structure	34	
2-10	Nomination and selection of the highest governance body	1-1.2 Board Operations and Diversity Policy	39	
2-11	Chair of the highest governance body	1-1.2 Board Operations and Diversity Policy	37	
2-12	Role of the highest governance body in overseeing the management of impacts	1-4.1 Risk Governance Structure	61	
2-13	Delegation of responsibility for managing impacts	1-4.1 Risk Governance Structure	61	
2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance Structure and Operational Mechanism	18	
2-15	Conflicts of interest	1-1.2 Board Operations and Diversity Policy	39	
2-16	Communication of critical concerns	Stakeholder Identification and Engagement	21	
2-17	Collective knowledge of the highest governance body	1-1.2 Board Operations and Diversity Policy	40	
2-18	Evaluation of the performance of the highest governance body	1-1.2 Board Operations and Diversity Policy	43	
2-19	Remuneration policies	1-1.2 Board Operations and Diversity Policy	42	
2-20	Process to determine remuneration	1-1.2 Board Operations and Diversity Policy	42	
2-21	Annual total compensation ratio	1-1.2 Board Operations and Diversity Policy	42	

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GRI Topic	Disclosure	Corresponding Chapter	Page Number	Reason for Omission / Explanation
Strategy, policies and practices				
2-22	Statement on sustainable development strategy	Sustainability Vision and Mission	17	
2-23	Policy commitments	Message from the Chairperson	6 17	
2-24	Embedding policy commitments	Sustainability Vision and Mission	17 62	
2-25	Processes to remediate negative impacts	1-4.2 Risk Identification and Monitoring	62	
2-26	Mechanisms for seeking advice and raising concerns	Stakeholder Identification and Engagement 1-2.2 Regulatory Compliance	21 53	
2-27	Compliance with laws and regulations	1-2.2 Regulatory Compliance	53	
2-28	Membership associations	About M.J. International	16	
Stakeholder engagement				
2-29	Approach to stakeholder engagement	Stakeholder Identification and Engagement	21	
2-30	Collective bargaining agreements	4-3.1 Diversity, Inclusion, and Equal Opportunities	127	

GRI: Material Topics Disclosures					
GRI Topic		Disclosure	Corresponding Chapter	Page Numbe	Reason for Omission / Explanation
GRI 3 : Material Topics 2021	3-1	Process to determine material topics	Materiality Assessment Process	23	
	3-2	List of material topics	Materiality Assessment Process	29	
Enhancing Sustainability Competitiveness					
Material Topic: Corporate Sustainability Governance					
GRI 3 : Material Topics 2021	3-3	Management of material topics	Management Approach for Material Topics	33	
GRI 201: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	1-2.1 Audit Execution and Review Mechanism	47	
GRI GRI405 Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	1-1.2 Board Operations and Diversity Policy	37	
GRI205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	1-2.1 Audit Execution and Review Mechanism	47	All operational sites have incorporated integrity management and risk control systems.
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	1-2.1 Audit Execution and Review Mechanism	47	
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	1-2.1 Audit Execution and Review Mechanism	47	No confirmed incidents of corruption were identified in 2024.

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GRI Topic		Disclosure	Corresponding Chapter	Page Numbe	Reason for Omission / Explanation
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Material Topic: Business Performance Management

GRI 3 : Material Topics 2021	3-3	Management of material topics	Management Approach for Material Topics	55	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	1-3.1 Financial Performance and Economic Impact	56	
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	2-4 Climate Change Response and Disclosure	86	
GRI 201: Economic Performance 2016	201-3	Defined benefit plan obligations and other retirement plans	4-2 Talent Attraction and Retention	125	
GRI 3 : Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	1-3.1 Financial Performance and Economic Impact	56	

Material Topic: Risk Management

GRI 3 : Material Topics 2021	3-3	Management of material topics	Management Approach for Material Topics	60	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	1-5.2 Information Security Risk Assessment Policy	67	In 2024, the Company recorded no incidents of personal data breaches or regulatory violations.

GRI Topic		Disclosure	Corresponding Chapter	Page Numbe	Reason for Omission / Explanation
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Material Topic: Sustainable Supply Chain Management

GRI 3: Material Topics 2021	3-3	Management of material topics	Management Approach for Material Topics	93	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	3-1 Sustainable Supply Chain Management	98	
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	3-1 Sustainable Supply Chain Management	97	
GRI 308: Supplier Environmental Assessment 2016	308-2	Negative environmental impacts in the supply chain and actions taken	3-1 Sustainable Supply Chain Management	98	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	3-1 Sustainable Supply Chain Management	97	
GRI 414: Supplier Social Assessment 2016	414-2	Negative social impacts in the supply chain and actions taken	3-1 Sustainable Supply Chain Management	98	

Material Topic: Customer Relationship Management

GRI 3: Material Topics 2021	3-3	Management of material topics	Management Approach for Material Topics	99	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	3-2.1 Quality Process Management	101	
GRI 416: Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3-2.1 Quality Process Management	102	No such incidents occurred in 2024.

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GRI Topic	Disclosure	Corresponding Chapter	Page Numbe	Reason for Omission / Explanation
Material Topic: Products and Services				
GRI 3: Material Topics 2021	3-3	Management of material topics	Management Approach for Material Topics	107
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	3-2.1 Quality Process Management	101
GRI 417: Marketing and Labeling 2016	417-2	Incidents of non-compliance concerning product and service information and labeling	3-2.1 Quality Process Management	102
GRI 301: Materials 2016	301-1	Materials used by weight or volume	3-3.1 Product and Service R&D Applications	108
Material Topic: Technological Innovation and R&D				
GRI 3: Material Topics 2021	3-3	Management of material topics	Management Approach for Material Topics	110
GRI 301: Materials 2016	301-3	Reclaimed products and their packaging materials	3-3.2 Material Innovation and Low-Carbon Design	112
GRI 302: Energy 2016	302-4	Reduction of energy consumption	3-3.2 Material Innovation and Low-Carbon Design	112
GRI 302: Energy 2016	302-5	Reductions in energy requirements of products and services	3-3.2 Material Innovation and Low-Carbon Design	112

GRI Topic	Disclosure	Corresponding Chapter	Page Numbe	Reason for Omission / Explanation
Fostering a Happy and Empowered Workplace				
Material Topic: Talent Training and Development				
GRI 3: Material Topics 2021	3-3	Management of material topics	Management Approach for Material Topics	116
GRI 201: Economic Performance 2016	201-3	Defined benefit plan obligations and other retirement plans	4-2 Talent Attraction and Retention	125
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	4-2 Talent Attraction and Retention	126
GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part time employees	4-3.2 Employee Health and Supportive Care	128
GRI 401: Employment 2016	401-3	Parental leave	4-3.2 Employee Health and Supportive Care	130
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	4-1.1 Talent Recruitment and Development	123
GRI 404: Training and Education 2016	404-2	Programs for upgrading employee skills and transition assistance programs	4-1.1 Talent Recruitment and Development	123
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	4-1.1 Talent Recruitment and Development	122

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GRI Topic		Disclosure	Corresponding Chapter	Page Numbe	Reason for Omission / Explanation
Material Topic: Workplace Safety and Health					
GRI 3: Material Topics 2021	3-3	Management of material topics	Management Approach for Material Topics	133	
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	4-3.3 Occupational Safety and Health	132	
GRI 403: Occupational Health and Safety 2018	403-2	Hazard identification, risk assessment, and incident investigation	4-3.3 Occupational Safety and Health	132	
GRI 403: Occupational Health and Safety 2018	403-3	Occupational health services	4-3.2 Employee Health and Supportive Care	128	
GRI 403: Occupational Health and Safety 2018	403-4	Worker participation, consultation, and communication on occupational health and safety	4-3.4 Employee Communication and Engagement Mechanisms	138	
GRI 403: Occupational Health and Safety 2018	403-5	Worker training on occupational health and safety	4-3.3 Occupational Safety and Health	135	
GRI 403: Occupational Health and Safety 2018	403-6	Promotion of worker health	4-3.2 Employee Health and Supportive Care	129	
GRI 403: Occupational Health and Safety 2018	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4-3.3 Occupational Safety and Health	134	

GRI Topic		Disclosure	Corresponding Chapter	Page Numbe	Reason for Omission / Explanation
Material Topic: Workplace Safety and Health					
GRI 403: Occupational Health and Safety 2018	403-8	Workers covered by an occupational health and safety management system	4-3.3 Occupational Safety and Health	133	
GRI 403: Occupational Health and Safety 2018	403-9	Work-related injuries	4-3.3 Occupational Safety and Health	133	
GRI 403: Occupational Health and Safety 2018	403-10	Work-related ill health	4-3.3 Occupational Safety and Health	133	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	4-3.3 Occupational Safety and Health	136	

TCFD (Task Force on Climate-related Financial Disclosures)

Disclosure for TWSE/TPEX-Listed Companies

Disclosure Topic	Code	Disclosure Metric	Unit	2024 Disclosure	Corresponding Chapter
Energy Management in Retail & Distribution	RT-IG-130a.1	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	GJ %	(1) Approximately 698,439 GJ (2) Grid Electricity : • Tainan Facility: 99.97% grid, 0.03% solar • Dongguan Facilities: 92.95% grid, 7.05% solar (3) Renewable energy share: 3.54%	2-1 Energy Management 2-4 Climate Change Response and Disclosure
Data Security	CG-MR-230a.1	Description of approach to identifying and addressing data security risks	N/A	The Company maintains a reporting channel on the official website to encourage internal and external stakeholders to report misconduct or unethical behavior.	1-5 Information Security and Privacy Protection
		(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of customers affected		The Company continues to strengthen information security and the protection of personal data to ensure the security of data belonging to customers and business partners. No data breaches occurred in 2024 (0 incidents). Personal data breach percentage: 0% Customers affected: 0	

Disclosure Topic	Code	Disclosure Metric	Unit	2024 Disclosure	Corresponding Chapter
Labour Practices	CG-MR-310a.1	(1) Average hourly wage and (2) percentage of in-store and distribution centre employees earning minimum wage, by region	Presentation currency %	(1) Average hourly wage • Dongguan Facilities: CNY 1,900/month = ~CNY 10.9/hour • Taiwan Facilities : All wages exceed statutory minimum (2) By region : • Dongguan Facilities: 100% of employees received wages above the local minimum wage. • Taiwan Facilities: 100% of employees received wages above the statutory minimum wage and were additionally entitled to overtime pay, performance bonuses, and various allowances.	4-1 Talent Planning and Deployment
		(1) Voluntary and (2) involuntary turnover rate for in-store and distribution centre employees		The Company has compiled statistics on voluntary and involuntary turnover rates only for its facilities in China (Prolong and Mei Jer Facilities), as follows: • Prolong Facility: Voluntary turnover rate of 1.03%; involuntary turnover rate of 0% • Mei Jer Facility: No turnover recorded. Other operating sites have not yet established standardized turnover statistics; however, such data will be progressively incorporated into Group-level disclosures in future reporting years.	
		Total amount of monetary losses as a result of legal proceedings associated with labour law violations		No significant legal proceedings or fines incurred in 2024.	
Workforce Diversity & Inclusion	CG-MR-330a.1	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management and (c) all other employees	%	Workforce: 889 employees (1) Male: 78.5%; female: 21.5% (2) Persons with disabilities: 1.24%; immigrants: 0.67%; indigenous employees: 0% Women represented in management; proportion in technical and non-management roles remains relatively low.	4-3 Inclusive and Friendly Workplace
		Total amount of monetary losses as a result of legal proceedings associated with employment discrimination		During the reporting year, M.J. International actively upheld the principle of fair employment and remained committed to providing a non-discriminatory work environment. As of the end of the reporting period, no monetary losses were incurred in relation to employment discrimination lawsuits.	

TCFD (Task Force on Climate-related Financial Disclosures) Disclosure for TWSE/TPEX-Listed Companies

Disclosure Topic	Code	Disclosure Metric	Unit	2024 Disclosure	Corresponding Chapter
Product Sourcing, Packaging & Marketing	CG-MR-410a.1	Revenue from products third-party certified to environmental or social sustainability standards	Presentation currency	No attributable revenue in 2024, although products have obtained Green Building Material Label certification. The Company is committed to increasing the share of certified sustainable products.	N/A
	CG-MR-410a.2	Discussion of processes to assess and manage risks or hazards associated with chemicals in products	N/A	Chemical substance management and compliance testing integrated into quality management to prevent use of harmful substances and ensure regulatory compliance.	2-3 Resource Circularity 3-3 Technological Innovation and R&D
	CG-MR-410a.3	Discussion of strategies to reduce the environmental impact of packaging	N/A	Promotes circular economy and resource reduction, introducing recyclable and reduced packaging materials to minimize environmental impact during transportation and packaging.	2-3 Resource Circularity

Activity Metrics	CG-MR-410a.1	Number of: (1) retail locations and (2) distribution centres	Number	China: 2 distribution centers Taiwan: 2 distribution centers
	CG-MR-410a.2	Total area of: (1) retail space and (2) distribution centres	Square metres (m²)	China: Distribution center total area: 3,660 m² Taiwan: Distribution center total area: 4,600 m²

TCFD (Task Force on Climate-related Financial Disclosures) Disclosure for TWSE/TPEX-Listed Companies

	TCFD Recommendations	Corresponding Chapter	Page Number
Governance	Describe the board’ s and management’ s oversight of climate-related risks and opportunities.	2-4 Climate Change Response and Disclosure	81
Strategy	Describe how the identified climate-related risks and opportunities affect the company’ s business, strategy, and financial performance in the short, medium, and long term.	2-4 Climate Change Response and Disclosure	83
	Describe the financial impact of extreme climate events and transition activities.	2-4 Climate Change Response and Disclosure	85
	If scenario analysis is used to assess climate resilience, describe the scenarios, parameters, assumptions, analytical factors, and major financial impacts.	N/A	
Risk Management	Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management framework.	2-4 Climate Change Response and Disclosure	88
Metrics and Targets	If internal carbon pricing is used as a planning tool, disclose the pricing methodology.	N/A	
	Disclose Scope 1, Scope 2, and Scope 3 (if applicable) greenhouse gas emissions and related risks.	2-4 Climate Change Response and Disclosure	89
	If a transition plan has been developed to manage climate-related risks, disclose the contents of the plan, as well as the indicators and targets used to identify and manage physical and transition risks.	N/A	
	If climate-related targets have been set, disclose the covered activities, the applicable emission scopes, the target timelines, and annual progress. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve the targets, disclose the sources and quantities of offsets or RECs.	The Company has not yet utilized carbon credits or Renewable Energy Certificates (RECs) as mechanisms to achieve its targets. Future evaluations on the feasibility of implementing such instruments will be conducted in consideration of domestic carbon pricing policies and SBT requirements.	90
	Disclose the greenhouse gas inventory and assurance status.	2-4 Climate Change Response and Disclosure	89



美喆國際集團

M.J. International Group

