

ESG²⁰²⁴ REPORT

Bright-Sheland

Sustainability Report

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About this report

Bright-Sheland International Co., Ltd. is committed to advancing Environmental, Social, and Governance (ESG) excellence. This inaugural Sustainability Report, prepared in accordance with the GRI Standards (2021) and aligned with the UN SDGs, also references leading global and local ESG frameworks. Published annually in Chinese and available on our website, the report addresses key stakeholder concerns with transparency, fostering shared growth and driving our journey toward sustainable development.

Report Scope & Boundaries

This is Bright-Sheland International's first Sustainability Report, prepared in accordance with the eight reporting principles of the GRI Standards (2021): accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability. The report comprehensively discloses the Company's economic, environmental, and social performance. Relevant data are collected and consolidated by responsible department heads and verified before reporting. Any estimates used are clearly noted within the

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report. As this is the inaugural report for 2024, no restatements apply.

The Sustainability Development Task Force compiled and edited the report, with accuracy confirmed by departmental supervisors. No external assurance was engaged. The final report was approved by the Chairman and reported to the Board of Directors.

The reporting boundary covers Bright-Sheland's primary operations and manufacturing sites in Taiwan, excluding subsidiaries and affiliates in the consolidated financial statements. Future reports will progressively incorporate related entities' data to provide a more comprehensive view of the Company's value chain.

The scope of this report includes:

- Bright-Sheland International Co., Ltd. (Douliu Headquarters)
- Bright-Sheland International Co., Ltd. (Douliu Plant 1, 2, and 3)
- Bright-Sheland International Co., Ltd. (Taipei, Taichung, and Kaohsiung Offices)

Company Name	Region	Type	Financial Statements	Sustainability Report
Bright Sheland International Co., Ltd. (BSI)	Taiwan	Headquarters (HQ)	V	V
D&3J Internationl Co., Ltd. (D&3J)	Republic of Mauritius	Subsidiary	V	
Filtrafine Pte. Ltd. (FSG)	Singapore	Subsidiary	V	
(VIET NAM) Filtrafine Company Limited (FVN)	Vietnam	Subsidiary	V	
Filtrafine Corporation (FUS)	United States	Subsidiary	V	
Kunshan All Clean Filtration & Separation Technology Co., Ltd. (KAC)	China	Subsidiary	V	
Pride International (Shanghai) Co., Ltd. (PIS)	China	Subsidiary	V	
All Clean Filtration & Separation Technology Co., Ltd. (HAC)	Hongkong	Subsidiary	V	
Chongqing Filtration Technology Co., Ltd. (CFT)	China	Subsidiary	V	
Filtrafine Japan Inc. (FJI)	Japan	Affiliate		

Reporting Framework

This Sustainability Report is prepared in accordance with the 2021 Global Reporting Initiative (GRI) Standards and aligns with Taiwan's regulatory requirements for sustainability reporting by listed companies, as well as key international frameworks including the United Nations Sustainable Development Goals (SDGs), the Task Force on Climate-related Financial Disclosures (TCFD), and the Sustainability Accounting Standards Board (SASB). Appendices provide the GRI Content Index and mapping tables for SASB, TCFD, and local climate disclosure standards to facilitate reader reference.

Report Quality Assurance

The financial data, ISO quality, medical device quality, environmental, and GHG emission data in this report have all been certified or verified by independent third parties.

Financial Data	PwC Taiwan
Quality Management ISO 9001:2015	SGS Taiwan Ltd.
Medical Device Quality Management ISO 13485:2016	ARES Intl Cerification Co., Ltd.
Environmental Management ISO 14001:2015	SGS Taiwan Ltd.
GHG ISO 14064-1:2018	AFNOR Intl Cerification Co., Ltd.

Reporting Period and Frequency

Reporting period: January 1, 2024 – December 31, 2024

Reporting frequency: Annually

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Next publication: July 2026

Contact Information

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Company Website	https://www.filtrafine.com.tw/

Leadership Statement

2024 was a year of both transformation and challenge for Bright-Sheland International. Amid rapid global supply chain shifts, we strengthened our operational resilience while advancing capacity expansion, global market presence, and talent development. Through the dedication of our entire team, we achieved a robust 16% year-on-year revenue growth, laying a strong foundation for sustainable, long-term growth. Going forward, we will continue to focus on globalized operations—enhancing coordination between domestic and overseas sites, integrating resources, expanding global service capabilities, and building a competitive multinational platform.

For us, globalization is not merely about market expansion—it is about evolving our organization and talent in parallel. We continue to invest in training programs from core skills to executive leadership, encouraging employees to step beyond their comfort zones and embrace new challenges. Through industry–academia partnerships and youth internships, we nurture a new generation of professionals with both technical expertise and global vision. We firmly believe that our people’s growth fuels our company’s progress.

Sustainability remains central to our strategy. Across the pillars of Environment, Society, and Governance (ESG), we have installed solar power and rainwater harvesting systems, completed our initial carbon inventory, and advanced recycling and carbon-reduction initiatives. We collaborate with customers on product recycling and remanufacturing, and partner with suppliers to optimize packaging and logistics, reducing our collective carbon footprint. Socially, we invest in talent development, academic collaboration, and employee empowerment, while actively engaging in community donations and public welfare initiatives. On governance, we uphold ethical business practices, strengthen compliance and transparency, and protect the interests of all stakeholders.

We recognize that sustainability requires collective action. That is why we foster strong partnerships with suppliers and customers to promote resource circularity, enhance process design, and implement full life-cycle product management—driving competitive advantage through genuine sustainability.

To further improve ESG disclosure, we are building a comprehensive sustainability management framework and setting clear short-, medium-, and long-term goals aligned with stakeholder expectations.

Looking ahead, Bright-Sheland International will continue to advance environmental stewardship, empower our workforce, and strengthen cross-border operational synergy—progressing towards low-carbon transformation, smart manufacturing, and transparent governance. We believe our value lies not only in generating revenue, but in making enduring contributions to society and the environment. Through concrete action and close collaboration, we will move forward together toward a sustainable future.



Environmental

Short-Term Plans

- Install solar power and rainwater reuse systems
- Conduct preliminary carbon inventory to enhance energy transparency.

Mid- to Long-Term Plans

- Promote material recycling and post-use product recovery with customers.
- Optimize packaging and logistics with suppliers to cut carbon footprint.
- Implement lifecycle management for closed-loop production.
- Transition processes and energy mix toward carbon neutrality.

Social

Short-Term Plans

- Strengthen training and safety awareness.
- Encourage community participation (e.g., donating blood or supplies, etc.).

Mid- to Long-Term Plans

- Expand academia-industry collaboration and youth employment programs.
- Build long-term community partnerships and support local development.
- Develop global sustainability talent for international operations.
- Foster an inclusive, connected culture for shared prosperity.

Governance

Short-Term Plans

- Enhance document management and information security systems.
- Update governance regulations to reinforce compliance.

Mid- to Long-Term Plans

- Strengthen governance framework (board, committees, internal controls).
- Build a transparent, accountable governance culture with active stakeholder engagement.
- Institutionalize sustainable governance, embedding integrity and compliance.

01

Stakeholder Engagement

- 1.1 Sustainability Task Force
- 1.2 Stakeholder Engagement
- 1.3 Issues & Communication Channels
- 1.4 Identification of Material Topics
- 1.5 Material Topics & UN SDG Alignment

01 Stakeholder Engagement

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Bright-Sheland International recognizes stakeholders as key drivers of sustainable development and upholds open, honest dialogue as the foundation of long-term growth.

1.1 Sustainability Task Force

The Board of Directors provides top-level oversight of sustainability strategy. To enhance governance, the Sustainability Committee was established in August 2024, composed of the Chairman and two Independent Directors, responsible for supervising ESG initiatives and reviewing progress

Reporting to the Committee, the Sustainability Task Force, led by the President, coordinates ESG actions through three functional teams—Environment (E), Social (S), and Governance (G). The Task Force manages sustainability initiatives, compiles the Sustainability Report, and holds quarterly meetings to review progress.

On November 8, 2024, the Task Force reported to the Committee and Board on stakeholder concerns, ESG plans, GHG inventory and verification schedules, and progress across 20 material topics,

including performance, risk management, ethics, talent, social engagement, and circular economy.



Sustainability Promotion Task Force Structure

1.2 Stakeholder Engagement

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Bright-Sheland International applies the GRI Standards and AA1000 Stakeholder Engagement Standards to guide its identification of material topics, ensuring sustainability topics are identified, prioritized, and disclosed in line with global best practices.

In line with the five principles of the AA1000 Stakeholder Engagement Standard (2015)—Responsibility, Dependency, Influence, Diverse Perspectives, and Tension—the Company systematically identifies its stakeholders. Through this process, seven key stakeholder groups have been confirmed: shareholders

and investors, employees, customers, suppliers, government and regulatory bodies, local communities, and the media.

1.3 Issues & Communication Channels

Sustainability topics are defined with reference to the UN SDGs, industry benchmarks, and strategic objectives. Through structured stakeholder engagement, 20 priority topics were determined and are addressed in this report, underscoring Bright-Sheland's commitment to transparency, accountability, and sustainable growth.

Stakeholder	Significance to BSI	Channels/Frequency	Topics of Concern	2024 Engagement & Response	Response Sections
Shareholders & Investors	Ensure stability, oversight, and accountability	<ul style="list-style-type: none"> Annual and Financial Reports (Yearly/Monthly) Website Information (As needed) Shareholder Meetings (Annually) 	<ul style="list-style-type: none"> Ethical Business Strategic Development Customer Satisfaction R&D and Innovation Water Management 	<ul style="list-style-type: none"> Annual General Meeting, results disclosed via MOPS & website Monthly revenue & quarterly financial reports, externally verified 	03 Governance

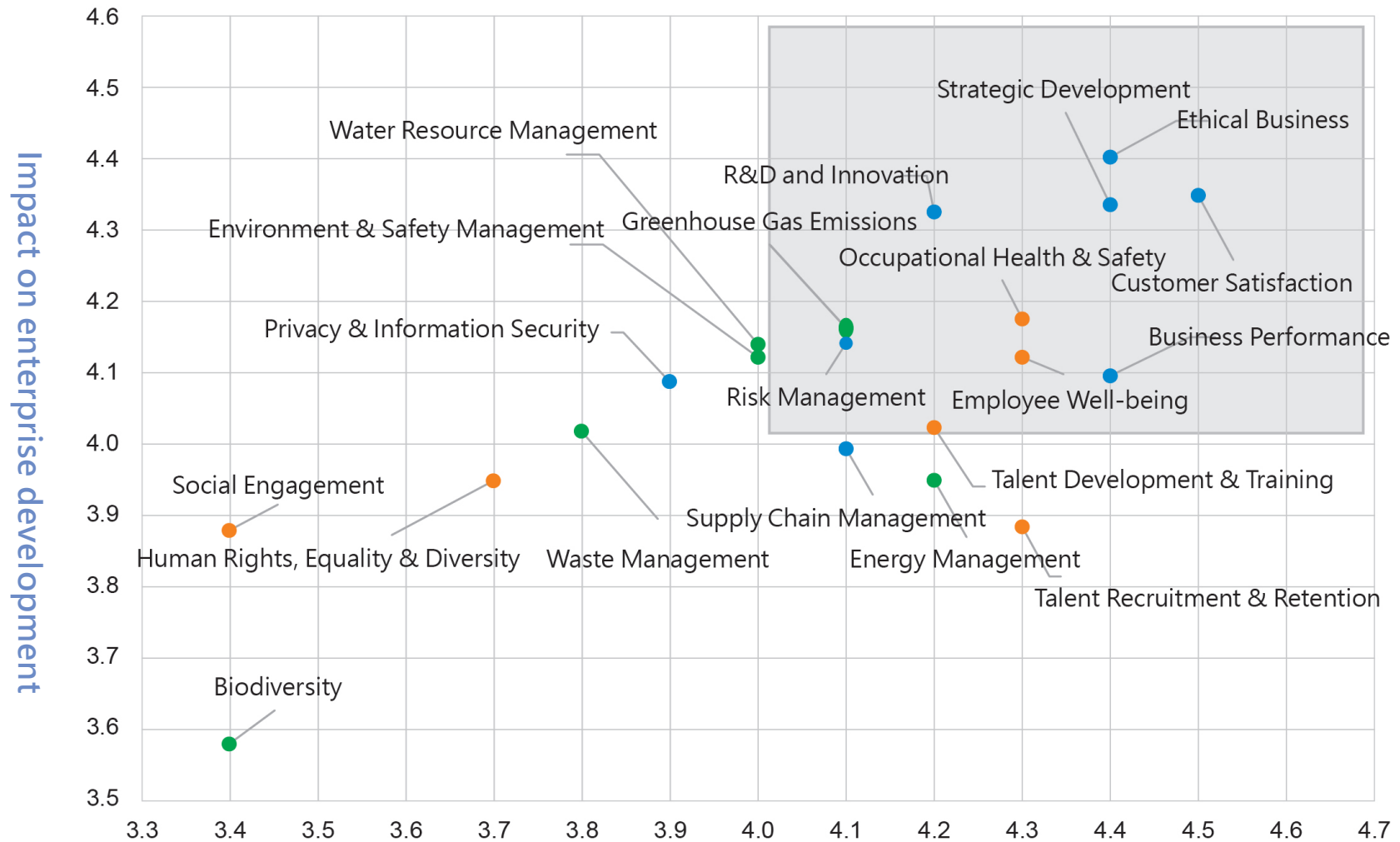
Stakeholder	Significance to BSI	Channels/Frequency	Topics of Concern	2024 Engagement & Response	Response Sections
Employees	Core asset; ensure security, growth & dialogue	<ul style="list-style-type: none"> • Performance Reviews (Bi-annually) • Labor-Management Meetings (Quarterly) • Departmental Meetings (Monthly) • Training Sessions (As needed) • Employee Welfare Committee (As needed) • Emails (As needed) 	<ul style="list-style-type: none"> • Occupational Health & Safety • Ethical Business • Business Performance • Customer Satisfaction 	<ul style="list-style-type: none"> • 4 labor-management meetings • Welfare communication & updates • Monthly dept. meetings & semi-annual reviews • Training under MOEL TDQS 	03 Governance 05 Social
Suppliers	Key partners for stable & sustainable supply	<ul style="list-style-type: none"> • Supplier Assessments (Annually) • Vendor Interviews (As needed) • Contracts (Annually) 	<ul style="list-style-type: none"> • Ethical Business • Supply Chain Management • Strategic Development 	<ul style="list-style-type: none"> • Top 10 suppliers met standards • 99 suppliers scored >85 • Monthly updates on raw material trends • Regular info-sharing & problem-solving 	03 Governance
Customers	Main revenue source; mutual growth & sustainability	<ul style="list-style-type: none"> • Customer Satisfaction Surveys (Annually) • Customer Service Hotline/ Email (As needed) • Customer Visits and Meetings (As needed) 	<ul style="list-style-type: none"> • Ethical Business • Privacy and Information Security • Strategic Development • R&D and Innovation 	<ul style="list-style-type: none"> • Collected 104 satisfaction surveys • Overall score: 9.15/10 • Improvement actions based on feedback 	03 Governance 05 Social

Stakeholder	Significance to BSI	Channels/Frequency	Topics of Concern	2024 Engagement & Response	Response Sections
Government & Regulators	Provide legal framework; promote compliance & CSR	<ul style="list-style-type: none"> • Fire and Labor Safety Inspections, Lectures (Regularly) • Emails and Meetings (As needed) • Official Documents/ Letters (As needed) • Site Visits (As needed) 	<ul style="list-style-type: none"> • Occupational Health & Safety • Water Management • Greenhouse Gas Emissions • Talent management • Employee Well-being • Social Welfare • Ethical Business • Strategic Development 	<ul style="list-style-type: none"> • Semi-annual fire drills & safety checks • Recognized as model site by Yunlin Govt. & OSHA • Regular inspections & policy compliance 	03 Governance 04 Environment 05 Social
Media	Key channel for transparent, timely disclosure	<ul style="list-style-type: none"> • Press Conferences (As needed) • Press Release Distribution (As needed) • Media Interviews (As needed) 	<ul style="list-style-type: none"> • Strategic Development • Business Performance 	<ul style="list-style-type: none"> • Issued 28 press releases • Held 2 media interviews 	03 Governance
Communities	Source of diverse input; foster positive impact	<ul style="list-style-type: none"> • Community Meetings (As needed) • Public Donations/Charity Events (As needed) 	<ul style="list-style-type: none"> • Water Management • Talent management • Ethical Business • Strategic Development • Privacy and Information Security 	<ul style="list-style-type: none"> • Joined local events (walks, runs, fairs) • Donated masks to welfare centers • Co-hosted blood drive with Yunlin Tech Park Assoc. • Participated in job fairs & industry-academia programs 	03 Governance 05 Social

1.4 Identification of Material Topics

● Identification of Material Topics Process

Understanding Organizational Context 20 Key Issues Identified	<ul style="list-style-type: none">• Assessed global sustainability trends and business goals across ESG dimensions.• Gathered sustainability topics via internal and external communications, referencing SDGs, TCFD, SASB, industry benchmarks, and annual corporate goals, to evaluate business relevance and basic responsibilities.
Identifying Impacts and Assessing Significance 147 Questionnaires Issued; 115 Collected; 92 Valid	<ul style="list-style-type: none">• Distributed surveys to key stakeholders to evaluate their level of concern regarding sustainability topics.• Analyzed responses to assess impact and likelihood, determining significance for materiality ranking and disclosure.
Prioritizing and Reporting Material Impacts Selection of 10 Material Topics	<ul style="list-style-type: none">• Defined topics with high materiality scores as material issues.• Based on Sustainability Committee recommendations, consolidated general issues into material topics.• Mapped topics along the value chain to evaluate alignment with SDGs and Bright-Sheland' s impact scope.• Validated by the Sustainability Committee and senior management, with systems established for monitoring and disclosure.



Through internal and external engagement and stakeholder surveys, Bright-Sheland narrowed down 20 initial issues to 10 topics closely aligned with its sustainability strategy for further assessment.

Categories	Potential Topics
Governance	Customer Satisfaction, Ethical Business, Strategic Development, R&D and Innovation, Business Performance, Risk Management
Environment	Greenhouse Gas Emissions
Social	Occupational Health & Safety, Employee Well-being, Talent Development & Training

● Impact and Value Chain Assessment

The Sustainability Committee and senior management conducted impact assessments on the 10 potential topics, analyzing both positive contributions (from current strategies and practices) and potential negative impacts (if left unmanaged) across economic, environmental, and social—including human rights—dimensions. Each issue was rated (1–5) on likelihood and impact, with aggregated scores used to confirm the report’s material topics for this year.

Potential Topics	Positive Impacts	Likelihood/Severity	Negative Impacts	Likelihood/Severity
Customer Satisfaction	Regular customer communication improves satisfaction and drives more orders.	4.3	Failure to meet customer demands increases complaints and erodes trust.	3.3
Ethical Business	Strong governance ensures effective oversight, enhancing corporate value.	3.3	Weak governance or fraud results in major financial/legal damages.	3.7
Strategic Development	Well-defined short-, mid-, and long-term strategies strengthen competitiveness.	3.3	Strategic missteps lead to operational challenges.	3.7
R&D and Innovation	R&D in low-carbon, high-efficiency products reduces user emissions and creates new revenue streams.	3.3	Products labeled as high-emission or polluting face rejection, losing market access.	3.0
Business Performance	Stable operations and profitability boost market confidence and investor trust.	4.3	Declining revenue undermines investor confidence and stock performance.	4.0

Potential Topics	Positive Impacts	Likelihood/Severity	Negative Impacts	Likelihood/Severity
Occupational Health & Safety	Zero workplace injuries increase employee safety and assurance.	3.7	Frequent workplace accidents cause labor shortages and legal/medical liabilities.	4.0
Employee Well-being	Mental health support and inclusive workplace improve retention and productivity.	3.7	Neglect of employee well-being raises turnover and lowers morale.	2.7
Greenhouse Gas Emissions	Investing in carbon-reduction technologies sets industry standards and boosts collective benefits.	3.3	Missing emission targets or non-compliance risks fines, loss of trust, or exclusion from supply chains.	2.3
Risk Management	Effective risk identification and mitigation prevent operational disruptions.	4.3	Lack of risk management causes supply disruptions and major losses.	4.3
Talent Development & Training	Comprehensive training enhances employee skills and business opportunities.	4.0	Insufficient employee competencies weaken competitiveness and service quality.	3.0

- High Positive Impact: Customer satisfaction, performance, and risk management—key drivers of trust, stability, and value creation.
- High Negative Risk: Health & safety, performance, and risk management—potential threats to stability and resilience if unmanaged.

Outlook: Climate change, business resilience, and people-centric management remain core sustainability priorities. The company will strengthen management of material topics, amplify positive impacts,

mitigate risks, and enhance disclosure transparency to achieve both stable operations and sustainable growth.

● Value Chain Impact Assessment

For identified material topics, the company also assessed value chain impacts, analyzing both positive contributions and potential risks across each stage. This approach helps prioritize areas for improvement, expand positive influence, and reduce negative impacts, reinforcing sustainability across the entire value chain.

Involvement: ● Direct / ○ Indirect (through facilitation or business relationship)

Impact Assessment: ▲ Positive / ○ Negative

Material Topic	Corresponding GRI Standard	Upstream	Bright-Sheland		Downstream	External Operational Units		
		Suppliers	Shareholders & Investors	Employees	Customers	Government & Regulators	Media	Communities
Customer Satisfaction	Bright-Sheland Customized Topic				●			
					▲			
Ethical Business	205 Anti-corruption	○	●	●	●	●		○
			□	□	□			
Strategic Development	Bright-Sheland Customized Topic	○	●	●	○		○	
			▲	▲	▲			
R&D and Innovation	Bright-Sheland Customized Topics	●	●	●	●			
		▲	▲	▲	▲			
Business Performance	201 Economic Performance	●	●	●	●	●	○	
		▲	▲	▲	▲	▲		
Occupational Health & Safety	403 Occupational Health and Safety			●				
				▲				

Material Topic	Corresponding GRI Standard	Upstream	Bright-Sheland		Downstream	External Operational Units		
		Suppliers	Shareholders & Investors	Employees	Customers	Government & Regulators	Media	Communities
Employee Well-being	403 Occupational Health and Safety			●				
				▲				
Greenhouse Gas Emissions	305 Emissions	●			○	●		
		▲				▲		
Risk Management	Bright-Sheland Customized Topics	●	●	●	●			○
		▲	▲	▲	▲			
Talent Development & Training	404 Training and Education			●				
				▲				

1.5 Material Topics Aligned with UN SDGs

● Bright-Sheland SDGs Contribution

For	SDG Goal	SDG Target	Company Goal	2024 Key Actions	Relevant Report Section
E	SDG 7: Affordable and Clean Energy	7.2 Increase share of renewable energy	Implement solar power, increase green energy usage	Installed solar PV system	4.1 Climate Action
	SDG 12: Responsible Consumption and Production	12.5 Reduce waste generation	Promote material recycling and filter reuse	Launched filter recycling pilot, waste reduction with suppliers	3.7 Innovation & R&D
	SDG 13: Climate Action	13.3 Improve climate resilience and awareness	Complete GHG inventory and carbon reduction strategy	ISO 14064-1 verification, energy-saving measures	4.2 GHG Emissions
S	SDG 3: Good Health and Well-being	3.8 Achieve universal health coverage	Enhance workplace health & safety	Health promotion programs, onsite medical services, zero workplace accidents	5.5 Health & Safety
	SDG 4: Quality Education	4.4 Increase skills for employment and training	Strengthen academia-industry collaboration, youth training	Partnerships with YunTech, PCCU, TKU.	5.2 Talent Development
	SDG 5: Gender Equality	5.1 End workplace gender discrimination	Improve female participation & workplace benefits	40% female staff, lactation rooms, welfare measures	5.1 Workforce Profile 5.3 Employee Relations & Benefits
	SDG 8: Decent Work and Economic Growth	8.5 Achieve full employment and equal pay	Create local jobs, stabilize workforce	80%+ local hiring, employee stock ownership trust	5.1 Workforce Profile 5.3 Employee Relations & Benefits
G	SDG 9: Industry, Innovation and Infrastructure	9.4 Upgrade infrastructure & resource efficiency	Strengthen R&D and sustainable product design	Developed 6 new products, enhanced green design	3.7 Innovation & R&D
	SDG 16: Peace, Justice and Strong Institutions	16.5 Reduce corruption and bribery	Promote integrity and transparency	100% executives signed integrity pledge, whistleblowing system	3.2 Ethics & Integrity

02

About Bright-Sheland

2.1 Overview

2.2 History

2.3 Philosophy

2.4 Organization

2.5 External Engagements

02 About Bright-Sheland

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2.1 Overview

Bright-Sheland International Co., Ltd. was founded in 1985 and established its own brand, Filtrafine, in 2002, focusing on filter material R&D, industrial filtration equipment, and UV sterilization systems. The company went public in 2014 and was listed in 2015 (Ticker: 4556), becoming Taiwan's first listed filtration company and solidifying its market leadership.

With nearly 40 years of experience, Bright-Sheland has grown into a leading global provider of comprehensive filtration solutions, employing 260 staff and operating R&D centers in Taiwan and China, equipped with world-class laboratories and analytical instruments. Its production network spans Taiwan, China, and Vietnam, integrating smart manufacturing, automation, and computerized management to deliver high-quality, scalable, and customized solutions efficiently.

Products include filter cartridges, bags, housings, and pressure vessels, serving high-end industries such as semiconductors, pharmaceuticals, chemicals, food & beverage, oil & gas, and water treatment. Bright-Sheland is the first filtration manufacturer in Asia

certified with ASME, CE, and GB pressure vessels, and independently develops full-range filter systems, ensuring complete filtration solutions with cleanroom production and robotic automation.

Guided by Professionalism, Quality, and Innovation, Bright-Sheland prioritizes customer needs, continuous R&D, and global expansion. The company fosters strong partnerships with clients, suppliers, and stakeholders, ensuring reliability, operational excellence, and sustainable growth across its value chain.

Looking ahead, Bright-Sheland is committed to advancing technological innovation, promoting environmental sustainability, and expanding its global market presence. The company continues to invest in high-performance, eco-friendly filtration solutions, smart manufacturing transformation, and talent development to meet the evolving demands of semiconductor, biopharmaceutical, and other high-growth industries, supporting long-term resilience and shared value creation.

● Bright-Sheland Overview

Company Name	Bright-Sheland International Co., Ltd.
Company Type	Public company (listed in 2015, OTC)
Ticker Symbol	4556
Chairman	Chao-Chuan Ho
President	Yi-Chin Ho
Founded	1985
Headquarters	No.15, Kejia 6th Rd., Douliu City, Yunlin County, Taiwan
Industry	Filtration materials and equipment manufacturing
Main Products & Services	Filter housings, cartridges, membranes, UV sterilization systems, and related consumables
Paid-in Capital	NT\$423 million
Employees	~260 worldwide



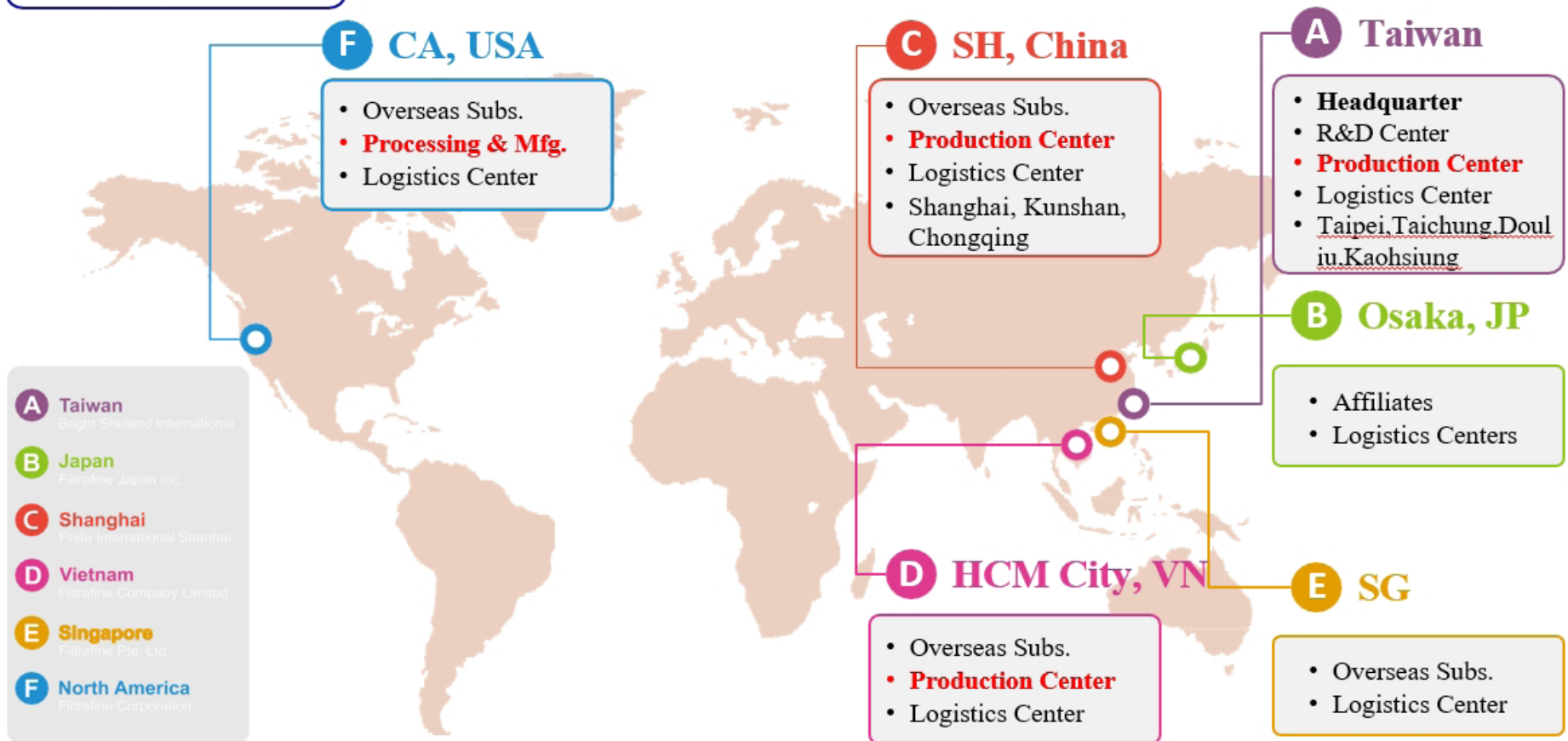
● Global Presence

Headquartered in Yunlin Science Park, Taiwan, Bright-Sheland also operates offices in Taipei, Taichung, and Kaohsiung to provide timely business and technical support. In China, the company has operations in Shanghai, Kunshan, and Chongqing, with sales representatives in Beijing, Chengdu, and Shenzhen. Overseas subsidiaries in Singapore and the United States further strengthen its international expansion.

Bright-Sheland operates production facilities in Taiwan, China, and Vietnam, supported by a flexible global supply chain:

- Taiwan – Serves as the R&D and innovation hub, equipped with advanced automation and cleanroom production lines to meet high-end market standards.
- Kunshan, China – Hosts a dedicated R&D center with world-class laboratories and analytical instruments, providing precise and efficient solutions tailored to regional customer needs.
- Vietnam – Strengthens manufacturing capacity, enhances supply chain resilience, and reduces geopolitical risks to ensure stable global supply.

Global Layout



● Business Vision

Bright-Sheland focuses on high-growth and sustainable technologies, delivering high-quality filtration solutions while expanding globally.

1. Provide world-class filtration solutions.
2. Develop eco-friendly, energy-saving products
3. Strengthen global market presence.
4. Expand into green, precision, and bio-filtration.

● Core Products

As a diversified leader with the most comprehensive product lines in the filtration industry, Bright-Sheland offers four major categories:

1. Filter Housings – Cartridge housings and bag housings.
2. Filter Media – Cartridges and filter bags.
3. Filter Membranes – The core of advanced filtration technology.
4. Sterilization Equipment – UV sterilizers and lamp systems.

The Vietnam plant adds fiber, cotton yarn, and needle-punched fabric production, enhancing supply capabilities and sustainability. sustainable industry development.

Filters

- Virgin Polypropylene
- Stainless Steel
- Duplex Stainless steel
- FRP (Fiber-reinforced plastic)

Filtration Products

- Filter Cartridge
- Filter Bag
- RO Membrane
- High Flow Cartridge



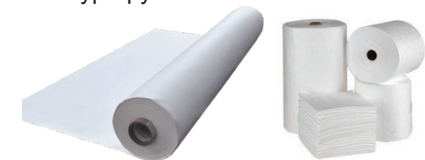
UV Sterilization Equipment

- UV Sterilizers (254 nm)
- UV Total Organic Carbon (TOC) Reduction Systems (185 nm)

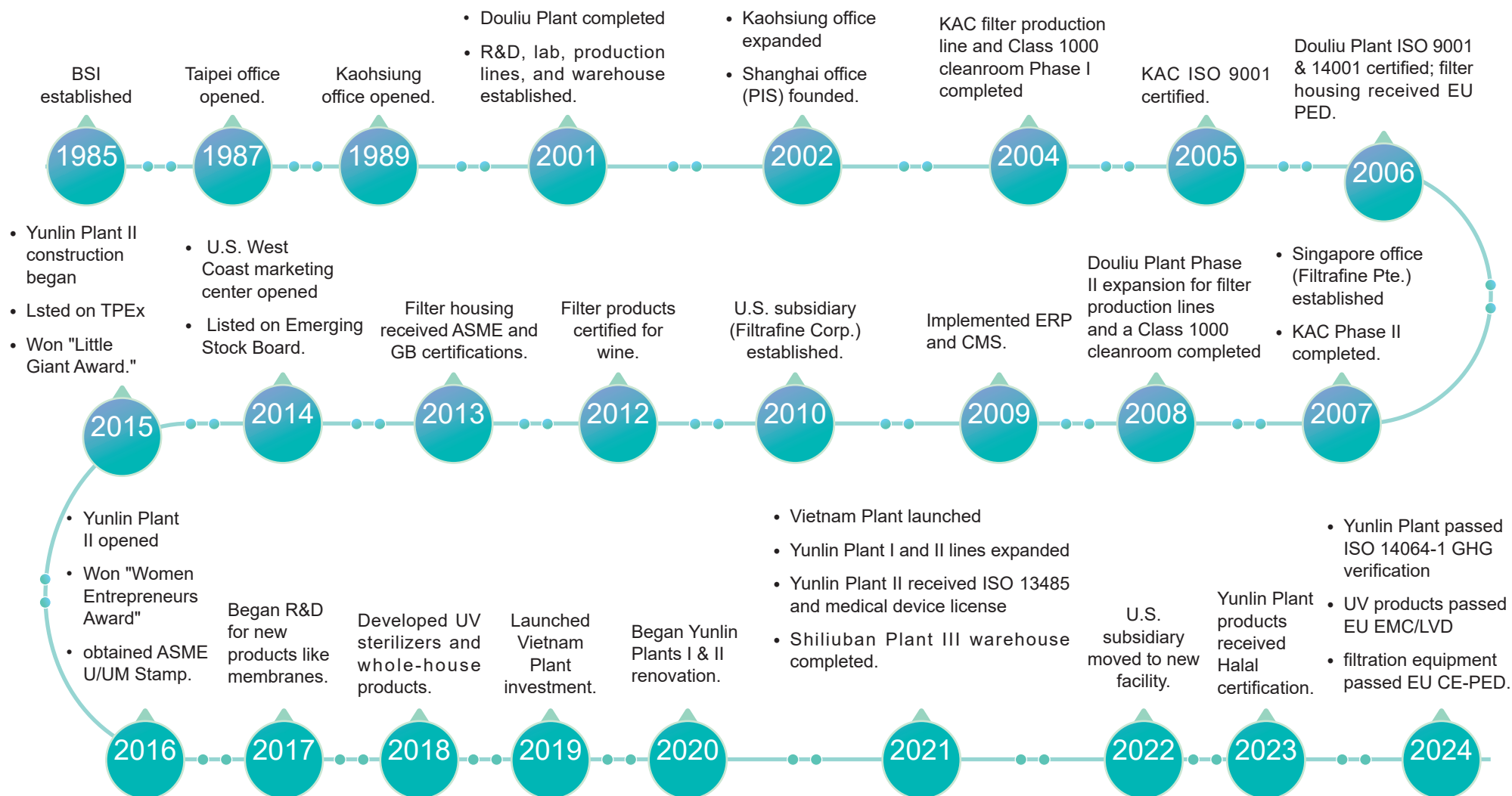


Filtration Materials

- PES membrane
- PES Hollow Fiber
- Needle Punch Felt
- PP Yarn
- Polypropylene Oil Absorbent Pads



2.2 History



2.3 Business Philosophy

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Bright-Sheland operates with Integrity, building strong partnerships; focuses on Service, delivering high-quality products and professional support; drives Innovation to enhance product performance and sustainability; and fosters Well-being, creating a friendly workplace for shared prosperity with society.

Our four core values—Integrity, Service, Innovation, and Well-being—are the foundation of sustainable growth. They shape our culture, strengthen teamwork, and enable us to deliver long-term value to all stakeholders.

Integrity – Trust and Transparency

We honor commitments with honesty and accountability, ensuring compliance with ethical and legal standards. By fostering open communication, we build long-term trust with clients, suppliers, and stakeholders.

Service – Customer-Centric Value

We prioritize customer needs, offering high-quality filtration products, responsive support, and comprehensive after-sales service, building win-win partnerships.

Innovation – Driving Industry Advancement

We encourage new ideas in technology, processes, and materials, enhancing product efficiency, reducing environmental impact, and supporting sustainable industry upgrades.

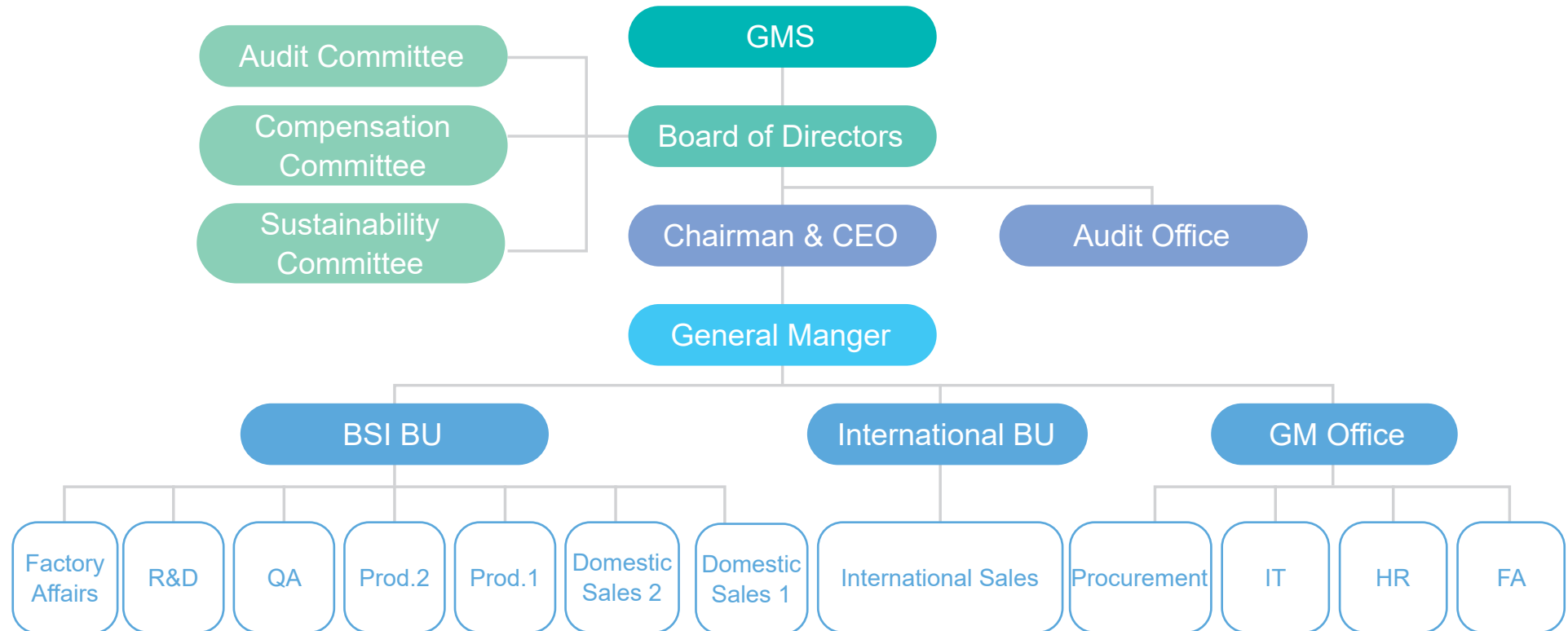
Well-being – People and Society

Employees are our most valuable asset. We provide a safe, healthy, and supportive workplace, along with career development and benefits. Through CSR initiatives, we give back to society and pursue shared growth.

Bright-Sheland is committed to embedding these values into policies and strategies, ensuring transparent governance, effective risk management, and global competitiveness while contributing to sustainable development for society, the environment, and the economy.



2.4 Organization



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2.5 Participation in External Organizations

Bright-Sheland actively engages with various industry associations to maintain robust interactions, share the latest insights, and understand industry trends.

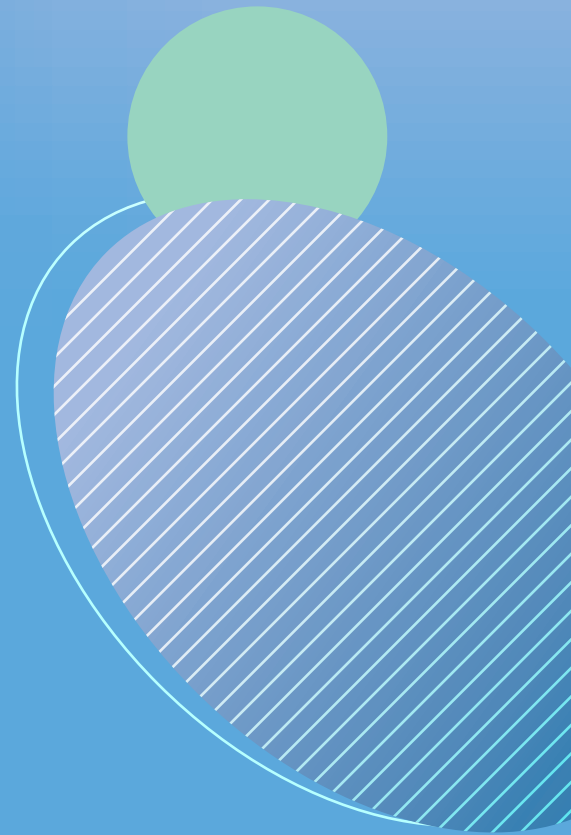
Associations involved	Participant status
Yunlin Technology Industrial Park Manufacturers Association	Member
Taiwan Nonwoven Fabrics Industry Association (TNFIA)	Member
Taiwan Filtration and Separation Society (TFS)	Member



03

Governance

- 3.1 Board of Directors
- 3.2 Ethics & Integrity
- 3.3 Risk Management
- 3.4 Certifications
- 3.5 Compliance
- 3.6 Performance
- 3.7 Innovation & R&D



Important notes in this chapter

Major Topics	Ethical Business	Risk Management	Business Performance	R&D and Innovation
GRI Guidelines	205: Anti-corruption	BSI Customized Topics	Economic Performance	BSI Customized Topics
Significance	Build integrity culture and compliance, protecting reputation and customer trust for sustainable growth.	Reduce operational uncertainty, strengthen resilience, and build stakeholder confidence.	Strong performance enhances market trust, attracts investment, secures shareholders, and boosts global competitiveness.	Drive product and material innovation to expand opportunities and sustain growth.
Policies / Commitments	Establish Codes of Conduct covering integrity, conflicts of interest, anti-corruption, and whistleblowing.	Implement enterprise-wide risk management across finance, legal, operations, and cybersecurity, with regular board reports.	Focus on stable operations, global expansion, capacity optimization, and supply chain resilience.	Build R&D teams for project-based innovation, advancing circular economy and reducing energy use.
Goals	Institutionalize integrity governance, prevent fraud, and enhance awareness.	Strengthen risk identification and response to ensure compliance and continuity.	Achieve steady revenue growth, expand market share, and enhance resilience and stakeholder trust.	<ul style="list-style-type: none"> • Water/energy saving in production • ≥4 new products/projects annually • Recycled materials & filter reuse
Evaluation	<ul style="list-style-type: none"> • Annual integrity training and signed pledges. • Dedicated whistleblowing channel and audits. 	<ul style="list-style-type: none"> • Annual internal controls and risk assessments. • Management annual risk review. • Audit results reported to the board. 	<ul style="list-style-type: none"> • Monthly/quarterly financial reporting • Board reviews business performance and market expansion. • KPI system to track targets and results. 	<ul style="list-style-type: none"> • Regular R&D reviews for progress and issue resolution. • Collaboration between R&D and sales to improve performance and cost-efficiency. • Cross-department meetings to optimize technology and processes.

Important notes in this chapter

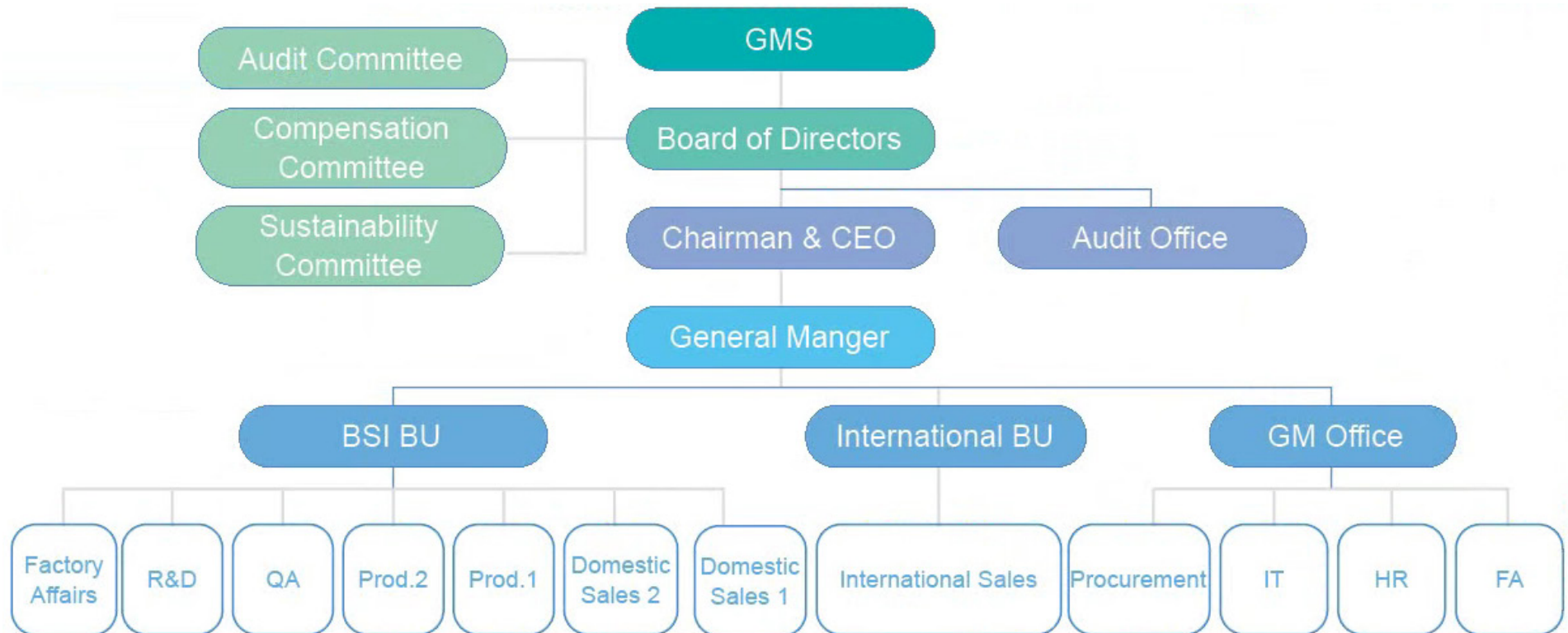
Major Topics	Ethical Business	Risk Management	Business Performance	R&D and Innovation
GRI Guidelines	205: Anti-corruption	BSI Customized Topics	Economic Performance	BSI Customized Topics
Responsible Departments / Grievance Mechanism	Board and Audit Office oversight, with anonymous reporting channels.	Led by GM' s Office; Audit Office reports to board; major risks addressed in improvement plans.	Finance Dept. monitors performance and prepares reports; audited by board and audit committee; investors may raise concerns via public info or company mailbox.	R&D Dept. : shine.jeng@filtrafine.com.tw Design Dept. : chingtao.hsu@filtrafine.com.tw
Key Performance Highlights	<ul style="list-style-type: none"> 100% staff completed integrity training and pledge. Zero major violations, fraud, or whistleblowing cases in 2024. Two training sessions held, 100% participation. 	<ul style="list-style-type: none"> No major violations or business interruptions. Internal control self-assessment completed with no deficiencies. Business continuity and cybersecurity response plans tested. 	<ul style="list-style-type: none"> 2024 revenue grew 16% YoY. Expanded overseas with new clients in Vietnam and Japan, strengthening global resilience. Maintained stable margins and EPS, showing financial soundness. 	<ul style="list-style-type: none"> Developed 6 new products, 3 new equipment projects, and 4 new production lines. Reduced material replacement frequency, secured international brand partnerships, and expanded markets. Participated in exhibitions: ANEX (Asia Nonwoven Expo), Singapore International Water Week, Taipei Water Expo, Vietnam Water Expo, Filtech Germany.

03 Governance

GRI 2-9 2-10 2-11 2-15 2-17 2-18 2-19 2-20

3.1 Board of Directors

The Board of Directors is the Company's highest governance body, overseeing management and guiding strategic direction, with Audit, Compensation, and Sustainability Committees established under its authority.



Name	Duties	Members
Audit Committee	Assists the Board in fulfilling its supervisory responsibilities and complies with the Company Act, Securities and Exchange Act, and relevant laws. Composed entirely of independent directors, including one financial expert and one legal expert. Operates under the Audit Committee Charter and meets at least four times annually.	3 Independent Directors
Compensation Committee	Established in accordance with regulations on listed companies' compensation committees. Meets at least twice annually. Oversees and evaluates directors' and managers' remuneration policies to enhance governance, manage risks, and attract/retain talent.	3 Independent Directors
Sustainability Committee	Established in August 2024. Responsible for assessing the implementation of sustainability plans, reporting annual results and key issues to the Board.	Chairman + 2 Independent Directors

● Board of Directors

Title	Nationality / Incorporation	Name	Gender / Age	Election Date	Term	First Appointment	Education / Experience	Concurrent Positions
Chairman	Taiwan	HO, CHAO-CHUAN	M / 61–70	2023.06.30	3 yrs	1985.10.21	<ul style="list-style-type: none"> • PhD, Chemical & Materials Engineering, Tamkang Univ. • EMBA, NTU; BS • Chemical Eng., Tamkang Univ. • Former Engineer, China Petrochemical • Former Process Engineer, CTCI Corp. 	<ul style="list-style-type: none"> • CEO, Bright Sheland • Chairman, Kunshan All Clean Filtration & Separation Technology Co., Ltd. • Chairman, Filtrafine Corp. • Chairman, CM Tech Co., Ltd. • Chairman, Youmei Tech; • Director, Chaomei Investment • Director, Chaoling Investment

Title	Nationality / Incorporation	Name	Gender / Age	Election Date	Term	First Appointment	Education / Experience	Concurrent Positions
Director	Taiwan	HO, YI- CHIN	F / 41–50	112.06.30	3 yrs	109.06.19	<ul style="list-style-type: none"> University of New South Wales , Mater of Commerce University of Auckland , Bachelor of Commerce EMBA, NCCU 	<ul style="list-style-type: none"> GM, Bright Sheland Director, Filtrafine Pte Ltd GM, Filtrafine Vietnam Chairperson, Feng Rui Fu Ltd.; Chairperson, Ren Rui Fu Ltd.
Director	Taiwan	Chaomei Investment Co., Ltd.	-	112.06.30	3 yrs	103.06.20	-	-
		Rep. TSAI, HSIN-JU	M / 51–60	112.06.30		95.10.20	<ul style="list-style-type: none"> Chem. Eng., Nan-Ya Polytechnic (now Nan-Ya Univ. of Tech.) Former Trainee, Bao Bao Printing; Ex-VP, Bright Sheland 	<ul style="list-style-type: none"> Senior Advisor, Bright Sheland Director & GM, Kunshan Filtrafine
		Rep. CHIEN, WEI-LUN	M / 41–50	112.06.30		112.06.30	<ul style="list-style-type: none"> EMBA, NCCU BSEE, Taiwan Tech Univ. Former Chairman, Sunn Opto Taiwan Director, Sunn Opto Japan Ex-Overseas Sales Mgr., Japan Xianglin Trading 	<ul style="list-style-type: none"> Chairman, Sunn Opto Taiwan Director, Sunn Opto Japan

Title	Nationality / Incorporation	Name	Gender / Age	Election Date	Term	First Appointment	Education / Experience	Concurrent Positions
Independent Director	Taiwan	SUN, JUI-LUNG	M / 71–80	112.06.30	3 yrs	103.12.24	<ul style="list-style-type: none"> • MBA, Madonna Univ. (USA) • Chairman, Taiwan Adhesive Co. • GM, Boma Enterprise 	<ul style="list-style-type: none"> • Chairman, Taiwan Adhesive Co. • GM, Boma Enterprise
Independent Director	Taiwan	KAO, CHIH-CHIEN	M / 41–50	112.06.30	3 yrs	107.05.29	<ul style="list-style-type: none"> • MAcc, Chung Yuan Univ. • Deputy Manager, PwC Taiwan 	<ul style="list-style-type: none"> • CPA, Dingshuo CPAs • Indep. Dir., Yankee Engineering (Audit/Comp. Comm.) • Indep. Dir., ESON Precision (Audit/Comp. Comm.)
Independent Director	Taiwan	UENG, TZUU-LIH	M / 51–60	112.06.30	3 yrs	112.06.30	<ul style="list-style-type: none"> • LLB, NTU • LLM, Washington Univ. in St. Louis • MBA, NTU • Sr. Partner, Dilih Law Firm 	<ul style="list-style-type: none"> • Sr. Partner, Dilih Law Firm

● Nomination & Selection

Directors and independent directors are elected under the Articles of Incorporation and “Director Election Procedures” via a candidate nomination system. Current board (2023–2026) consists of 7 directors, including 3 independent directors (one-third of the Board). Members have diverse expertise in management, leadership, finance, and law. One female director, remaining male, all with strong

professional qualifications.

Board composition considers company operations and development needs, guided by:

1. Basic attributes: gender, age, nationality, culture
2. Expertise & skills: law, accounting, industry, finance, marketing, technology, professional experience

The Board should ensure gender diversity and collectively possess the following core competencies:

- | | |
|---------------------------|------------------------|
| (1) Business judgment | (2) Financial analysis |
| (3) Management capability | (4) Crisis response |
| (5) Industry knowledge | (6) Global perspective |
| (7) Leadership | (8) Decision-making |

- The current Board consists of seven directors. Diversity objectives include:

Diversity Objectives	Achieve situation
At least one female director	Achieved
Diverse expertise and skills.	Achieved

- The implementation status is as follows:

Diversity Criteria Name		Basic				Tenure of independent directors	Professional knowledge and skills					
		Sex	Age	Nationality	Employee status		Business Operations	Industry Expertise	Information Technology	Accounting, Finance, & Legal	Marketing	Leadership & Strategy
Chairman	HO, CHAO-CHUAN	M	61~70	Taiwan	V		V	V	V		V	V
Director	HO, YI-CHIN	F	41~50	Taiwan	V		V	V	V		V	V
Director	TSAI, HSIN-JU	M	51~60	Taiwan	V		V	V	V		V	V
Director	CHIEN, WEI-LUN	M	41~50	Taiwan			V	V	V		V	V
ID	SUN, JUI-LUNG	M	71~80	Taiwan		10~12	V	V	V			V
ID	KAO, CHIH-CHIEN	M	41~50	Taiwan		4~6	V	V	V	V		V
ID	UENG, TZUU-LIH	M	51~60	Taiwan		1~3	V	V	V	V		V

● Board Independence & Conflicts

The Board of Directors consists of seven members, including three independent directors (42.86%). Except for the father–daughter relationship between Mr. Ho Chao-Chuan and Ms. Ho Yi-Chin, there are no spousal or close family ties among directors, fully complying with Article 26-3 of the Securities and Exchange Act.

As the highest governance body chaired by the Chairman, the Board follows Article 17 of the Rules of Procedure for Board Meetings, requiring directors with conflicts of interest to disclose relevant details and abstain from discussion and voting. Such recusals are recorded in the meeting minutes.

To further avoid conflicts, the Company has Audit, Compensation, and Sustainability Committees to review proposals before submission to the Board. The Code of Ethical Conduct also requires directors to act with self-discipline, abstain from conflicted matters, and not act as proxies, reinforcing the Company’s commitment to integrity.

● Board Performance Evaluation

Our company follows its Board Performance Evaluation Measures, conducting annual self-assessments for the board, individual directors, and committees. Results are used for future nominations and compensation. While director performance is not yet tied to sustainability goals, we will assess this possibility in the future based on industry best practices.

Cycle	Period	Scope	Method	Key Items
Annually	Jan 1 – Dec 31, 2024	Board of Directors	Self-assessment	A. Participation in operations B. Decision quality C. Composition & structure D. Election & training E. Internal control

Cycle	Period	Scope	Method	Key Items
Annual	2024.01.01–12.31	Individual Directors	Self-assessment	A.Goals & duties B. Role awareness C. Participation D. Communication E. Expertise & training F. Internal control
Annual	2024.01.01–12.31	Remuneration Committee	Self-assessment	A.Participation B. Role awareness C. Decision quality D. Composition & selection
Annual	2024.01.01–12.31	Audit Committee	Self-assessment	A.Participation B. Role awareness C. Decision quality D. Composition & selection E. Internal control

● Director and Manager Compensation

Bright-Sheland determines directors' and executives' compensation based on overall company performance, role, contribution to operations, individual performance, future risk considerations, and industry benchmarks. The Compensation

Committee evaluates and reviews overall remuneration before submission to the Board for approval. Compensation policies, standards, and structures are regularly reviewed in accordance with business conditions and relevant regulations to balance sustainable operations and risk management.

Item	Board Directors	CEO, Deputy CEO & Managers
Compensation Policy	Based on participation, contribution, company performance, and industry benchmarks; approved by the Board after review by the Remuneration Committee.	Determined according to company compensation policy, performance evaluations, individual achievement, and contribution to company results.
Standards & Components	Cash remuneration referencing participation and contribution; aligned with domestic and international industry standards.	Salary, bonuses, employee dividends, stock options, or restricted shares.
Determination Process	Proposed in profit distribution plan and submitted to shareholders' meeting for approval.	Based on individual contribution, role, and performance.
Link to Performance & Future Risk	Compensation Distribution: Determined by the directors' involvement in company policies and overall profitability.	Adjusted based on individual performance and company profitability, considering future business outlook and industry benchmarks.
	Future Risk: Compensation is carefully assessed by management based on profitability, future business outlook, and industry benchmarks, ensuring no adverse impact on future operational risks.	

● Director Development & Knowledge

To address challenges in legal compliance and governance, the company actively organizes training programs to strengthen directors' expertise and sustainability awareness. In 2024, courses covered corporate governance, sustainable finance, ESG

practices, anti-money laundering, impact investing, and international sustainability standards, with a focus on sustainability topics.

Bright Sheland believes that a board with integrity and extensive industry experience will drive stronger operations and advance the company's sustainable growth.

Name	Organizer (Abbr.)	Course Title	Hours
HO, CHAO-CHUAN	CCGA	Corporate Governance & ESG Seminar	3
	TPEX	2024WIW : AI, Digital Finance & Sustainable Finance	3
HO, YI-CHIN	TIDA	2024 Win-Win of Environment and Economy: Taiwan's ESG Path	3
	TID	2025 New Perspectives on Corporate Governance: Essential Guide for Directors	3
TSAI, HSIN-JU	TIDA	2024 Win-Win of Environment and Economy: Taiwan's ESG Path	3
	SFI	Skills for Directors and Supervisors in Interpreting Financial Information	3
CHIEN, WEI-LUN	TABF	Corporate Governance and Sustainable Business Program	3
	TIDA	2024 Win-Win of Environment and Economy: Taiwan's ESG Path	3
SUN, JUI-LUNG	CFEDA	How Boards Ensure Corporate Sustainability – Talent Identification and Cultivation	3
	CFEDA	Trump 2.0: Global Challenges	3
KAO, CHIH-CHIEN	NFCPAA	Building Effective AML and CFT Systems	3
	NFCPAA	Sustainability in Internal Controls	3
UENG, TZUU-LIH	TIDA	2024 Independent Director Elite Training – From ESG Transition to Impact Investment and Business Opportunities	3
	TIDA	2024 Independent Director Elite Training – Carbon Pricing Mechanism and Introduction to IFRS Sustainability Standards (S1 & S2)	3

3.2 Ethics & Integrity

Bright-Sheland assigns the HR Department as the dedicated unit for implementing anti-corruption policies. It develops and supervises integrity policies and preventive measures, reporting to the Board annually. The Board and management ensure policies are enforced across internal operations and business activities. Key regulations include the Code of Business Integrity, Integrity Procedures and Guidelines, and the Fraud Reporting and Protection Measures.

● Policy and Procedures

Bright-Sheland has established the Code of Business Integrity and Integrity Procedures and Guidelines based on the Corporate Governance Code for Listed Companies. Approved by the Board and disclosed on the company website, these policies require directors, executives, employees, and related parties to act honestly, comply with integrity principles, and implement the integrity policies in internal operations and external business activities. Board members and senior management conduct company operations in accordance with integrity principles and

report annually to the Board on policy implementation.

The Integrity Procedures and Guidelines define high-risk business activities and provide preventive measures and reporting procedures, including items under Article 7, Paragraph 2 of the Corporate Governance Code. Suppliers are prohibited from illegal business conduct and providing improper benefits or bribes. High-risk suppliers may have contracts terminated and serious violations may be reported to judicial authorities.

Bright-Sheland has established a Fraud Reporting and Protection Measures system, defining prohibited unethical behaviors, reporting procedures, disciplinary measures, and ensuring implementation across all units, supported by regular training and reviews.

● Implementation of Business Integrity

Bright-Sheland conducts due diligence and evaluations of suppliers and clients to prevent engagement with parties involved in unethical conduct. Violations result in immediate cessation of business relations and designation as non-business partners.

The HR Department serves as the dedicated unit for integrity

promotion and oversight, reporting annually to the Board, with the latest report disclosed on the company website (Q4 2024).

The Board Meeting Rules include a conflict-of-interest policy requiring directors to abstain from discussions or voting when personal or representative interests may conflict with company interests. To prevent conflicts, the company enforces the Code of Business Integrity, Integrity Procedures and Guidelines, and Fraud Reporting and Protection Measures. Whistleblowers can report anonymously via the designated channel (hr.sug@filtrafine.com.tw).

Integrity training is mandatory for new managers and above, and management receives annual training on insider trading prevention and fraud reporting, including signing annual integrity declarations.

Integrity Statement Distribution	Distributed	Returned	Return Rate
1. Directors & Independent Directors	5	5	100%
2. Internal Executives	5	5	100%
3. Group Managers	27	27	100%
Total	37	37	100%

● Whistleblowing System

Bright-Sheland operates a dedicated Fraud Reporting and Protection Measures system, providing an independent whistleblowing mailbox (hr.sug@filtrafine.com.tw) accessible to internal and external stakeholders. The channel is publicly disclosed on the company website, and reports are handled according to established procedures. Whistleblower identity and report content are kept confidential, with protection against retaliation ensured.

● Transparency and Disclosure

Integrity policies and procedures are disclosed on the company website and relevant public filings, demonstrating implementation effectiveness.

● Additional Key Information

1. Bright-Sheland complies with the Company Act, Securities and Exchange Act, Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Public Officials' Conflicts of Interest Act, listing regulations, and other relevant laws as a foundation for integrity practices.

2. The Board Meeting Rules include a conflict-of-interest policy,

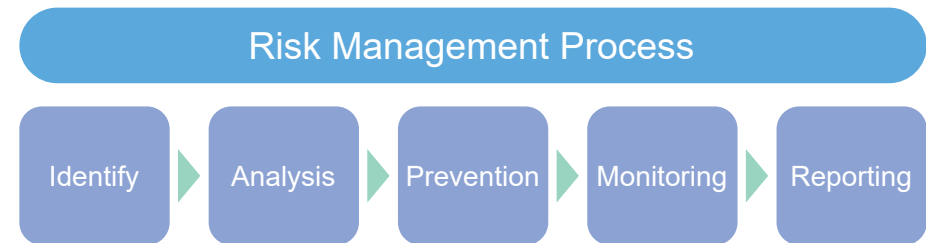
requiring directors to abstain from discussions or voting when personal or representative interests may conflict with company interests.

3. Insider trading prevention and internal material information handling procedures are approved by the Board and publicly disclosed, ensuring proper internal control, consistent external communication, and prevention of improper information disclosure.

4. Directors and executives regularly participate in corporate governance training to enhance oversight capabilities, improve governance effectiveness, and strengthen business integrity.

3.3 Risk Management

Brighe-Sheland International identifies risks across strategy, operations, finance, disaster, social, and governance. By applying transfer, mitigation, and avoidance measures, the Company minimizes risks and captures growth opportunities.



2024 Risk Items and Mitigation Measures		
Dimension	Risk Issues	Mitigation Measures
Strategic	1. Formulation of annual budget, business policies, and investment plans 2. Business strategy and target setting 3. Monitoring achievement of business goals	Board of Directors reviews and approves annual budget, investment directions, and operating performance.
Operational	1. Capacity utilization and production efficiency 2. Raw material price fluctuations 3. Customer sales and gross margin performance	1. Monthly management meetings to review capacity and efficiency. 2. Develop alternative suppliers to avoid over-reliance on few vendors. 3. Monitor product pricing trends; expand customer base to increase market share.

2024 Risk Items and Mitigation Measures

Dimension	Risk Issues	Mitigation Measures
Financial	<ol style="list-style-type: none"> 1. Impact of interest and exchange rate fluctuations on profit/loss 2. Policy and legal changes (domestic & international) 3. Profit/loss management 4. Inventory risk 	<ol style="list-style-type: none"> 1. Natural hedging for FX positions; retain foreign currency assets and adjust based on rate changes. 2. Compliance training and legal updates to prevent insider trading. 3. Regular reporting on receivables, profit/loss; strengthen financial planning and cash flow management. 4. Periodic inventory reporting and control by related departments.
Disaster	<ol style="list-style-type: none"> 1. Cybersecurity risks 2. Environmental/climate change risks 3. Infectious disease impact on production 	<ol style="list-style-type: none"> 1. Establish information security management policies. 2. Maintain backup IT equipment to reduce system downtime. 3. Regular data backup of key files. 4. Conduct GHG inventory (ISO 14064-1) since 2023 to identify reduction opportunities. 5. Invest in solar panels in 2024 (completion expected 2025) to reduce emissions. 6. Promote employee health awareness; implement work-from-home policy to mitigate pandemic risks.
Social	Employee health & safety	Identify and control workplace hazards; apply special management in high-risk areas; provide necessary safety equipment.
Corporate Governance	<ol style="list-style-type: none"> 1. Ethical conduct risks 2. Insufficient transparency in disclosure 	<ol style="list-style-type: none"> 1. Educate new hires on Code of Conduct and integrity. 2. Establish internal whistleblowing mechanism. 3. Regularly update public information and financial statements. 4. Respond promptly to regulator and stakeholder requests via website or sustainability report.

3.4 Certifications

● Quality Management Certifications

We maintain an international-standard quality management

system to ensure product consistency and customer satisfaction. Our system uses audits and feedback to continuously improve our processes, preventing issues and ensuring a quick response.

ISO 9001 : 2015



ISO 13485 : 2016



ASME U Stamp



ASME UM Stamp



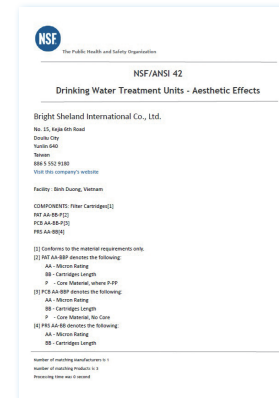
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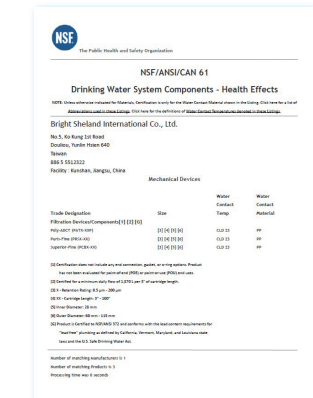
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NSF 42



NSF 61



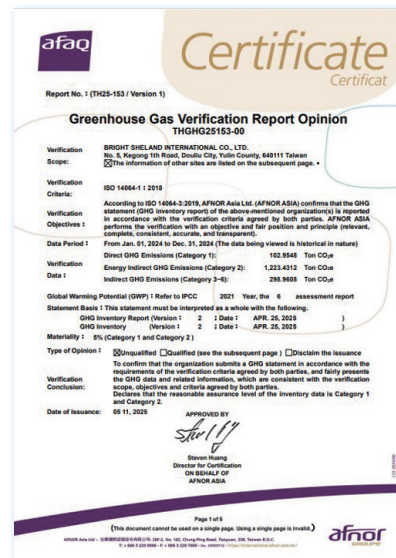
● Environmental Certifications & Audits

Bright-Sheland is dedicated to maintaining a robust environmental management system that ensures our operations align with best practices and the latest local and international regulations. Our system effectively monitors our environmental impact, manages emissions and pollution, and includes a comprehensive emergency response plan to mitigate risks and potential damages. This commitment not only reduces our footprint but also strengthens our brand and supports our sustainable development goals.

ISO 14001 : 2015



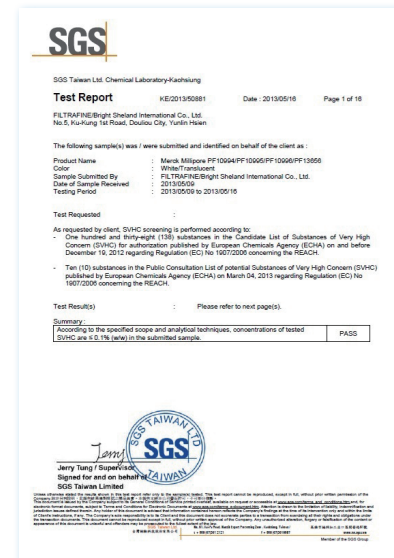
ISO 14064-1 : 2018



● Environmental Certifications & Audits

All products undergo a rigorous validation process before market launch to ensure they meet design specifications and industry standards. This includes performance, dimensional, and material testing to guarantee quality, functionality, and reliability in real-world use. By incorporating customer feedback, we continuously improve our product design. This process ensures quality, protects consumer rights, enhances our reputation, and confirms compliance with all market regulations.

Reach



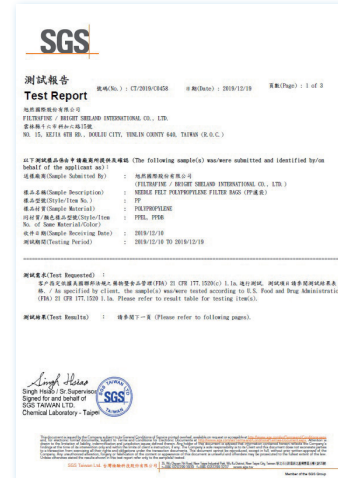
RoHS



Food Contact Certified – EU



Food Contact Certified – FDA



EMC Compliant (EMC)



LVD Compliant (LVD)



3.5 Compliance

Bright-Sheland prioritizes regulatory compliance and integrity in all business operations. We maintain a strong governance framework and use internal channels, training, and awareness campaigns to ensure employees understand and follow all relevant laws and company policies.

We have an anonymous whistleblowing system and clear reporting channels to protect those who report issues.

Each of our facilities has dedicated teams that review environmental and occupational health and safety regulations to ensure full compliance. Any non-compliance is immediately addressed to mitigate operational risk.

To ensure transparency, we define a "significant violation" as a single event with fines of NT\$1 million or more. Such cases are disclosed in our sustainability reports, including our corrective actions, to demonstrate our accountability to stakeholders.

● Annual Compliance Disclosure

- Zero reports of corruption or integrity breaches.
- No significant legal or regulatory violations.
- Full compliance with environmental, social, and labor laws.

3.6 Performance

In 2024, Bright Sheland' s standalone net revenue reached NT\$400,020 thousand, a 5% increase from NT\$382,433 thousand in 2023. Net income after tax was NT\$14,273 thousand, up NT\$10,158 thousand from the previous year. Guided by our core values of integrity, customer service, and pursuit of excellence, we remain committed to delivering the highest customer satisfaction while driving sustainable revenue growth and long-term value for employees, shareholders, and society.

Bright Sheland will continue to focus on developing innovative products and applications, while pursuing vertical integration of the production chain to expand revenue scale, reduce costs, and enhance competitiveness through high-quality products and services.

Historical Financial Performance

(Individual)

Amounts in thousands of NT\$

ITEM	2024	2023	2022
Revenue	400,020	382,433	486,223
Operating Costs	285,153	273,654	348,850
Employee Wages and Benefits	107,294	105,444	107,114
Payments to Investors	10,471	21,780	14,659
Payments to Government	10,689	5,343	6,178

(Consolidated)

Amounts in thousands of NT\$

ITEM	2024	2023	2022
Revenue	699,419	603,591	699,344
Operating Costs	468,478	386,836	466,037
Employee Wages and Benefits	189,751	178,557	174,400
Payments to Investors	10,471	21,780	14,659
Payments to Government	24,833	10,839	10,093

Historical Sales of Major Products

(Individual)

ITEM	2024	2023	2022
Filter Cartridges	205,392	188,070	243,369
Filter Bags	22,240	24,009	29,454
Filter Housings	102,688	109,082	133,286
Others	70,450	61,933	81,159
Returns & Allowances	(750)	(661)	(1,045)
Total	400,020	382,433	486,223

(Consolidated)

ITEM	2024	2023	2022
Filter Cartridges	365,135	336,755	375,650
Filter Bags	23,775	24,855	23,696
Filter Housings	152,088	158,926	192,434
Others	158,421	83,055	107,564
Total	699,419	603,591	699,344



3.7 Innovation & R&D

Filtrafine is committed to advancing filtration products and materials through vertical integration and horizontal expansion strategies. By aligning with market needs and leveraging dedicated

R&D and technical teams, we enhance competitiveness, create new business opportunities, and strengthen long-term growth. Our R&D model follows project-based development, exploring advanced materials, new applications, and customer-driven solutions.

Major Topics	Innovation & R&D
Significance to the Company	We commit to sustainable innovation by building strong R&D capacity, promoting circular economy materials, and advancing energy- and water-efficient processes.
Policies / Commitments	Our R&D teams use a project-based development process to explore new materials and technologies. We aim to be an environmental pioneer by focusing on eco-friendly practices, zero-waste principles, and a circular economy to promote sustainability.
Goals	<ol style="list-style-type: none"> 1. Create a comprehensive database for production technologies, standards, and materials. 2. Launch project-based development cycles, with at least four projects annually covering new products and markets. 3. Enhance market leadership by integrating our process technology from raw materials to finished products. 4. Promote green technology by developing water-saving and waterless production methods. 5. Implement a zero-waste plan for production and a comprehensive filter recycling program. 6. Expand cross-disciplinary technology to various industrial applications. 7. Increase the use of recycled materials to reduce our reliance on petrochemicals and minimize environmental impact.

Major Topics	Innovation & R&D
Key Performance Highlights/Specific Achievements	<ol style="list-style-type: none"> 1. Strengthened R&D project execution through regular design review meetings. 2. Enhanced collaboration between R&D and business units to meet customer needs. 3. Achieved international recognition for differentiated, high-performance, and cost-effective products. 4. Completed 6 new product developments, 3 new equipment projects, and 4 new production lines. 5. Exhibited at ANEX Taipei, Singapore International Water Week, Taipei Water Expo, Vietnam Water Expo, and Filtech Germany. 6. Customer outcomes: extended filter lifespan from 2 to 6 days; initiated recycling and circular economy programs with global clients.
Responsible Departments	<p>R&D Dept. shine.jeng@filtrafine.com.tw</p> <p>Design Dept. chingtao.hsu@filtrafine.com.tw</p>
Evaluation Mechanisms/ Outcome	<ol style="list-style-type: none"> a. CMP slurry cartridge and equipment development. b. PES flat membrane optimization and volume production (0.2μm & 0.45μm). c. FRP membrane housings (standard, high-flow, and bag filter types). d. Semiconductor and specialty chemical filtration product development. e. High-flow semi-automated mesh-wrapping system.

● Innovative R&D Strategy

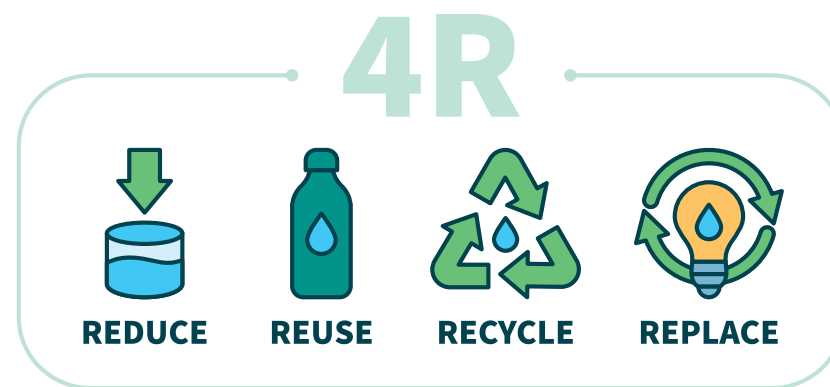
Filtrafine is committed to the R&D and innovation of filtration equipment and materials, continuously adapting to market changes and customer needs. By leveraging integrated resources in materials, technology, equipment, and formulations, and applying project-based development processes, we enhance product performance, ensure stable quality, and deliver differentiated solutions. Through market feedback and close customer collaboration, we optimize technical support and product competitiveness while advancing new materials and technologies. Our growth strategy combines vertical integration and horizontal expansion—building our own brand while partnering with global leaders for co-development and OEM opportunities. Each year, we introduce high-potential products and collaborate with marketing teams through physical products, digital campaigns, and exhibitions to strengthen our market presence.

● Green Development

Bright-Sheland leads Taiwan's filtration industry with a focus on sustainability. We prioritize using eco-friendly materials like recyclable

PP to simplify the recycling process. This initiative is part of our goal to progressively reduce our use of petrochemicals and increase the application of recycled materials, laying the foundation for our 2050 net-zero emissions target.

Our philosophy, "finite resources, infinite regeneration," is based on the 4R principles: Reuse, Reduce, Recycle, and Recover. We have integrated Mono Material recycling into our corporate culture, collaborating with our supply chain to achieve a zero-waste future.



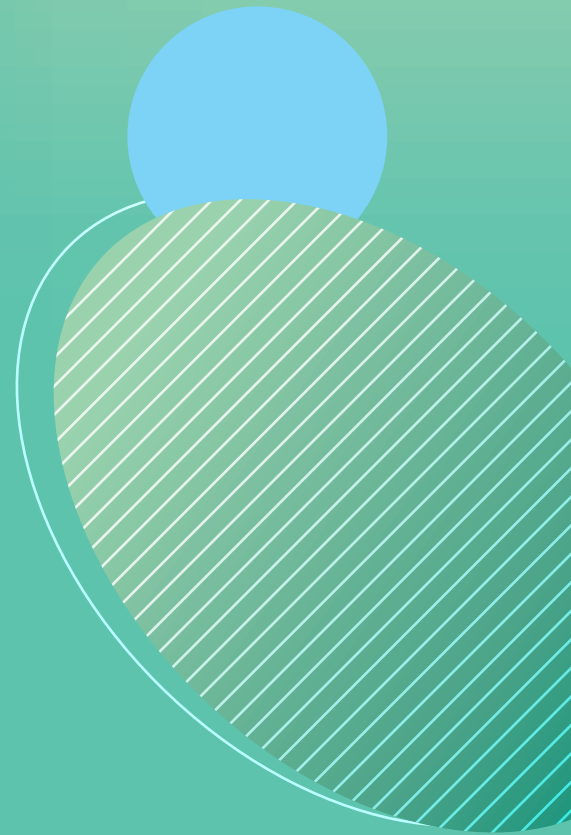


04

Environment

4.1 Climate Action

4.2 GHG Emissions



Important Notes In This Chapter

Major Topics	Greenhouse Gas (GHG) Emissions
GRI Standard	305 Emissions
Significance	In response to climate risks and the global net-zero trend, GHG management helps track carbon footprint, reduce environmental impact, enhance competitiveness, and meet stakeholder expectations.
Policies / Commitments	Since 2023, implemented a GHG Management Policy with inventories conducted under ISO 14064-1.
Goals	Improve accuracy and transparency of carbon inventories, adopt solar and other renewable energy, reduce emission intensity, and strengthen energy resilience.
Evaluation	<ul style="list-style-type: none"> • Annual inventory in line with ISO 14064-1 • Third-party verification of emission data • Results used to guide energy-saving and carbon reduction strategies
Responsible Departments	Sustainability Committee and EHS unit jointly conduct inventories and improvements, monitored through audits and management reviews.
Key Performance Highlights	<ul style="list-style-type: none"> • Completed 2023–2024 inventories, verified by SGS and AFNOR.

04 Environment

4.1 Climate Action

The pace and impact of climate change pose global challenges, with extreme weather events becoming more frequent and severe. The IPCC confirms that such events carry profound risks for societies and ecosystems, presenting critical challenges across industries.

Climate change disrupts water resources, directly impacting the water treatment sector. Bright-Sheland actively addresses sustainability issues and industry trends, reducing operational

impacts while pursuing innovation. By developing sustainable, high-performance water treatment solutions, we aim to enhance resilience and support long-term environmental goals.

In 2024, Bright-Sheland adopted the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) framework, covering governance, strategy, risk management, and metrics & targets. This enables systematic analysis of climate risks and opportunities, guiding strategic responses to strengthen resilience and future growth.

	Governance	Strategy	Risk Management	Metrics & Targets
Act	<ul style="list-style-type: none"> Board oversight of climate-related risks and opportunities. Management's role in assessing and managing climate-related risks and opportunities. 	<ul style="list-style-type: none"> Identification of short-, medium-, and long-term climate-related risks and opportunities. Assessment of their significant impacts on business, strategy, and financial planning. 	<ul style="list-style-type: none"> Processes for identifying and assessing climate-related risks. Processes for managing climate-related risks. 	Disclosure of Scope 1, 2, and 3 emissions.

	Governance	Strategy	Risk Management	Metrics & Targets
Specific Measures	<p>Bright-Sheland's Board of Directors regards climate risks and opportunities as core to the Company's sustainability strategy, overseeing related policies, KPIs, investments, and financial impacts. The Sustainability Committee reports quarterly to ensure climate considerations are integrated into decision-making.</p>	<p>As a leader in filtration solutions, Bright-Sheland identifies short-, medium-, and long-term climate risks and opportunities:</p> <ol style="list-style-type: none"> 1. Short-term (1–3 yrs): Extreme weather and regulatory tightening may disrupt supply chains and raise costs. The Company enhances supply chain resilience and develops advanced eco-efficient filtration solutions. 2. Medium-term (3–5 yrs): Rising demand for sustainable, high-efficiency products drives R&D in low-energy filtration technologies, reducing carbon and pollutant emissions. 3. Long-term (6–10+ yrs): Global market shifts, especially in climate-vulnerable regions, create opportunities for renewable-material and resource-conserving products. Bright-Sheland invests in emerging markets to sustain leadership. <p>Bright-Sheland focuses on maximizing the business value of climate-related opportunities by improving resource efficiency, promoting renewable energy development, accelerating the launch of innovative products and services, expanding market opportunities, and enhancing overall operational resilience.</p> <p>By integrating climate-related risks and opportunities into our business, strategy, and financial planning, we develop targeted action plans to ensure the company achieves long-term sustainable growth and value creation while addressing climate challenges.</p>	<p>The Company applies a structured process to identify, assess, and prioritize climate risks, covering both physical and transition risks. Mitigation measures include facility resilience, diversified supply chains, and innovative product development. Progress is tracked through KPIs such as carbon footprint reduction and resource efficiency improvements.</p>	<p>Since 2023, Bright-Sheland has conducted ISO 14064-1 verified GHG inventories (Scopes 1, 2, and 3). Results guide energy efficiency projects, renewable energy adoption, and supply chain optimization, supporting continuous carbon intensity reduction.</p>

● Risk and Opportunity Identification

Shuh-Ren International designates the Sustainability Development Committee, under the Board of Directors, as the highest governing body for climate-related issues. The committee oversees annual assessments of climate risks and opportunities. Business units identify potential issues and opportunities based on transition and physical risks, evaluate time horizons (short-term: 1–3 years; medium-term: 3–5 years; long-term: 6–10 years), financial impact, severity, likelihood, and adaptive capacity to plan response strategies.

The 2024 assessment identified 7 transition risks, 2 physical risks, and 6 opportunities, presented in a climate risk matrix that maps severity, likelihood, and expected occurrence period. This enables comprehensive evaluation of climate impacts on operations and supports strategy development. Each responsible unit manages and tracks risks/opportunities across three aspects: risk description, potential business/financial impact, and adaptation measures. A financial impact quantification mechanism is under development and will be completed by 2027.

Transition Risks

- Carbon pricing (M)
- Higher electricity costs (S)
- Stricter regulations (S)
- Low-carbon tech costs (M)
- Rising raw material costs (S)
- Market shifts (M)
- Stakeholder pressure (S)

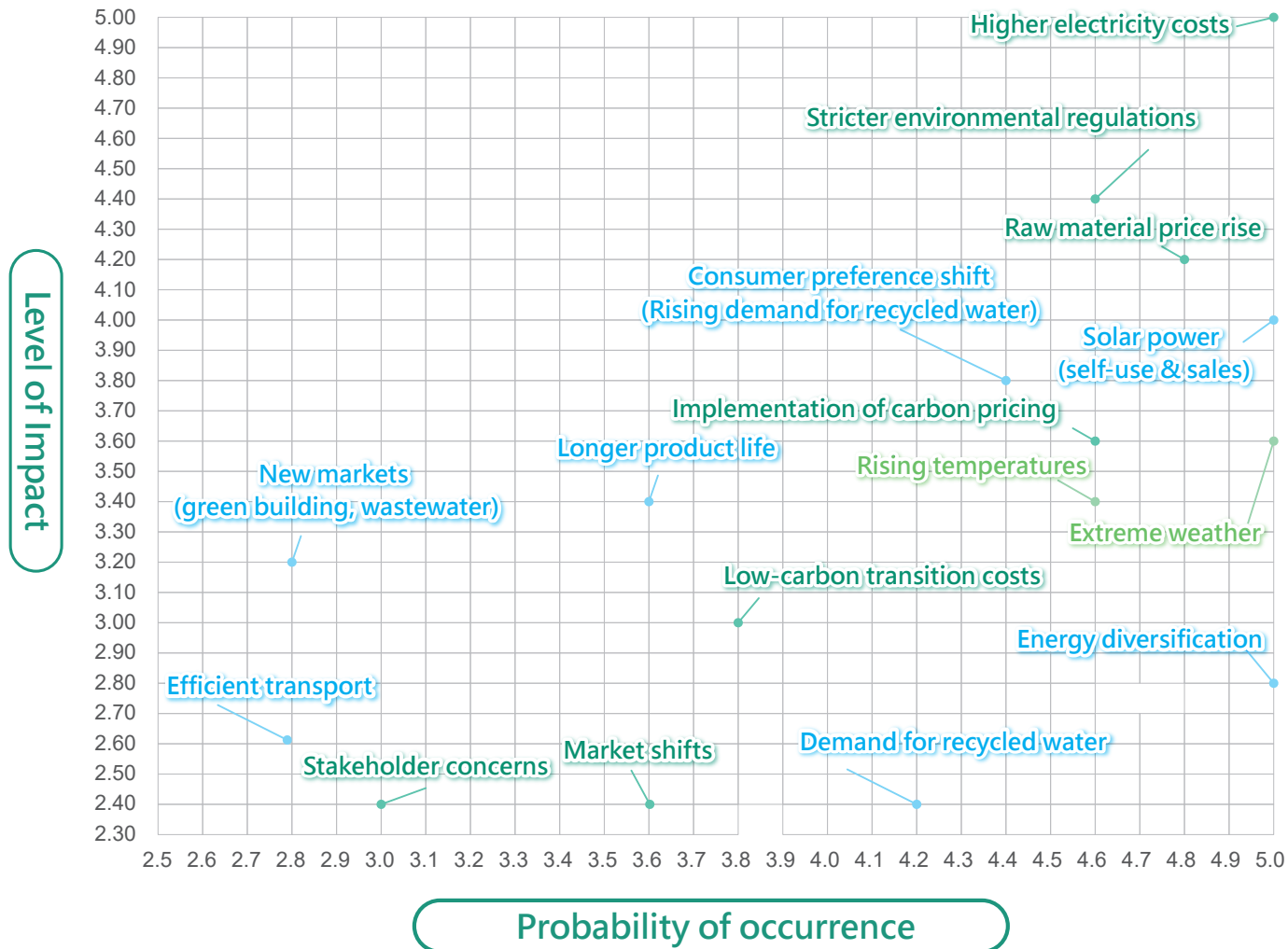
Physical Risks

- Extreme weather (S)
- Rising temperatures (L)

Opportunities

- Rainwater reuse (S)
- Solar power generation (S)
- Demand for recycled water (S)
- Longer product life cycles (S)
- New markets: green buildings, wastewater (L)
- Energy diversification (S)

Climate Change Risks and Opportunities Matrix



● Summary of Risks & Opportunities

Type	Climate-Related Risk	Timeframe	Risk Content Description	Potential Impacts	Response Measures
Transition Risk	Carbon Pricing	Medium	Global adoption of carbon taxes or trading may raise emission costs, especially for energy-intensive manufacturing.	Higher carbon costs could erode product competitiveness and margins, while growing demand for low-carbon products may accelerate market shifts.	<ol style="list-style-type: none"> 1. Implement low-carbon manufacturing processes to enhance energy efficiency and reduce emissions. 2. Increase renewable energy use to lower the carbon footprint and avoid high carbon taxes. 3. Participate in carbon markets to flexibly manage emission quotas and mitigate additional costs.
	Higher Electricity Costs	Short	During the energy transition, higher fossil fuel costs and rising electricity prices may place financial pressure on energy-intensive industries.	Increased electricity costs may raise production expenses, reduce profitability, and affect pricing strategies and competitiveness.	<ol style="list-style-type: none"> 1. Upgrade or replace high-energy equipment with energy-efficient alternatives. 2. Expand on-site renewable generation (e.g., solar panels) to reduce grid dependency. 3. Optimize production schedules to operate during off-peak hours and lower electricity costs.
	Stricter Regulations	Short	Increasingly stringent global regulations (e.g., carbon limits, waste treatment standards) require compliance or risk fines and operational restrictions.	Rising compliance costs, potential investments in equipment upgrades, and risks of fines, operational disruption, or reputational damage if requirements are not met.	<ol style="list-style-type: none"> 1. Monitor and anticipate regulatory changes to ensure timely upgrades in equipment and processes. 2. Strengthen R&D in environmental technologies to optimize product design and reduce environmental impact.
	Low-carbon Tech Costs	Medium	Meeting policy and market demands for low-carbon technologies requires costly R&D and equipment upgrades.	Upfront investment may strain cash flow; delays risk competitiveness loss.	<ol style="list-style-type: none"> 1. Phase in low-carbon technologies to ease financial burden. 2. Strengthen R&D and partnerships to reduce costs. 3. Leverage subsidies or incentives to offset expenses.

Type	Climate-Related Risk	Timeframe	Risk Content Description	Potential Impacts	Response Measures
Transition Risk	Rising raw Material Costs	Short	Climate change may disrupt supply chains, driving raw material price volatility.	Higher costs may erode margins and increase supplier dependency.	<ol style="list-style-type: none"> 1. Diversify supply sources to reduce dependency. 2. Redesign products to use alternative or lower-cost materials. 3. Implement inventory strategies, including early procurement, to mitigate price fluctuations.
	Market Shifts	Medium	Growing demand for sustainable products may reduce competitiveness of traditional filters, with new markets favoring low-carbon, renewable-based solutions.	Delayed product strategy adjustments may result in lost market share; new product development requires significant time and capital.	<ol style="list-style-type: none"> 1. Develop innovative filters with low-carbon and renewable materials. 2. Enhance market research to align product portfolio with emerging trends.
	Stakeholder Pressure	Short	Rising expectations from consumers, investors, and NGOs may lead to reputational risks if climate actions are seen as insufficient.	Potential customer loss, reduced investor confidence, financing difficulties, and increased PR costs.	<ol style="list-style-type: none"> 1. Publish transparent climate disclosures highlighting progress in carbon reduction and sustainability. 2. Engage stakeholders actively and integrate feedback into strategy.
Physical Risk	Extreme Weather	Short	More frequent and intense extreme events may damage facilities, equipment, and logistics, causing production disruptions.	Downtime and supply interruptions could reduce revenue, raise repair costs, and harm customer trust.	<ol style="list-style-type: none"> 1. Upgrade facilities with disaster-resilient infrastructure, including flood defenses. 2. Establish multi-site production and storage centers to spread risk. 3. Secure climate insurance to mitigate financial losses.

Type	Climate-Related Risk	Timeframe	Risk Content Description	Potential Impacts	Response Measures
physical Risk	Rising Temperatures	Long	Higher temperatures may affect filter performance (e.g., cooling or air-quality systems) and increase facility cooling costs.	Shifts in product demand and rising energy consumption may squeeze margins.	<ol style="list-style-type: none"> 1. Develop filters designed for high-temperature conditions. 2. Improve plant energy efficiency through low-energy cooling and natural ventilation. 3. Strengthen customer engagement with tailored high-temperature solutions.

Category		Timeframe	Potential Impacts	Response Measures
Resource Efficiency	Water Savings	Short	Rainwater reuse reduces water costs and enhances resource efficiency.	Collect and pre-filter rainwater for daily and non-critical processes; potable water remains sourced from municipal supply to ensure employee health.
Energy Source	Solar Installation	Short	Solar power lowers electricity costs and generates feed-in tariff income.	Contractor engaged; construction to start March 2025, expected operation by October 2025.
Products & Services	Low-Carbon Products	Short	Growing demand for recycled/reclaimed water boosts sales opportunities and revenue.	Bright-Sheland' s filtration products directly support water reuse, expanding market reach and competitiveness.
Products & Services	Low-Carbon Products	Short	Extending product lifecycle increases value, brand premium, and revenue.	Continue R&D on high-flow filters to extend service life, reduce replacement frequency, and cut plastic use.
Market	Sustainability Value	Long	Entry into new markets (green buildings, wastewater) diversifies revenue and reduces risk.	Invest in liquid filtration innovations to enhance wastewater treatment solutions, expand sustainable water treatment portfolio.
Resilience	Energy Alternatives	Short	Energy diversification (solar) reduces exposure to energy price volatility and supply risks, strengthening resilience and financial stability.	Deploy solar systems to cut grid dependence, lower cooling loads, and reduce air-conditioning demand.

4.2 GHG Emissions

Bright-Sheland acknowledges climate change challenges, including extreme weather and fossil fuel overuse, attracting growing stakeholder attention. Since 2023, the Company has implemented a GHG management policy with annual inventories under international standards and ISO 14064-1 third-party verification, enabling assessment of environmental impacts and setting clear carbon reduction targets to support sustainable transformation.

● GHG Emission Categories and Total Emissions

In line with ISO 14064-1, emissions were categorized into six scopes. In 2024, Scope 1 direct emissions totaled 102.95 t CO₂e, Scope 2 indirect energy emissions reached 1,223.43 t CO₂e, and Scopes 3–6 indirect emissions accounted for 298.96 t CCO₂e.

GHG Emissions Data, 2023–2024		
	2023	2024
Emission Scope	Yuntech Plant 1, Plant 2, Plant 3, and Employee Dormitory	Yuntech Plant 1, Plant 2, Plant 3, Employee Dormitory, Taipei Office, Taichung Office, Kaohsiung Office
Third-Party Verification	SGS	AFNOR
GHG Emission Intensity (metric tons CO ₂ e / million NTD)	3.81	4.06

Emission Category	2023		2024	
	Emissions (tCO ₂ e/ year)	Share (%)	Emissions (tCO ₂ e/ year)	Share (%)
Category 1: Direct GHG emissions & removals	72.4773	4.97%	102.9548	6.33%
1.1 Stationary combustion sources	0.1155	0.01%	0.0627	0.00%
1.2 Mobile combustion sources	7.5622	0.52%	32.4898	2.00%
1.3 Process emissions	0	0	0	0
1.4 Fugitive emissions	64.7996	4.44%	70.4023	4.33%
1.5 Land use, land-use change & forestry	—	—	—	—
Category 2: Energy indirect GHG emissions	1,083.7184	74.31%	1,223.4312	75.27%
2.1 Purchased electricity	1,083.7184	74.31%	1,223.4312	75.27%
2.1 Purchased steam	—	—	—	—
Category 3: Other indirect GHG emissions – Transport	291.8092	20.00%	282.4005	17.37%
3.1 Upstream transportation & distribution	84.7739	5.81%	103.9875	6.40%
3.2 Downstream transportation & distribution	157.0982	10.77%	122.9409	7.56%
3.3 Employee commuting	49.9371	3.42%	55.4721	3.41%
3.4 Customer & visitor transport	Not significant	Not significant	Not significant	Not significant
3.5 Business travel	Not significant	Not significant	Not significant	Not significant

Emission Category	2023		2024	
	Emissions (tCO ₂ e/ year)	Share (%)	Emissions (tCO ₂ e/ year)	Share (%)
Category 4: Other indirect GHG emissions – Use of sold products	10.4630	0.72%	16.5603	1.02%
4.1 Extraction, production & processing of purchased materials	2.7321	0.19%	9.2055	0.57%
4.2 Manufacturing & processing of capital goods	Not significant	Not significant	Not significant	Not significant
4.3 Treatment of solid & liquid wastes	7.7309	0.53%	7.3548	0.45%
Category 5: Other indirect GHG emissions – End-use of products				
5.1 Product use stage	Not significant	Not significant	Not significant	Not significant
5.2 Customer leasing of products	—	—	—	—
5.3 End-of-life treatment of products	Not significant	Not significant	Not significant	Not significant
Category 6: Other indirect GHG emissions – Other sources	—	—	—	—
GHG Composition: Bright-Sheland' s GHG emissions primarily consist of carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), and hydrofluorocarbons (HFCs), with CO ₂ accounting for 95.61% of total emissions.				

● Emission Reduction & Future Planning

As 2023 was the first year of conducting a GHG inventory, limited data prevented setting specific reduction targets. Nevertheless, Bright-Sheland has implemented the following initiatives:

- **Energy Efficiency Improvement:** Implementing energy-saving equipment and enhancing energy use efficiency across factories and offices.
- **Renewable Energy Deployment:** Planning and installing solar energy facilities to support the government's nuclear-free policy and reduce reliance on grid electricity.
- **Supply Chain Management:** Continuously optimizing logistics and supply chain processes, mapping product carbon footprints to identify key opportunities for emission reductions.





05

Social

- 5.1 Workforce Profile
 - 5.2 Talent Development
 - 5.3 Employee Relations & Benefits
 - 5.4 Human Rights
 - 5.5 Health & Safety
 - 5.6 Customer Relations
 - 5.7 Community Engagement
- 

Important Notes In This Chapter

Major Topics	Occupational Health & Safety	Employee Well-being	Talent Development & Training	Customer Satisfaction
GRI Guidelines	403 Occupational Health and Safety	403 Occupational Health and Safety	404 Training and Education	Bright-Sheland Customized Topics
Significance	Ensures a safe and healthy work environment, reduces workplace incidents, and strengthens operational stability and corporate image.	Promotes employee loyalty, engagement, and positive workplace culture.	Enhances employee skills and organizational competitiveness, supporting long-term growth and global operations.	Improves client trust and satisfaction, driving business growth and reinforcing brand reputation.
Policies / Commitments	Implement OHS Policy with "Prevention First, All Participation, Continuous Improvement," incorporating risk-level management and self-management systems.	Follow HR policies and welfare programs to foster a respectful, caring workplace, promoting work-life balance and well-being.	Offer diverse training programs covering professional, managerial, and international competencies; establish industry-academic partnerships and internships.	Focus on customer needs with high-performance products, quality service, and flexible solutions; continuously optimize customer experience.
Goals	Achieve zero major occupational incidents and fatalities; promote workplace improvements and health initiatives.	Provide competitive compensation and benefits, support holistic employee development.	Strengthen skills and cross-functional capabilities; cultivate talent with international perspective and sustainability awareness.	Continuously improve customer satisfaction, maintain efficient supply chains, and establish long-term stable partnerships.
Evaluation	<ul style="list-style-type: none"> Monthly OHS performance review and incident reporting. Regular audits and facility inspections; anomaly reporting. Risk assessment, and corrective tracking. 	<ul style="list-style-type: none"> Employee surveys and interviews. Monitor attendance, turnover, and benefit participation. Review grievance and HR mechanisms. 	<ul style="list-style-type: none"> Track training participation and completion. Annual aggregation of training hours and feedback. Leverage external programs via TTQS system. 	<ul style="list-style-type: none"> Annual customer satisfaction surveys covering delivery, service, Quality, and brand image. regular client visits and technical exchanges. Cross-departmental review of issues.

Important Notes In This Chapter

Major Topics	Occupational Health & Safety	Employee Well-being	Talent Development & Training	Customer Satisfaction
GRI Guidelines	403 Occupational Health and Safety	403 Occupational Health and Safety	404 Training and Education	Bright-Sheland Customized Topics
Responsible Departments	OHS team and General Affairs plan and execute initiatives; internal reporting mechanism established for timely handling of OHS incidents.	Health and Safety	HR Management coordinates training planning and execution; accepts employee suggestions and feedback on courses.	Business units manage customer service and communication; feedback and complaint handling mechanism established.
Key Performance Highlights	<ul style="list-style-type: none"> • No major occupational incidents in 2024; total recordable frequency rate (TRFR) = 0. • Completed risk identification and improvement in 6 highrisk work areas. Conducted 8 OHS trainings with 100% participation. • Completed employee health checks and follow-ups. • Regular fire drills and firstaid trainings conducted with 75 participants. 	<ul style="list-style-type: none"> • Provided psychological support and health promotion; designated personnel for employee care. • All employees received health checks and follow-ups. • 100% coverage of labor/health insurance, group insurance, childcare, and meal subsidies. 	<ul style="list-style-type: none"> • Established industryacademic collaborations with universities (YunTech, Chinese Culture, Tamkang). • Offered in-service training and industry master programs. • Over 30 internal and external training sessions in 2024, totaling 500+ participants. 	<ul style="list-style-type: none"> • Collected 104 customer survey responses in 2024; overall satisfaction 9.15/10, +0.4 YoY. • "Service" and "Overall Image" highly rated. • Promoted low-carbon materials and eco-friendly products to support clients' ESG goals.

05 Social

GRI

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5.1 Workforce Profile

As of December 31, 2024, Bright-Sheland Taiwan had a total of 125 employees, all directly hired as regular staff, with no contractors or subcontracted workers.

Amid the ongoing labor shortage in Taiwan's industry, Bright-Sheland continues to prioritize providing employment opportunities for local talent. Among the workforce, 113 employees are Taiwanese, accounting for 90.4% of the total, while 12 are foreign nationals, representing 9.6%.

Regarding age distribution, employees under 30 make up 16% of the workforce, serving as a key focus for future talent development and vitality; those aged 30–50 account for 69%, forming the core and key execution group; employees over 50 represent nearly 15%, mostly experienced senior staff and leaders responsible for driving company strategy and knowledge transfer.

Bright-Sheland Annual Regular Employee Statistics (2022–2024)

Year			2022	2023	2024
Local Employees	Male	Under 30	8	7	11
		30–50	41	46	41
		Over 50	12	10	12
	Female	Under 30	8	11	6
		30–50	39	37	36
		Over 50	6	5	7
Subtotal (Local)			114	116	113
Foreign Employees	Male		14	12	11
	Female		2	1	1
Subtotal (Foreign)			16	13	12
Total Employees			130	129	125

- To meet the growing workforce demands driven by business performance and production capacity, Bright-Sheland's workforce is primarily composed of employees with practical technical and operational skills. As of December 31, 2024, employees in technical roles accounted for 34% of the total workforce, while administrative positions made up 5%.
- By job level, non-managerial staff represent 82%, and managerial staff 18%, reflecting an organizational structure focused on practical execution with a streamlined management layer.
- In terms of gender distribution, 40% of employees are female and 60% male, showing a stable and representative balance. Bright-Sheland values gender equality and workplace diversity and will continue to enhance a supportive work environment and equal development opportunities.

Bright-Sheland Annual Regular Employee Statistics by Job Level (2022–2024)

Year			2022	2023	2024
Local Employees	Male	Manager & above	16	17	16
		Supervisor & below	10	10	10
		Technical staff	32	31	36
		Administrative staff	3	5	2
	Female	Manager & above	6	7	7
		Supervisor & below	8	8	10
		Technical staff	27	24	19
		Administrative staff	12	14	13
Subtotal (Local)			114	116	113
Foreign Employees	Male	Technical staff	13	11	11
		Administrative staff	1	1	0
	Female	Technical staff	2	1	0
		Administrative staff	0	0	1
Subtotal (Foreign)			16	13	12
Total Employees			130	129	125

- Bright-Sheland adjusts its workforce in line with business growth while enhancing retention to stabilize employment.
- Workforce trends show stable new hires with improved retention, keeping turnover slightly above hiring, reflecting market mobility and industry labor challenges.
- Moving forward, the company will strengthen training, career development, and engagement to enhance stability and resilience.

**Bright-Sheland New Hires and Turnover Rate
(2022-2024)**

Year	New Hires			Departures		
	Local	Non-local	Hiring Rate	Local	Non-local	Turnover Rate
2022	32	7	2.5%	33	6	2.5%
2023	19	8	1.75%	20	10	1.93%
2024	19	4	1.58%	24	5	1.95%

Talent is Bright-Sheland’ s most valuable asset. The company is committed to creating a secure, inclusive, and supportive workplace with a fair compensation and benefits system. It invests in comprehensive training programs, prioritizes occupational safety, and fosters a “safety-first” culture to proactively identify risks. Transparent labor-management communication ensures employee rights and workplace security.

5.2 Talent Development

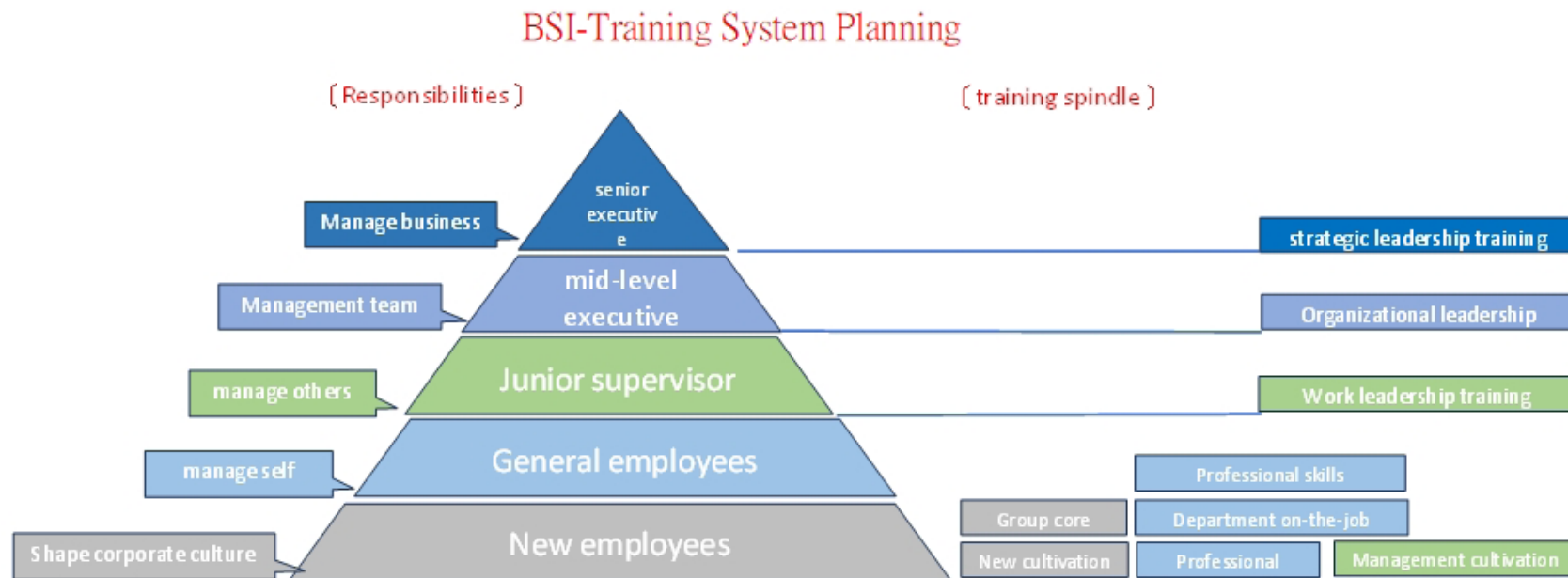
● Talent Development & Training

Certified under the Ministry of Labor’ s TTQS system, Bright-Sheland develops employee skills and leadership while promoting a culture of integrity, accountability, collaboration, and passion. Training focuses on:

- (1) Enhancing skills and product quality through continuous learning.
- (2) Building employees as assets and competitive strengths.
- (3) Ensuring systematic, professional training for multi-skill development.
- (4) Aligning training with corporate strategy and quality goals.

As a Taiwan-based manufacturer and global leader in filtration equipment—including filter cartridges, bags, and systems—Bright-Sheland fosters lifelong learning, provides resources, and builds a learning organization. This approach develops globally competitive technical, professional, and service capabilities.

Departments plan annual training by business needs, covering orientation, management, JOT/JIT technical training, and specialized programs. Since 2023, the company has joined government-supported training, establishing a robust corporate training framework. (as below)



Training and development are introduced as follows:

1. Career Development: Training programs address both management and professional tracks (technical and administrative), with tailored systems to match roles, skills, and development needs.

2. Onboarding & Technical Training

In addition to a comprehensive orientation covering our company history, culture, and policies, new hires receive job-specific technical training. Our production units have a dedicated

skills framework to ensure employees are well-matched to their roles.

3. Management Training and Development

To enhance the skills of our supervisors and administrative managers, we offer a series of courses annually based on operational goals and departmental needs, covering areas like production, sales, human resources, R&D, and finance.

Our training combines both external and in-house courses:



External Training: We select premium courses from external institutions and invite industry experts to conduct on-site training on topics such as leadership, regulatory compliance, core competencies, and industry trends.

Specific courses include "High-Performance Management," "Human Resources Certification," "ESG and Supply Chain Integration," and "Auditing and Legal Compliance for Corporate Governance Officers."



In-house Training: We conduct internal training on topics such as "Medical Device Quality Management System (QMS)," problem-solving, teamwork, accountability, internal auditing, greenhouse gas inventory, and "Incoterms 2020."

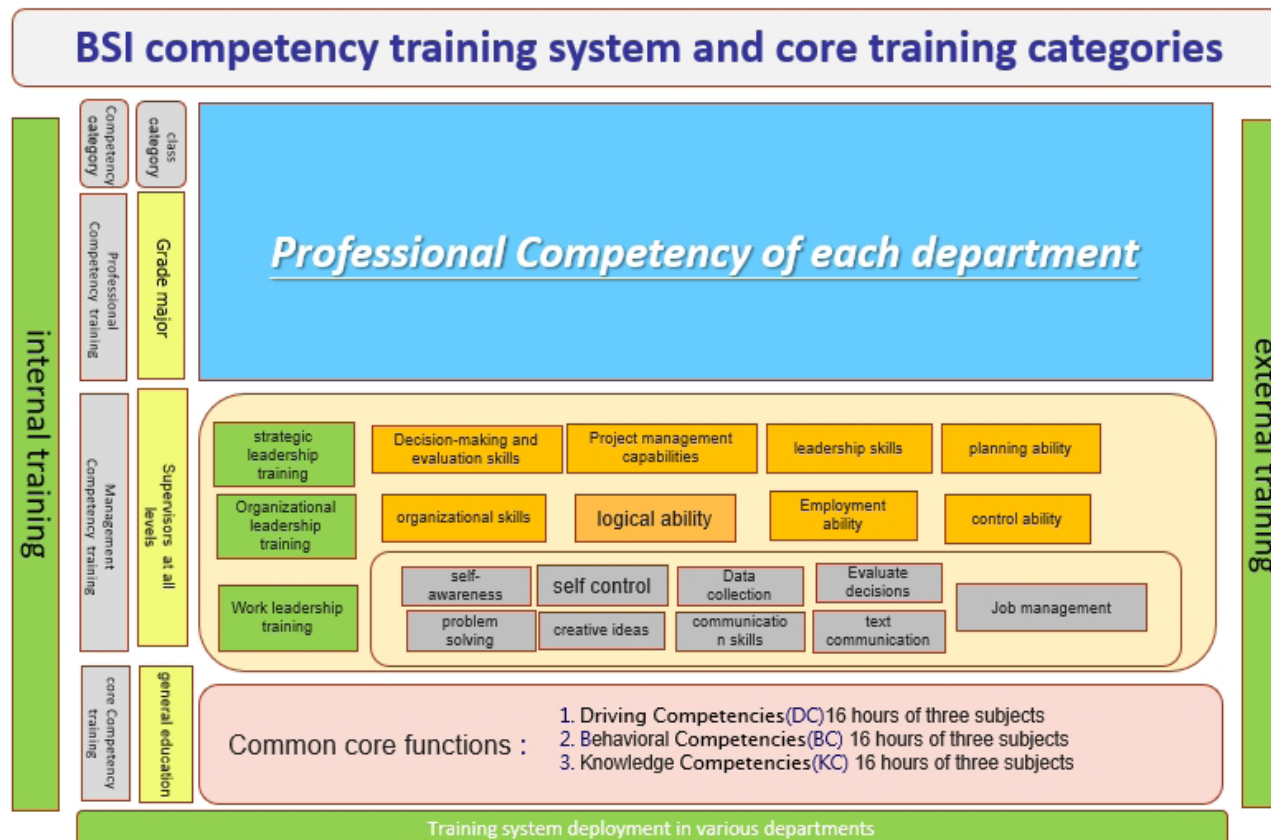
We also offer practical skills courses like "OKR Goal Management," "Labor Law Analysis," "ChatGPT AI Applications for Non-Technical Roles," "Time Management," and "Workplace Data Skills with Excel."

4. Professional Training

Beyond mandatory regulatory courses, each business unit offers specialized training based on its strategic goals. Examples include courses on "Auditing and Legal Compliance for Corporate Governance," "Digital Forensics for Trade Secret Protection," and "CISM Certification." We also offer environmental

courses like "ISO 14001:2015 Environmental Management Systems" and "ISO 14067:2018 Carbon Footprint Management." Our Education and Training Committee oversees and supervises all in-house training programs. We track annual training performance to serve as a basis for future performance reviews and promotions.

5. Bright-Sheland - Training Framework



		2023	2024
Internal Training	Total internal training sessions	10	9
	Total participants	168	133
	Total training hours	98	89
	Total training expenses	\$ 207,155	\$ 135,634
	Average training cost per person per hour	\$ 13	\$ 11
External Training	Total external training sessions	7	11
	Total participants	42	29
	Total training hours	182	174
	Total training expenses	\$ 189,170	\$ 156,025
	Average training cost per person per hour	\$ 25	\$ 31
Onboarding Training	New hires	23	24
	Pre-employment training hours	69	72
	Safety & health training hours	69	72

6. Percentage of Employees Receiving Performance Appraisal and Career Development Review (2023–2024)

Regular Performance Appraisal (2023–2024)

Year	2023	2024
Total Employees	127.5	124.8
Employees Appraised	121.5	86
Percentage	95.3%	68.9%

Career Development Review: Promotions & Pay Grade Adjustments (2023–2024)

Year	2023	2024
Total Employees	127	123
Promotions	3	3
Percentage	2.4%	2.4%
Pay Grade Adjustments	15	105
Percentage	11.8%	85.4%



ESG & Carbon Management Training



ChatGPT AI Applications for Non-Technical Professionals



Medical Device Quality Management System (QMS) Training



ASME Welding Procedures and Welder Qualification Training

5.3 Employee Relations & Benefits

● Compensation and Benefits

1. Insurance and Labor Rights: Bright-Sheland complies with government regulations by providing labor and national health insurance, adjusting contributions as required. The company has established work rules that define rights and obligations between employer and employees, supporting sound labor relations and sustainable business growth.
2. Compensation and Retirement: A fair, transparent pay structure ensures employee stability and growth, covering minimum wage, working hours, insurance, pensions, and statutory benefits. Additional group and liability insurance are provided for specific roles. Employees hired after July 1, 2005, follow the Labor Pension Act. Retired senior managers may be retained as consultants; other retirees may be referred to suitable opportunities.
3. Performance and Promotion: Performance evaluation policies link assessment results to promotions, transfers, salary adjustments, and bonuses.
4. Employee Rewards: Bright-Sheland's reward and discipline policy recognizes outstanding employees and regulates workplace

behavior, fostering team discipline, positive conduct, and higher performance.

5. Employee Welfare Committee: The committee manages benefits including marriage, childbirth, bereavement subsidies, annual and festival bonuses, birthday gifts, and year-end banquets with prize drawings.

6. Salary Adjustments: Salaries are reviewed annually based on business performance and market competitiveness. Adjustments reflect individual performance, maturity, and potential.

2024 Pay Ratio: The ratio of total annual compensation for the highest-paid individual to the median total annual compensation of all other employees.

856%

The ratio of the highest-paid individual's percentage increase in total annual compensation to the median percentage increase for all other employees.

6%

● Labor Relations

1. Employee Insurance: Bright-Sheland provides employees with group accident and employer's liability insurance, supplementing standard labor and health insurance for comprehensive medical coverage.

2. Profit Sharing and Bonuses: Per our Articles of Incorporation, we allocate 3-8% of annual profits for employee bonuses. We share the company's success through annual performance-based year-end bonuses and profit-sharing payouts every August.

3. Lactation Facilities: We support new mothers by providing a dedicated, private lactation room with a refrigerator for their use.

4. Employee Stock Ownership Trust: Since July 2023, Bright-Sheland has implemented an ESOT program (stock code 4556), encouraging long-term retention, wealth management, and retirement security.

5. Library and Reading Space: In April 2024, a library with books and management journals was added alongside the staff cafeteria to foster reading habits and work-life balance.

6. Employee Well-being: Bright-Sheland promotes health and quality of life through annual company trips, participation in Labor Day hikes, marathons, and wellness activities to support physical and mental well-being.

5.4 Human Rights

GRI 2-23 · 2-24 · 2-25 · 2-26

● Bright-Sheland Human Rights Policy Outline

1 Prohibition of Child Labor

We do not employ anyone under 16. Employees aged 16 to 18 are prohibited from working in hazardous roles. their health or safety.

2 Freedom of Employment

We prohibit all forms of forced, bonded, or involuntary labor. Employees have the right to resign with reasonable notice, and we do not withhold personal identification documents.

3 Working Hours

We closely monitor employee working and overtime hours, encouraging staff to manage their workload and take appropriate leave.

4 Wages and Benefits

- All wages meet or exceed local minimum wage standards.
- Overtime is paid at a rate higher than standard wages.
- Paid statutory holidays and leave are provided.

5 Humane Treatment

We have a zero-tolerance policy for harassment, abuse, corporal punishment, mental or physical coercion, or verbal abuse.

6 Non-Discrimination

We do not discriminate in hiring or employment based on race, gender, age, religion, or any other protected characteristic.

7 Freedom of Association

We encourage our employees to actively participate in company, social, and community activities, supporting public welfare initiatives promoted by local governments.

Bright-Sheland adheres to fundamental human rights principles from international guidelines, including the UN Universal Declaration of Human Rights, the UN Global Compact, and the RBA Code of Conduct, in addition to all local laws. To ensure our commitment to human rights, we follow four core principles:

- **Protect:** We safeguard human rights and provide a safe working environment.
- **Respect:** We prohibit all forced and child labor and champion equal opportunity, privacy, and freedom of association. We have a zero-tolerance policy for discrimination and harassment.
- **Remediate:** We maintain open grievance channels and continuously improve our measures to mitigate human rights risks.
- **Manage:** We regularly assess human rights risks in our operations and publicly disclose our governance status to ensure transparency.

● Human Rights and Labor Practices

Bright-Sheland is committed to upholding human rights based on local labor laws and international standards, including the RBA Code

of Conduct. Our policies are designed to ensure fair treatment, dignity, and a safe working environment for all employees.

We have established formal "Work Rules" and related regulations to protect employee rights and ensure fair treatment. We promote open, two-way communication to resolve labor issues, emphasizing a safe work environment and fulfilling our social responsibility.

To prevent and address sexual harassment, we have implemented the "Measures for the Prevention of Sexual Harassment and Disciplinary Procedures", in compliance with the Gender Equality in Employment Act. This policy protects the rights and privacy of all individuals and provides a clear channel for reporting.

Our commitment is embedded in various internal documents and training programs. New employees receive mandatory training on our social responsibility policies, covering:

1. Legal compliance
2. Freedom of employment
3. Humane treatment and non-discrimination
4. Fair wages
5. Training and development opportunities

We have a zero-tolerance policy for sexual harassment, supported by a dedicated hotline. Our policies against child labor and employment discrimination align with both Taiwanese law and international standards.

Bright-Sheland extends its commitment to human rights across our global operations and requires our value chain partners (suppliers, contractors, etc.) to comply with the following principles:

1. Diversity and Inclusion

We have a zero-tolerance policy for all forms of discrimination in hiring and employment.

2. Equal Pay for Equal Work

We ensure equal pay for the same labor, regardless of gender, race, or origin.

3. Working Hours and Wages

We fully comply with legal standards for working hours, overtime, and wages, and provide all mandated benefits.

4. Anti-Forced Labor

We strictly prohibit any form of human trafficking or forced labor.

5. Anti-Child Labor

We comply with all legal requirements regarding the minimum working age to protect the physical and mental development of young people.

6. Humane Treatment

We are committed to treating all employees with dignity and respect. We do not tolerate any form of violence, abuse, or harassment in the workplace.

7. Health and Safety

We provide a safe and healthy working environment by promoting a strong safety culture and continuously improving our management systems to prevent occupational injuries and diseases.

8. Positive Labor-Management Communication

We offer multiple channels for employee feedback, including labor-management meetings and a suggestion box, to promote harmonious relations and protect collective bargaining rights.

9. Supply Chain Responsibility

We expect our suppliers to align with our values and the RBA Code of Conduct, providing safe workplaces, prohibiting child and forced labor, and supporting their employees' work-life balance.

2023–2024 Human Rights Performance		
Human Rights Indicator	Disclosure Metric	Implementation Status
Non-Discrimination	Total number of discrimination disputes	No incidents
Freedom of Association	Risks to freedom of association/ collective bargaining	No restrictions; encouraged
Child Labor	Operations identified with significant risks of child labor, and measures to eliminate child labor	No cases identified
Forced Labor	Operations identified with significant risks of forced or compulsory labor, and measures to eliminate such practices	No cases identified

● Grievance and Remedy Mechanisms

Bright-Sheland provides employees with open channels to

report issues to their supervisors or Human Resources. We have a dedicated hotline and email for sexual harassment complaints to ensure a safe and equitable workplace. All investigations are handled confidentially to protect the privacy and rights of the complainant.

Internal Email	hr.sug@filtrafine.com.tw
Telephone	(05) 551-2322#1309(Audit Office)Or #8320(HR Office)
Written Report	Employee suggestion boxes at all plant locations
In-person Report	HQ Address (Audit Office)Or #8320(HR Office)

● Human Rights and Safety Training

New Hire Training	New employees receive orientation on legal compliance, covering topics like sexual harassment prevention, anti-discrimination, working hours, and humane treatment.
Workplace Violence Prevention	We promote awareness to ensure all employees help prevent workplace violence. A dedicated hotline is available to report issues, fostering a safe environment.
Occupational Safety Training	We offer comprehensive training that includes health and safety education, fire safety, emergency response, and first aid.

● 2024 Key Initiatives and Results

Safe & Healthy Workplace

We eliminate workplace hazards to reduce occupational risks.

- Result: Zero cases of work-related cardiovascular disease.

Fair Compensation & Conditions

We provide fair wages, protect labor rights, and ensure equal opportunity in employment, training, and promotion. We have effective grievance mechanisms to address any issues.

- Result: Zero labor disputes.

Non-Discrimination & Equal Opportunity

We prohibit discrimination based on gender, race, age, or any other factor.

- Result: Zero cases of discrimination in our recruitment process.

No Child Labor

We comply with all labor regulations and manage employee hours to prevent forced labor.

- Result: Zero labor law violations.

No Forced Labor

We comply with all labor regulations and manage employee hours to prevent forced labor.

- Result: Zero labor law violations.

Grievance Mechanisms

We provide multiple communication channels, including a hotline, email, and employee forums, for staff to raise concerns.

- Result: Zero reported complaints.

Well-being & Work-Life Balance

We offer free health check-ups and on-site medical consultations. We also encourage employees to participate in wellness activities like marathons and walks to promote a healthy work-life balance.

- **Result:** Successful participation in the May 1st Labor Day Wellness Walk.

Policy Review & Evaluation

We regularly review our human rights policies to ensure compliance and protect employee well-being and rights.

- **Result:** Zero violations of our human rights policy.

Safety & Health Training

We provide annual safety training plans to enhance employee knowledge. In 2024, a total of 241 employees participated in three training types: new hire, on-the-job, and emergency response.

Employee Health Protection

We offer regular health check-ups and special hazard screenings. In 2024, our health and on-site medical services reached 29 employees.

● Human Rights Due Diligence Process

1. Identifying and Assessing Negative Human Rights Impacts

We assess our entire supply chain, including our head office, group companies, and clients, to identify any human rights violations and determine their severity. If we cannot address all violations at once, we prioritize our response based on the severity and likelihood of the impact. We conduct internal surveys of employees and external surveys of our supply chain to perform this due diligence.

2. Prevention, Mitigation, and Cessation of Impacts

If our operations cause or contribute to a negative human rights impact, we will immediately stop the activity and prevent

it from happening in the future. If immediate cessation is not possible due to contractual or legal reasons, we will provide a clear timeline and phased plan to stop the activity. When our operations are directly linked to an impact, we will use our influence to prevent, mitigate, and end human rights violations.

3. Monitoring Effectiveness

We conduct an annual survey or interview with our employees and suppliers to monitor the effectiveness of our human rights due diligence, covering all relevant human rights and safety topics. The results are analyzed, and we discuss solutions before reporting to the Board of Directors.

4. Communication and Disclosure

We will disclose our due diligence policy, process, and activities on our official website annually. We also maintain a communication channel to engage with affected or potentially affected stakeholders regarding any negative human rights impacts we have caused or contributed to.

● Protection of Migrant Workers' Rights

Bright-Sheland is dedicated to protecting the rights of our migrant workers, adhering to international conventions and local labor laws. We view these employees as invaluable partners who have overcome great challenges to contribute to our success. It is our duty to provide them with a stable, dignified, and rights-respecting work environment where they can grow.

Our comprehensive support covers all aspects of their lives, from recruitment and housing to health and cultural integration. This commitment has led many of our migrant employees to extend their contracts or recommend us to others.

Bright-Sheland's care measures for outsourced migrant workers also include:

- Communication: We provide full-time bilingual interpreters and dedicated communication platforms for easy dialogue.
- Medical Care: We offer immediate transportation and assistance for medical appointments.
- Cultural Support: We provide access to local shopping and familiar cuisine to help with homesickness

- On-site Services: We arrange professional assistance for cross-border remittances and package delivery.
- Housing & Wellness: We provide safe, clean dormitories with regular maintenance and safety checks. We also offer recreational spaces, including a library.
- Listening to Their Voices: We hold regular meetings to listen to and address their needs.
- Health: We provide general healthcare, annual physical exams, and other specialized health screenings.
- Professional Growth: We offer an internal welding certification program to help them develop skills.
- Recognition: We nominate outstanding migrant employees for government awards, consistently resulting in well-deserved recognition and financial rewards.

5.5 Health & Safety

Bright-Sheland is committed to creating a healthy and safe work environment for our employees by implementing the ISO 45001 management system and complying with all relevant laws and regulations. Our key initiatives include:

1. Establishing a Safety Management System :

Our dedicated department develops safety policies, conducts regular risk assessments, and ensures the work environment meets all occupational health and safety standards.

2. Employee Training :

We provide regular health and safety training to ensure employees understand safety protocols, emergency procedures, and protective measures. We also share recent safety news to keep safety awareness a top priority.

3. Risk Control Measures :

We identify and control workplace hazards and manage high-risk areas with necessary safety equipment, such as protective clothing, earplugs, and goggles, to ensure full employee protection.

4. Accident Reporting and Investigation :

We have a system to quickly respond to and investigate accidents to identify root causes. This ensures we can prevent similar incidents and minimize harm and stress for our employees.

5. Health Monitoring and Care :

We conduct regular health check-ups and screenings for all employees. In partnership with Dalin Tzu Chi Hospital, an on-site physician visits quarterly, and a nurse visits four times a month to provide health promotion, ergonomic hazard prevention, violence prevention, and maternal health protection services.

6. Continuous Improvement :

We maintain a physical and anonymous mailbox for employee feedback on safety. We use this feedback to continuously optimize our safety management system and conduct regular safety drills to ensure ongoing improvement.

By implementing these measures, Bright-Sheland strives to achieve a "zero-disaster" goal. Our commitment is reflected in our active promotion of 6S practices (Sort, Set in order, Shine,

Standardize, Sustain, and Safety). In 2024, our dedication was recognized when we were selected by the Yunlin Science Park Enterprise Association and the Ministry of Labor' s Occupational Safety and Health Administration to co-host a safety observation event, showcasing our achievements and commitment to workplace safety to our industry peers.



5.6 Customer Relations

● Customer Privacy Protection Policy

Bright-Sheland is committed to protecting customer data and confidential information. We have established a privacy policy based on the Personal Data Protection Act and our internal information security management to ensure customer privacy is protected from unauthorized use or disclosure.

- We use multi-layered security, including encryption, firewalls, and access controls, to prevent unauthorized access or data leaks. All sensitive information requires authorization to be viewed or transmitted, and a strict tracking mechanism ensures data integrity.
- We hold employees accountable for data protection by requiring them to sign confidentiality agreements and providing regular security training. We will not disclose, use, or transfer customer information without explicit authorization or a legal requirement.
- We will continue to review and enhance our data protection policies, integrating both procedural and technical improvements to ensure our clients have trustworthy data security and privacy.

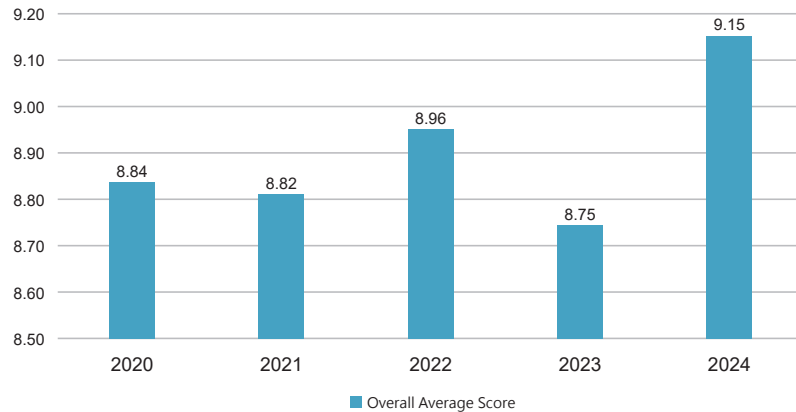
● Customer Satisfaction

Customer satisfaction is the foundation of our business. We build client confidence through comprehensive surveys, regular visits, technical exchanges, and exceptional service. This not only drives our innovation but also helps our clients become more competitive.

We provide high-performance materials, stable supply chains, flexible customization, and diverse solutions. We use professional technical support to help clients understand our products and collaborate on new developments. We value feedback and use a two-way communication system to optimize our R&D, manufacturing, and service quality.

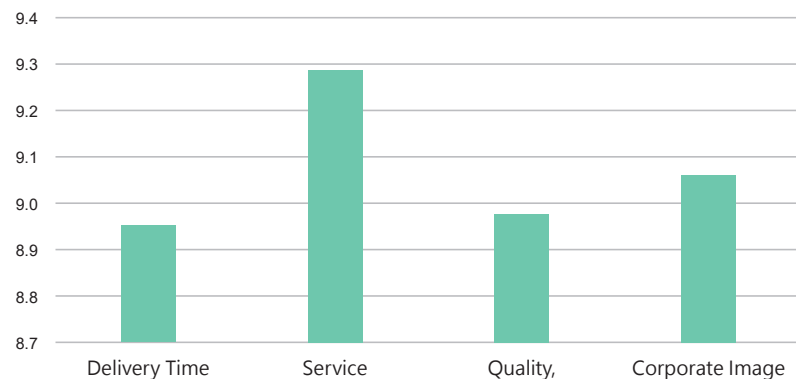
To ensure a rapid response, we have a Customer Complaint Handling Procedure and conduct an annual Customer Satisfaction Survey. The survey, which covers delivery time, service, quality, and corporate image, received 104 responses in 2024. The overall satisfaction score was 9.15, a significant increase from 8.75, with "service" and "corporate image" receiving high praise. We hold regular inter-departmental meetings to address feedback and improve.

Customer Satisfaction Score



Customer Satisfaction over the years

Average Project Score



Average customer satisfaction score in 2024

Looking ahead, we will strengthen customer relationships with innovative, eco-friendly solutions. We will enhance our data analysis and management to quickly respond to market demands, improve supply chain efficiency, and exceed customer expectations.

We are also integrating sustainability as a core principle, promoting low-carbon materials and eco-friendly products to help clients achieve their ESG goals. By co-innovating with clients, we will create long-term value and set a new standard for sustainable development in the filtration industry.

5.7 Community Engagement

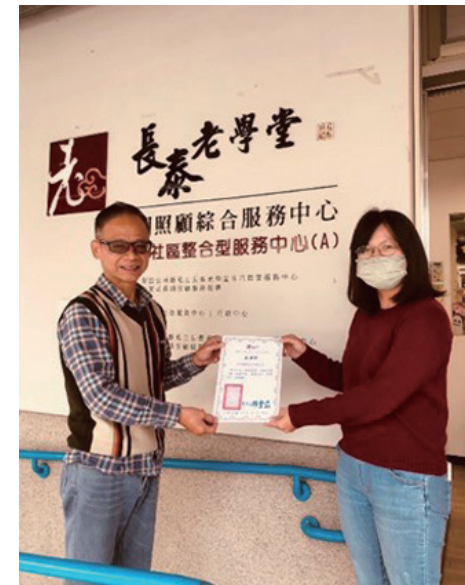
Bright-Sheland is committed to giving back to our community. We invest resources and engage in various activities, from donations and business initiatives to industry-academia collaborations, to promote local development and employment. By prioritizing local hires, we strengthen our ties to the community and foster a sense of shared success.

● Community Care and Charity

We consistently support public welfare initiatives focused on medical care, long-term care, and services for individuals with

disabilities. In December 2024, we donated three boxes of face masks to a care center for the disabled, a senior welfare association,

and a long-term care center in Yunlin County. In the future, we will continue to support our community through concrete actions, fulfilling our corporate social responsibility and fostering a shared vision of well-being.



● Public Safety Equipment Donations

- In 2023, we collaborated with the Yunlin Science Park Enterprise Association to donate a fire department command vehicle.
- In 2024, we donated a disaster investigation vehicle, significantly boosting the region's firefighting and disaster response capabilities.

● Industrial Park Blood Drive

To promote community health and social responsibility, Bright-Sheland hosted a blood drive on December 13, 2024. Organized in partnership with the Yunlin Science Park Enterprise Association, the event encouraged participation from local businesses, employees, and residents. The event successfully collected 2,500cc of blood from 19 donors, demonstrating our commitment to positive social interaction and community support.



● Encouraging Employee Participation

We encourage employees to participate in local events like the Gukeng Green Tunnel Walk to promote a healthy work-life balance and strengthen their connection to the community.

● Commitment to Local Employment

Our headquarters is located in the Yunlin Science Park in Douliu City, Yunlin County. Over 80% of our employees are local residents, primarily from Douliu and surrounding areas. By prioritizing local hiring, we not only fulfill our commitment to local operations but also provide stable employment opportunities, strengthening our bond with the community.

● Fostering Industry-Academia Collaboration

Bright-Sheland is dedicated to nurturing local talent through various industry-academia programs:

• Enhanced University Partnerships :

We collaborate with National Yunlin University of Science and Technology to offer observation and internship opportunities, helping students gain practical experience.

- **Support for Vocational Education :**

In 2024, we offered five spots in an industry-academia program for vocational high school graduates in Yunlin, providing hands-on training and career opportunities.

- **Career Exploration Program :**

On July 18, 2024, we partnered with the Yunlin County Government to host a career exploration event, inviting 43 young people to tour our factory and learn about the manufacturing process.

- **Applied Research :**

Starting September 1, 2024, we partnered with Tamkang University on a "Membrane Filtration Trial and Application" project, providing an annual grant of NT\$240,000 to support the research.

- **Master's Program Collaboration :**

We are co-sponsoring a "Textile Industry Master's Program" with Chinese Culture University (Sept. 1, 2024 - July 31, 2027), providing a total of NT\$300,000 in funding to cultivate high-level technical talent.





06

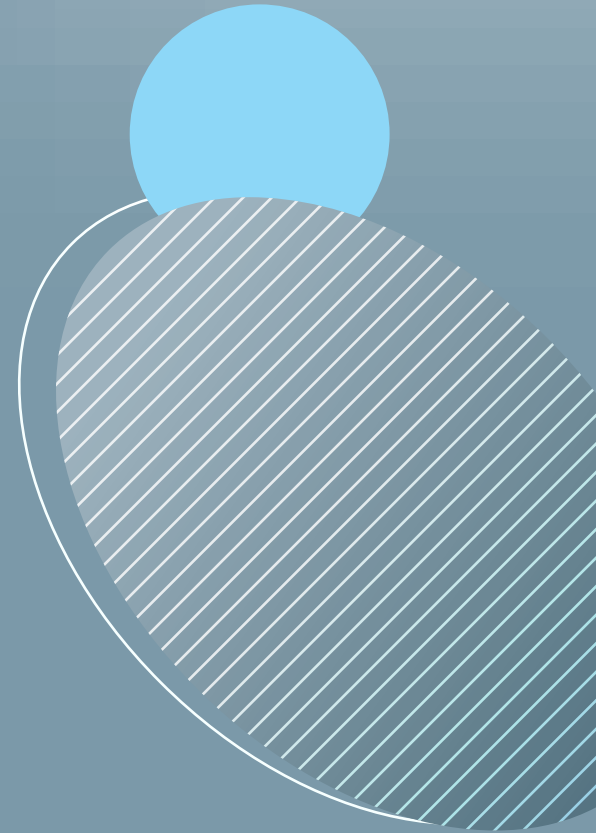
Appendix

6.1 GRI Index

6.2 SASB Index

6.3 TCFD Index

6.4 Climate Disclosures



06 Appendix

6.1 GRI Index

Statement of Use	Bright Sheland has reported the information for the period January 1 to December 31, 2024 in accordance with the GRI Standards.
GRI 1 Used ¹	GRI 1: Foundation 2021
Applicable GRI Sector Standards	None

● GRI 2 : General Disclosures(2021)

GRI Standard	Disclosure Item	Section / Description	Page	Omission
GRI 2-1	Organizational details	About this Report	2	
GRI 2-2	Entities included in the organization' s sustainability reporting	About this Report	2	
GRI 2-3	Reporting period, frequency, and contact point	About this Report	2	
GRI 2-4	Restatements of information	About this Report	2	
GRI 2-5	External assurance	About this Report	2	
GRI 2-6	Activities, value chain, and other business relationships	2.1 Overview	20	
GRI 2-7	Employees	5.1 Workforce Profile	67	
GRI 2-8	Workers who are not employees	5.1 Workforce Profile	67	

GRI Standard	Disclosure Item	Section / Description	Page	Omission
GRI 2-9	Governance structure and composition	3.1 Board of Directors	30	
GRI 2-10	Nomination and selection of the highest governance body	3.1 Board of Directors	30	
GRI 2-11	Chair of the highest governance body	3.1 Board of Directors	30	
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	1.1 Sustainability Task Force	8	
GRI 2-13	Delegation of responsibility for managing impacts	1.1 Sustainability Task Force	8	
GRI 2-14	Role of the highest governance body in sustainability reporting	1.1 Sustainability Task Force	8	
GRI 2-15	Conflicts of interest	3.1 Board of Directors	30	
GRI 2-16	Communication of critical concerns	1.1 Sustainability Task Force	8	
GRI 2-17	Collective knowledge of the highest governance body	3.1 Board of Directors	30	
GRI 2-18	Evaluation of the performance of the highest governance body	3.1 Board of Directors	30	
GRI 2-19	Remuneration policies	3.1 Board of Directors 5.3 Employee Relations & Benefits	30 76	
GRI 2-20	Process to determine remuneration	3.1 Board of Directors 5.3 Employee Relations & Benefits	30 76	
GRI 2-21	Annual total compensation ratio	5.3 Employee Relations & Benefits	76	
GRI 2-22	Statement on sustainable development strategy	Leadership Statement	5	
GRI 2-23	Policy commitments	2.3 Philosophy/ 5.4 Human Rights	25 / 78	

GRI Standard	Disclosure Item	Section / Description	Page	Omission
GRI 2-24	Embedding policy commitments	2.3 Philosophy/ 5.4 Human Rights	25 / 78	
GRI 2-25	Processes to remediate negative impacts	3.2 Ethics & Integrity / 5.4 Human Rights/ 5.5 Health & Safety	78	
GRI 2-26	Mechanisms for seeking advice and raising concerns	3.2 Ethics & Integrity / 5.4 Human Rights/ 5.5 Health & Safety	78	
GRI 2-27	Compliance with laws and regulations	3.5 Compliance	45	
GRI 2-28	Membership associations	2.5 External Engagements	26	
GRI 2-29	Approach to stakeholder engagement	1.2 Stakeholder Engagement	9	
GRI 2-30	Collective bargaining agreements			Not applicable/ We has not signed a collective agreement with its employees

● GRI 3 : Material Topics 2021

GRI Standard	Disclosure Item	Section / Description	Page
GRI 3: Material Topics	3-1P rocess to determine material topics 3-2 List of material topics	1.4 Identification of Material Topics	12

GRI Standard	Disclosure Item	Section / Description	Page
Corporate Governance – Business Performance			
GRI 3: Material Topics	3-3 Management of material topics	3. Governance	27
201 Economic Performance	201-1 Direct economic value generated and distributed	3.6 Performance	46
	201-2 Financial implications and other risks and opportunities due to climate change	4.1 Climate Action	53
Corporate Governance – Ethical Business			
GRI 3: Material Topics	3-3 Management of material topics	3. Governance	27
205 Anti-corruption	205-2 Communication and training about anti-corruption policies and procedures	3.2 Ethics & Integrity	39
Environmental – GHG Emissions			
GRI 3: Material Topics	3-3 Management of material topics	4. Environment	51
305 Emissions	305-1 Direct (Scope 1) GHG emissions	4.2 GHG Emissions	60
	305-2 Energy indirect (Scope 2) GHG emissions		
	305-3 Other indirect (Scope 3) GHG emissions		
	305-4 GHG emissions intensity		
Social- Occupational Health & Safety 、 Employee Well-being			
GRI 3: Material Topics	3-3 Management of material topics	5. Social	64

GRI Standard	Disclosure Item	Section / Description	Page
403 Occupational Health and Safety	403-1 Occupational health and safety management system	5.4 Human Rights 5.5 Health & Safety	78 85
	403-4 Worker participation, consultation, and communication on occupational health and safety		
	403-5 Worker training on occupational health and safety		
	403-6 Promotion of worker health		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
	403-9 Work-related injuries		
Social- Talent Development & Training			
GRI 3: Material Topics	3-3 Management of material topics	5. Social	64
404 Training and Education	404-2 : Programs for upgrading employee skills and transition assistance programs	5.2 Talent Development	69
		5.3 Employee Relations & Benefits	76
Corporate Governance -Strategic Development			
GRI 3: Material Topics	3-3 Management of material topics	Leadership Statement	5
Corporate Governance - Risk Management			
GRI 3: Material Topics	3-3 Management of material topics	3. Governance	27
Corporate Governance - R&D and Innovation			
GRI 3: Material Topics	3-3 Management of material topics	3. Governance	27
Corporate Governance - Customer Satisfaction			
GRI 3: Material Topics	3-3 Management of material topics	5. Social	64

6.2 SASB Index

Topic		Code	Accounting Metric	Category	Unit of Measure	Response
Accounting Metrics	Energy Management	RT-IG-130a.1	Total energy consumed	Quantitative	Gigajoules (GJ)	462.8697
			Percentage grid electricity	Quantitative	Percentage (%)	100%
			Percentage renewable energy	Quantitative	Percentage (%)	0%
	Employee Health & Safety	RT-IG-320a.1	Total Recordable Incident Rate (TRIR) for direct employees	Quantitative	Rate	0
			Fatality rate for direct employees	Quantitative	Rate	0
			Near Miss Frequency Rate (NMFR) for direct employees	Quantitative	Rate	0
			Total Recordable Incident Rate (TRIR) for contract/indirect employees	Quantitative	Rate	0
			Fatality rate for contract/indirect employees	Quantitative	Rate	0
			Near Miss Frequency Rate (NMFR) for contract/indirect employees	Quantitative	Rate	0
	Fuel Economy & Use-Phase Emissions	RT-IG-410a.1	Sales-weighted fuel consumption for medium- and heavy-duty vehicle fleet	Quantitative	Gallons per 1,000 ton-miles	Not applicable
		RT-IG-410a.2	Sales-weighted fuel consumption for non-road equipment	Quantitative	Gallons per hour	Not applicable
		RT-IG-410a.3	Sales-weighted fuel consumption for stationary generators	Quantitative	Gallons per kilowatt-hour	Not applicable

Topic		Code	Accounting Metric	Category	Unit of Measure	Response
Accounting Metrics	Fuel Economy & Use-Phase Emissions	RT-IG-410a.4	Sales-weighted emissions of (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines for: (1) Nitrogen oxides (NOx), (2) Particulate matter (PM)	Quantitative	Grams per kilowatt-hour (g/kWh)	Not applicable
	Materials Sourcing	RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	Discussion & Analysis		The key raw material for filter elements, filtration membranes, is primarily controlled by major international manufacturers in the U.S., Japan, and Germany. Thus, high-end membranes still rely on imports, making lead times less predictable and procurement costs sensitive to exchange rate and logistics fluctuations. Since 2019, the company has invested in upstream filtration materials, PP short fibers, and melt-blown materials, both to secure its own supply and to sell to strategic partners.
	Remanufacturing Design & Services	RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	Quantitative	Amount	The company does not sell such products.
Activity Metrics		RT-IG-000.A	Number of units produced, by product category	Quantitative	Units	Filter media: 3,687 thousand pieces; Filters: 18 thousand units (consolidated data)
		RT-IG-000.B	Number of employees	Quantitative	Headcount	268 (consolidated data)

6.3 TCFD Index

Pillar	TCFD Disclosure Item	Corresponding Section
Governance	Board oversight of climate-related risks and opportunities	4.1 Climate Action
	Management' s role in assessing and managing climate-related risks and opportunities	4.1 Climate Action
Strategy	Climate-related risks and opportunities identified over the short, medium, and long term	4.1 Climate Action
	Impact of climate-related risks and opportunities on the organization' s businesses, strategy, and financial planning	4.1 Climate Action
	Resilience of the organization' s strategy, taking into consideration different climate-related scenarios	4.1 Climate Action
Risk Management	Processes for identifying and assessing climate-related risks	4.1 Climate Action
	Processes for managing climate-related risks	4.1 Climate Action
	How processes for identifying, assessing, and managing climate-related risks are integrated into the organization' s overall risk management	4.1 Climate Action
Metrics & Targets	Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	4.1 Climate Action
	Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas emissions, and the related risks	4.1 Climate Action
	Targets used by the organization to manage climate-related risks and opportunities, and performance against targets	4.1 Climate Action

6.4 Climate Disclosures

● Climate Action & Performance

No.	Disclosure Item	Report Section
1.	Board and management oversight of climate-related risks and opportunities	4.1 Climate Action
2	Impacts of identified climate risks and opportunities on business, strategy, and finance (short/medium/long term)	4.1 Climate Action
3	Financial impacts of extreme weather and transition actions	4.1 Climate Action
4	Integration of climate risk processes into overall risk management	4.1 Climate Action
5	If scenario analysis is used: disclose scenarios, assumptions, and key financial impacts	In progress
6	If transition plans exist: disclose details, indicators, and targets	In progress
7	If internal carbon pricing is applied: disclose basis	In progress
8	If climate targets are set: disclose scope, timeline, progress, offsets/RECs if used	In progress
9	Greenhouse gas inventory and assurance, as well as reduction targets, strategies, and action plans (also reported in Sections 1-1 and 1-2).	<p>We've completed our greenhouse gas (GHG) inventory and third-party assurance ahead of the regulatory deadline. See Section 4.2 for details.</p> <p>Our GHG reduction targets and strategies will be developed and implemented in line with the government's "Sustainable Development Roadmap.</p>

● 1-1 GHG Inventory and Assurance (Past Two Years)

1-1-1 Greenhouse Gas Inventory

Explain the greenhouse gas (GHG) emissions for the most recent two years in metric tons of CO₂e , including intensity (CO₂e/million NTD) and data scope.

	2023	2024
Inventory Scope	YunTech Plant 1, Plant 2, Plant 3, and Employee Dormitories	YunTech Plant 1, Plant 2, Plant 3, Employee Dormitories, Taipei Office, Taichung Office, Kaohsiung Office
Scope 1 (tCO ₂ e)	72.4773	102.9548
Scope 2 (tCO ₂ e)	1,083.7184	1,223.4312
Scope 3 (tCO ₂ e)	302.2722	298.9608
GHG Emission Intensity (tCO ₂ e/Million NT\$ Revenue)	3.81	4.06

1-1-2 GHG Verification Information

Include the scope, verification body, standards, and opinion.

	2023	2024
Scope	YunTech Plant 1, Plant 2, Plant 3, and Employee Dormitories	YunTech Plant 1, Plant 2, Plant 3, Employee Dormitories, Taipei Office, Taichung Office, Kaohsiung Office
Provider	SGS	AFNOR
Statement	Total GHG 1,458.468 tCO ₂ e assured per ISO 14064-1:2018; Scope 1 & 2 reasonable, Scope 3 limited.	Total GHG 1,625.347 tCO ₂ e assured per ISO 14064-1:2018; Scope 1 & 2 reasonable, Scope 3 limited.

● 1-2 GHG Reduction Targets, Strategies, and Action Plans

Please state the baseline year and its data, the GHG reduction target, strategies, action plans, and progress toward the goal.

In accordance with regulations, our company's baseline year will be no later than 2026. Starting then, we will disclose our current-year GHG reduction targets, strategies, and specific action plans, as well as the prior year's progress. These plans will be continuously adjusted based on policy and practical needs.



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