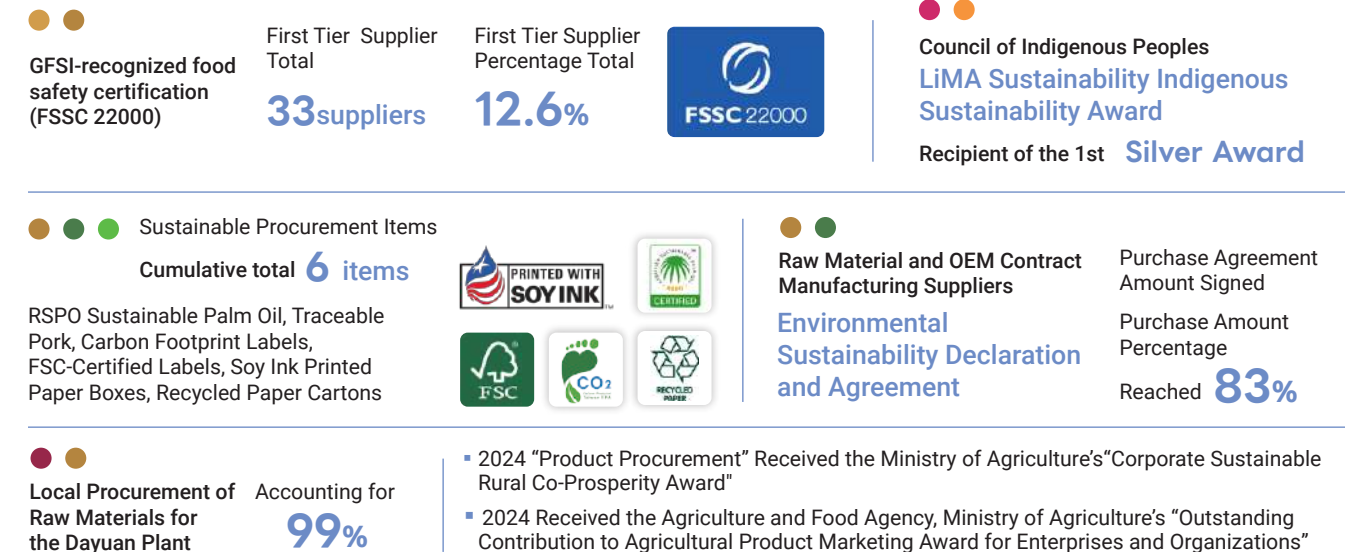


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Collaborative Engagement

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Performance Highlights



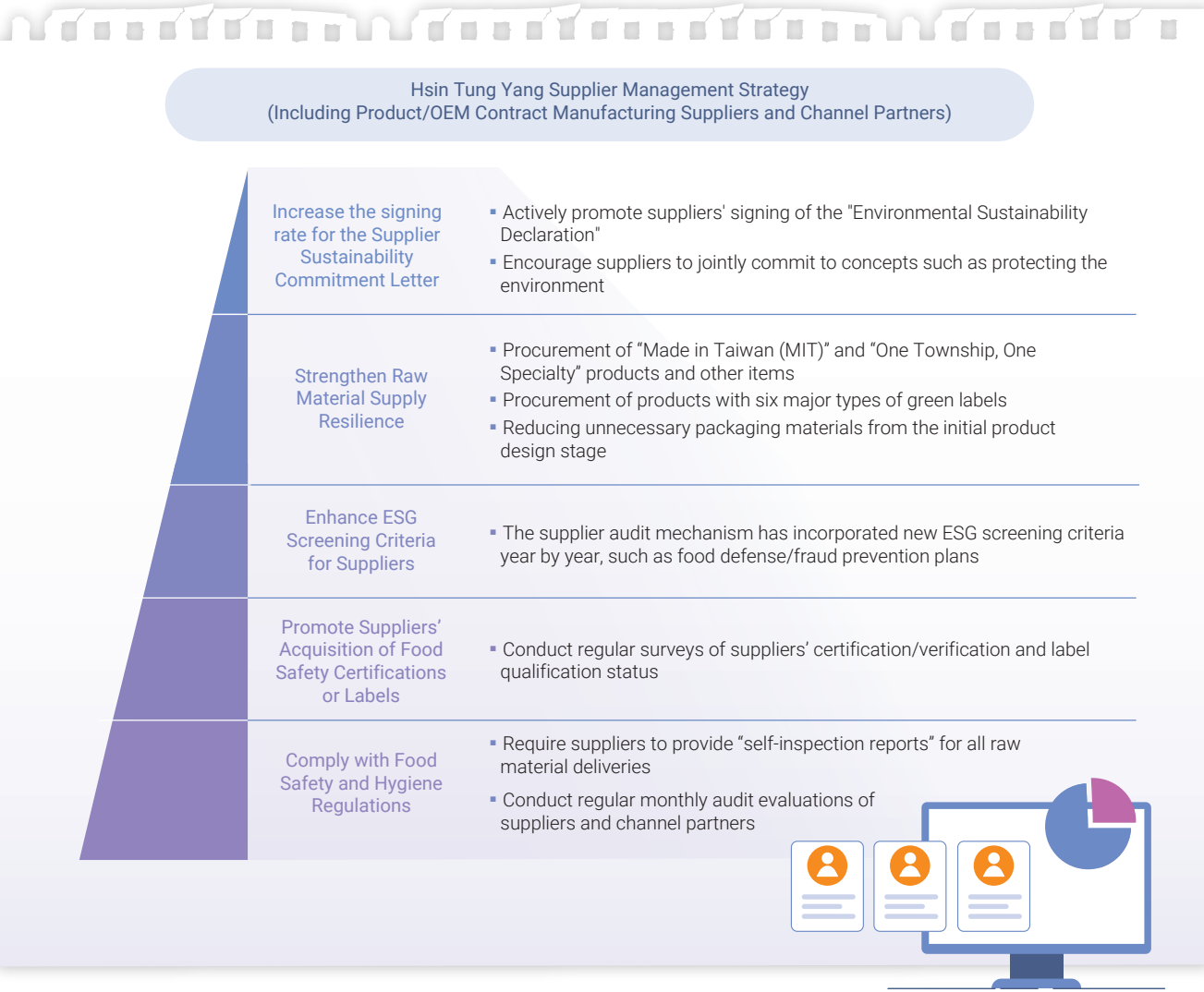
Policy Commitment	Promote green procurement, with priority given to products certified with the Environmental Label, Energy-Saving Label, and FSC, RSPO, and Green Building Materials labels.
Organizational Vision	Establish a sustainable supply chain management mechanism by incorporating environmental sustainability into the supplier screening process and ensuring that the materials used in products are environmentally friendly, thereby reducing harm to the environment and human health.

Management Actions	2025 Targets	2025 Cumulative Performance	Achievement Status	Short-term Targets (2026)	Mid-term Targets (2030)	Long-term Targets (2050)
Supplier Management and Auditing	Supplier evaluations completed for >90% of suppliers.	Supplier evaluations completed for 100% of suppliers .	Achieved	Complete supplier evaluations for 100% of suppliers . Conduct on-site audits for 90% of key raw material suppliers accounting for the top 25% of procurement spending .	Complete supplier evaluations for 100% of suppliers. Conduct on-site audits for 95% of key raw material suppliers accounting for the top 25% of procurement spending .	Complete supplier evaluations for 100% of suppliers. Conduct on-site audits for 95% of key raw material suppliers accounting for the top 50% of procurement spending .
Supplier Sustainability Commitment Letter Signing Rate	Contract signing rate >75%	Suppliers are required to comply with applicable laws and regulations stipulated in procurement contracts and promote environmental protection initiatives, energy conservation, carbon reduction, and environmental stewardship. The contract signing rate, based on procurement spending, reached 83% .	Achieved	ESG-related procurement contract signing rate, based on procurement spending, increases to 85% .	Have 60% of raw material suppliers sign the Supplier CSR Commitment Letter. ESG-related procurement contract signing rate, based on procurement spending, increases to 90% .	Have 70% of raw material suppliers sign the Supplier CSR Commitment Letter. ESG-related procurement contract signing rate, based on procurement spending, increases to 95% .
Promote Sustainable Procurement Initiatives	Sustainable procurement spending > NT\$100 million	In 2025, sustainable procurement covered a total of six product categories (including raw meat/raw materials, packaging materials, printing inks, and externally sourced products), with procurement spending reaching NT\$177 million .	Achieved	1. Reduce the use of plastic packaging materials for gift box inner trays. 2. Promote the use of solvent-free lamination for paper rolls used in the pineapple cake product line.	1. Achieve 80% adoption of solvent-free lamination for paper rolls used in the pineapple cake product line . 2. Hold a Supplier Conference on Promoting Sustainable Supplier Management every five years .	Continue to follow Hsin Tung Yang's three sustainability principles "Green Commitment," "Health and Peace of Mind," "Shared Prosperity through Companionship" to implement various initiatives.

4.1 Supply Chain Management GRI 2-6

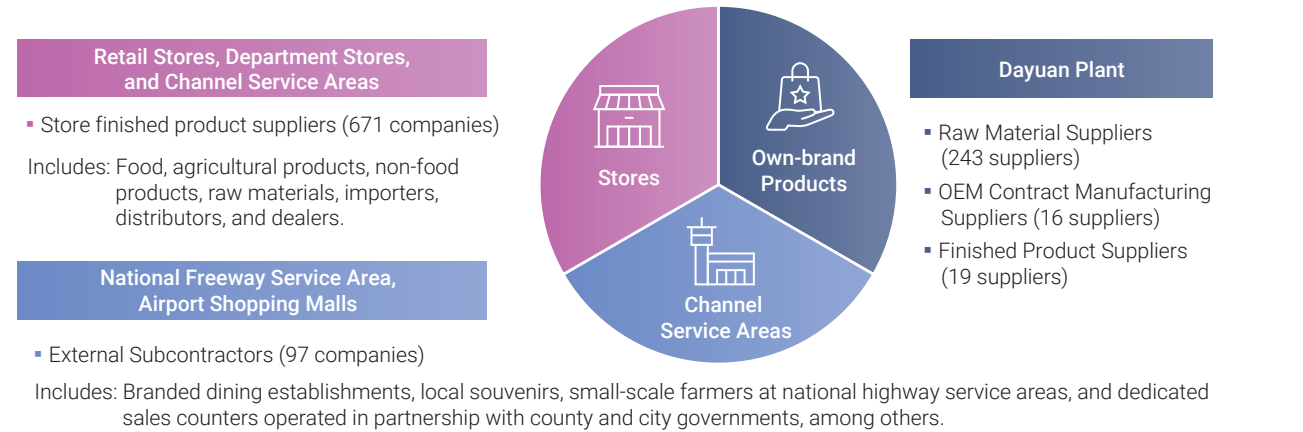
Hsin Tung Yang has established a comprehensive layout across the food value chain. Upholding a cooperative relationship of coexistence and mutual prosperity, Hsin Tung Yang regards each supplier as an important business partner. Through the establishment of the "Supplier Management Operating Procedures" and a rigorous raw material quality control mechanism, Hsin Tung Yang is committed to ensuring food safety and implementing sustainable development. By working together with supplier partners, Hsin Tung Yang continuously enhances product quality and brand image, providing consumers with safe and high-quality experiences.

Supplier Management Strategy



Hsin Tung Yang follows its established "Supplier Management Strategy" to develop supplier management mechanisms for raw material suppliers, OEM suppliers, and store product suppliers. Hsin Tung Yang strictly complies with relevant food safety and sanitation management regulations. Through regular on-site inspections, grading evaluations, and supplier audits, Hsin Tung Yang provides guidance to suppliers for improvement within specified timeframes and encourages suppliers to actively obtain food safety and quality management certifications or labels, progressively enhancing food safety and product quality throughout Hsin Tung Yang's supply chain. To further enhance Hsin Tung Yang's value chain practices in sustainable development, ESG screening criteria have been incorporated into the "Supplier Review Mechanism." Centered around the Dayuan Plant, Hsin Tung Yang drives the supply chain to jointly conduct greenhouse gas inventories and implement energy saving and carbon reduction initiatives, strengthening the sustainability resilience of the Hsin Tung Yang brand and value chain.

4.1.1 Types of Partners



Hsin Tung Yang operates a diverse range of business locations and sales channels, including Hsin Tung Yang retail stores, freeway service areas, and airport shopping areas. In 2025, there were a total of 243 raw material suppliers, of which 242 were Taiwanese manufacturers and trading companies, and only 1 was an overseas supplier (a German imported spice supplier). The local procurement ratio of raw materials for the Dayuan Plant reached 99.64%. For outsourced manufacturing, Hsin Tung Yang cooperated with a total of 16 OEM food production suppliers in 2025, all of which were Taiwanese food processing companies. The total number of finished product suppliers was 19.

Supplier Procurement Overview

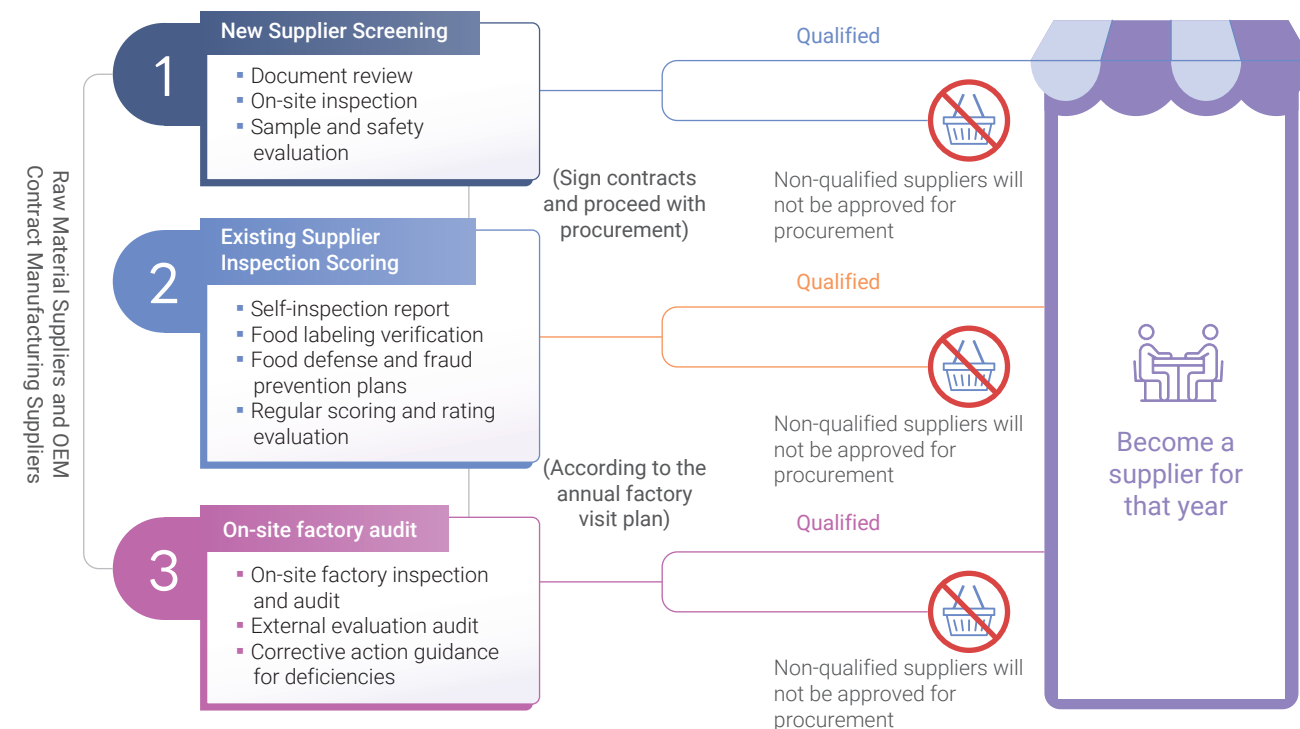
Own-brand Products						
Year	Supplier Type	Procurement/Service Category	Local Procurement		Non-local Procurement	
			Number of Suppliers	Percentage	Number of Suppliers	Percentage
2025	Raw material suppliers	Raw meat, raw materials, supplies, and consumables etc.	242	87.05%	1 supplier	0.36%
	OEM contract manufacturing suppliers	Contracted food processing manufacturers	16	5.75%	-	-
	Store finished product suppliers	Snack foods, tea products, bottled water, etc.	19	6.83%	-	-
Total			277	99.64%	1 supplier	0.36%

Retail Merchandise				
Year	Supplier Type	Procurement Category	Number of Suppliers	Current Status of Local Procurement
2025	Store finished product suppliers	Food products, non-food items, raw materials, and supplies	671	Local procurement accounts for the majority, with only a small portion consisting of importers (39 suppliers).

4.1.2 Product Supplier Management

The suppliers of Hsin Tung Yang's private brand products and store products consist of three major categories: raw material suppliers, OEM suppliers, and store product suppliers. All suppliers are managed in accordance with the "Supplier Management Operating Procedures." Through mechanisms including selection, qualification reviews, document verification, and ongoing monitoring, Hsin Tung Yang ensures that product quality complies with relevant food safety and sanitation regulations and reduces quality risks within the supply chain. For deficiencies or non-conformities, Hsin Tung Yang continues to track improvement progress to enhance supply chain management effectiveness, maintain quality stability and brand reputation, and protect consumer rights.

Supplier Management Process at the Dayuan Plant

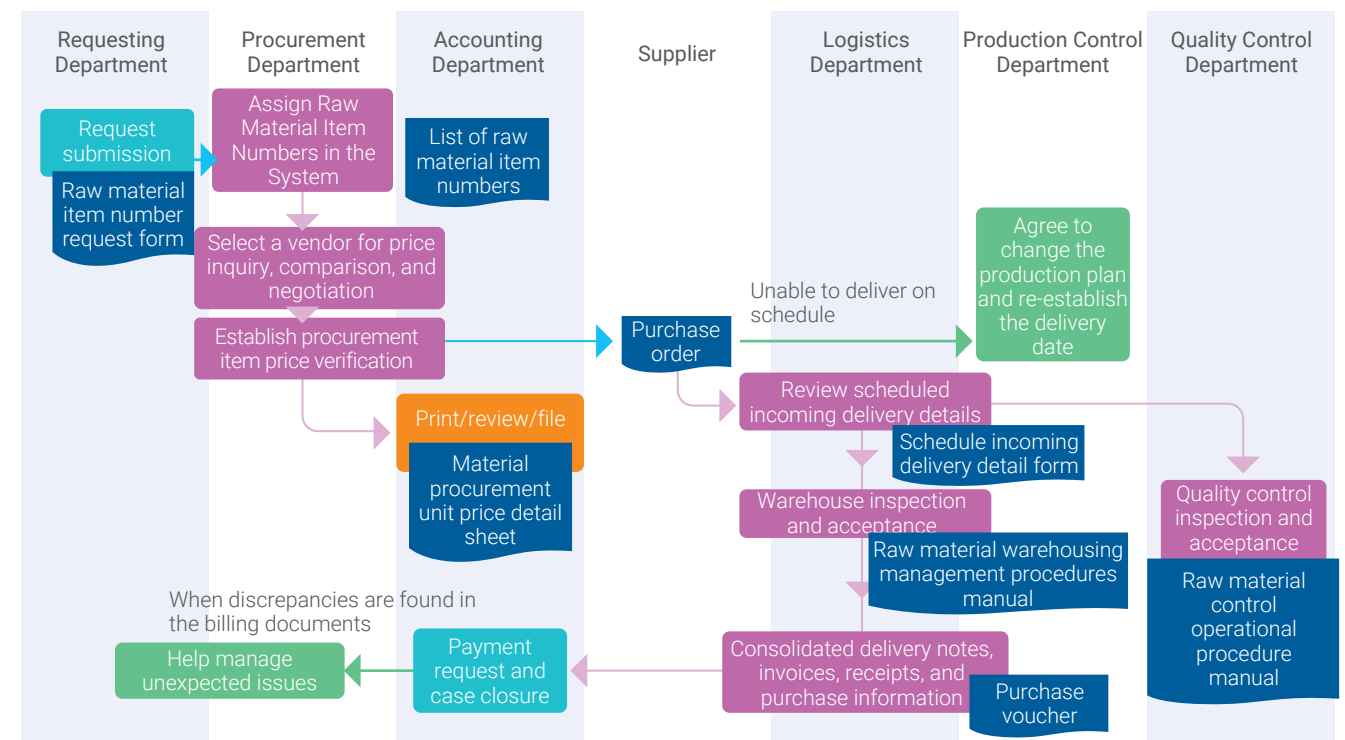


Sources for contacting new suppliers include supplier directories, supplier self-recommendations, industry referrals, information obtained through government agencies, and information collected through market research. When suppliers proceed to the review stage, they are required to submit the "Supplier Review Form" established by Hsin Tung Yang. The form specifies that suppliers shall adopt proactive management measures for environmental sustainability to reduce the operational impacts on the environment, including waste, wastewater discharge, air pollution, noise, hazardous substances, and pollution prevention and control. Relevant management measures must obtain discharge permits in accordance with applicable laws and comply with legally regulated standards.

Supplier Selection and Management Process

1. New Supplier Screening Process			
Management Approach	Examination/Screening Criteria	Screening Weight	Qualification Standards
(1)Initial Document Review	Business registration certificate, ISO, HACCP, CAS, TAP, etc.	Supplier Review Form	70 points or higher
(2)On-site Inspection	Business operation status, product quality control, equipment evaluation, cleanliness, production process technology, environmental protection-related aspects, etc.	- Document review: 40% - Quality control: 30% - Service quality and other factors: 30%	
(3)Sample Request and Safety Evaluation	Applicability, safety, and characteristics	Imported Supplier Review Form	
(4)Supplier Evaluation	Document review, quality control, service quality, other factors, etc.	- Document review: 45% - Price, quality, and service: 50% - Other factors: 5%	
2.Existing Supplier Management Process (Including New Suppliers)			
Management Approach	Examination/Screening Criteria		
(5)Delivery Quality Inspection	Livestock post-slaughter inspection records, quarantine certification documents, food permit notifications, inner packaging material testing, and migration test inspection reports	Business (Sole Proprietorship) Supplier Review Form	
(6)Product Labeling	Food nutrition and health labeling, advertising management labeling, etc.	- Business operation status: 20% - Product testing, delivery schedule, price, and abnormality handling capabilities: 50%	
(7)Food Protection	Food protection measures and major food vulnerability risk prevention measures	Inspection reports from certified inspection organizations: 10%	
(8)Approval Registration	Conduct a comprehensive condition assessment based on the above evaluation items.	After-sales service and delivery: 20%	

Raw Material Management Process



Hsin Tung Yang conducts incoming material inspections and data collection for existing suppliers in accordance with the "Raw Material Management Operating Procedures." Based on supplier delivery conditions, the responsible departments consolidate overall procurement and payment reports through the procurement system to understand supplier cooperation levels, product quality standards, and delivery performance. Based on the collected data, suppliers are scored and classified into five levels (AA, A, B, C, and D). The actual total score is calculated by adding the scores for product quality, delivery schedule, and supply cooperation level.

Inspection and Scoring

Existing Supplier Inspection and Scoring						
Management Approach	Inspection/ Audit Items	Required Documents/Standards	Supplier Qualification Standards	Guidance and Improvement Management Measures		
Food Labeling and Self-Inspection Reports	Domestic pork and chicken	▪ Slaughter certificates ▪ Drug residue inspection reports ▪ Microbiological inspection reports	Upon delivery, suppliers must provide:	In 2025, the qualification rate under supplier audit standards reached 100% for all suppliers.		
	Imported raw meat	▪ Overseas export certificates ▪ Import permits and customs declaration documents ▪ Animal and plant quarantine certificates	▪ Certification documents ▪ Inspection reports			
	Inner packaging materials	▪ Material testing and migration test inspection reports	Inspection reports			
	General products	▪ "Commodity Labeling Act" ▪ "Act Governing Food Safety and Sanitation"	Comply with regulatory standards			
Raw Material Supplier Grade Evaluation	The scoring weights of the "Supplier Incoming Material Evaluation Score Sheet" are as follows:					
Evaluation of OEM Suppliers	Product quality standards, product delivery performance, supplier cooperation level	Quality standards: 40%		▪ Grade evaluations are reviewed once every two months ▪ Establish reward and penalty mechanisms through supplier tiered management		
		Product delivery performance: 30%				
		Supplier cooperation level: 30%				
		Score Levels :				
		AA	A	B	C	D
		90 or above	70~89	60~69	40~59	39 or below

Raw Material and OEM Supplier Grade Written Evaluation

Hsin Tung Yang implements supply chain source management in accordance with the "Supplier Management Operating Procedures." Hsin Tung Yang conducts regular evaluations of raw material and OEM suppliers every two months. The evaluation items cover product quality, delivery performance, supplier cooperation level, and other factors. Through a five-level grading management system and reward and penalty mechanisms, the evaluations serve as a basis for promoting continuous supplier improvement.

2025 Supplier Evaluation Results:

- A total of 246 raw material suppliers were evaluated, achieving a 100% coverage rate; suppliers achieving Grade A or above accounted for approximately 97.97%.
- A total of 16 OEM suppliers were evaluated, with both the coverage rate and the proportion achieving Grade A or above reaching 100%.

2023~2025 Evaluation Results for Raw Material and OEM Suppliers				
Level	2023	2024	2025	Reward and Penalty Methods
AA	185	158	182	- Increase order quantities - Give priority consideration when outsourcing production of new products (or materials)
A	75	107	75	Maintain current status
B	1	4	5	- Consider reducing order quantities - Require suppliers to make improvements within a specified timeframe and conduct on-site visits for understanding - Recommend improvement methods and continue guidance and observation for one month
C	-	1	-	Suspend delivery transactions for three months after two consecutive evaluation results
D	-	-	-	Suspend transactions for five months after one evaluation result
Total Number of Suppliers	261	270	262	
Audit Completion Rate (%)	100%	100%	100%	

3. Supplier On-site Factory Audits

Hsin Tung Yang conducts on-site factory audits through irregular annual sampling of suppliers that reach a specified transaction amount. The audit items include business operation status, raw materials, production processes, and finished product management. Suppliers are also required to provide documents such as sanitation management operating standards and third-party inspection reports. Improvement measures are implemented based on the audit results.

On-site Factory Audit				
Management Approach	Audit Item Category	Required Documents/ Standards	Supplier Qualification Standards	Guidance and Improvement Management Measures
Document Management	Factory-related certifications	- Business registration certificate - Relevant factory certifications	- Confirm whether the business registration certificate complies with requirements - Quality and sanitation management system - Sanitation management operating standards - Inspection reports from third-party inspection organizations	Require improvements within a specified timeframe: Suppliers are required to propose corrective actions for deficiencies and complete improvements within the specified timeframe.
On-site Factory	- Business operation status - Quality control - Equipment evaluation - Cleanliness - Raw material management - Production process and finished product management	- Sanitation management operating standards - Third-party inspection reports - Environmental regulation handling measures and monitoring equipment	Evaluation grade scoring standards: A : 120-110 B : 109-100 C : 99-90 D : 89-80 E : Below 80 points	Initiate supplier replacement mechanism: Replace suppliers that do not meet requirements.

Starting from 2023, Hsin Tung Yang has gradually increased the on-site factory visit coverage rate for raw material and OEM suppliers each year. In 2025, a total of 29 suppliers underwent on-site visits and audits, with purchases from these audited suppliers accounting for 19.10% of total raw material procurement. Hsin Tung Yang plans to conduct audits (or factory visits) for an average of 24 suppliers per month by 2030.

Number of Supplier On-site Factory Visits from 2023 to 2025			
Category	2023	2024	2025
Number of Transaction Suppliers (200,000 or above)	155	145	146
Number of On-site Factory Visits	15	22	29
Number of Qualified Suppliers	15	21	29
On-site Factory Visit Qualification Rate	100%	95.45%	100%

Supplier Guidance and Performance Improvement

For suppliers with quality concerns, the Quality Control Department accompanies the supplier on factory audit visits and completes the "Supplier Evaluation Audit Report." In addition to scoring aspects such as the supplier's current operating status and quality control, audit deficiencies identified through on-site observations are documented. Suppliers are guided to provide a "Evaluation Deficiency and Improvement Response Letter" and complete improvements within the specified timeframe. Suppliers that fail to meet the requirements are placed on the pending evaluation list, and the audit results are provided to the Procurement Department as a reference for future cooperation.

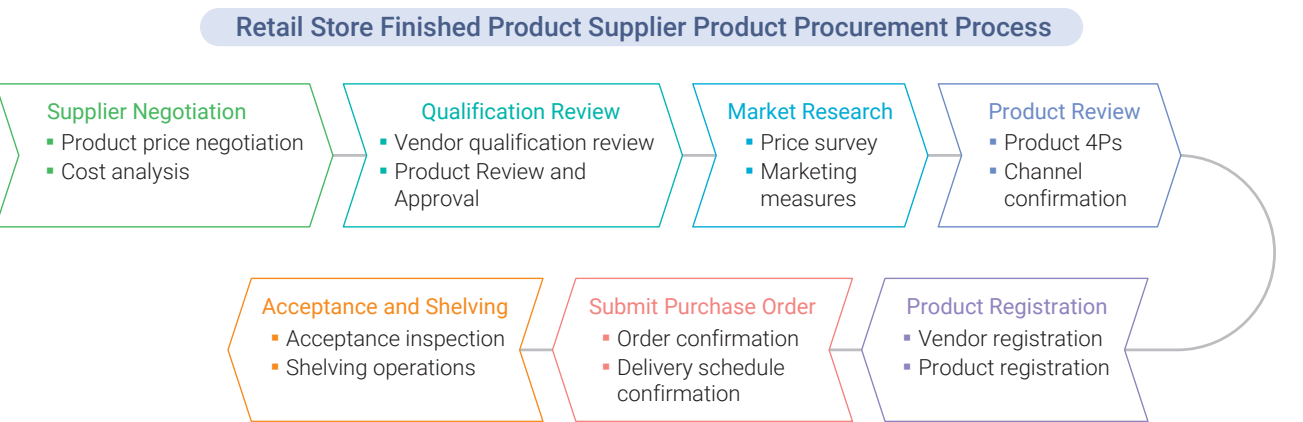
2025 Hsin Tung Yang Product Supplier Management Results			
Raw Material Suppliers	New Supplier Screening	Existing Supplier Inspection Scoring	Corrective Improvement Management
OEM Contract Manufacturing Suppliers	100%	100%	100%

Store Supplier Management



The procurement process for finished products at Hsin Tung Yang stores begins with supplier negotiations. Through qualification reviews and inspections, market surveys, product evaluations, and product sales tracking, the process strictly complies with relevant regulations while enabling timely monitoring of product sales status and cycles.

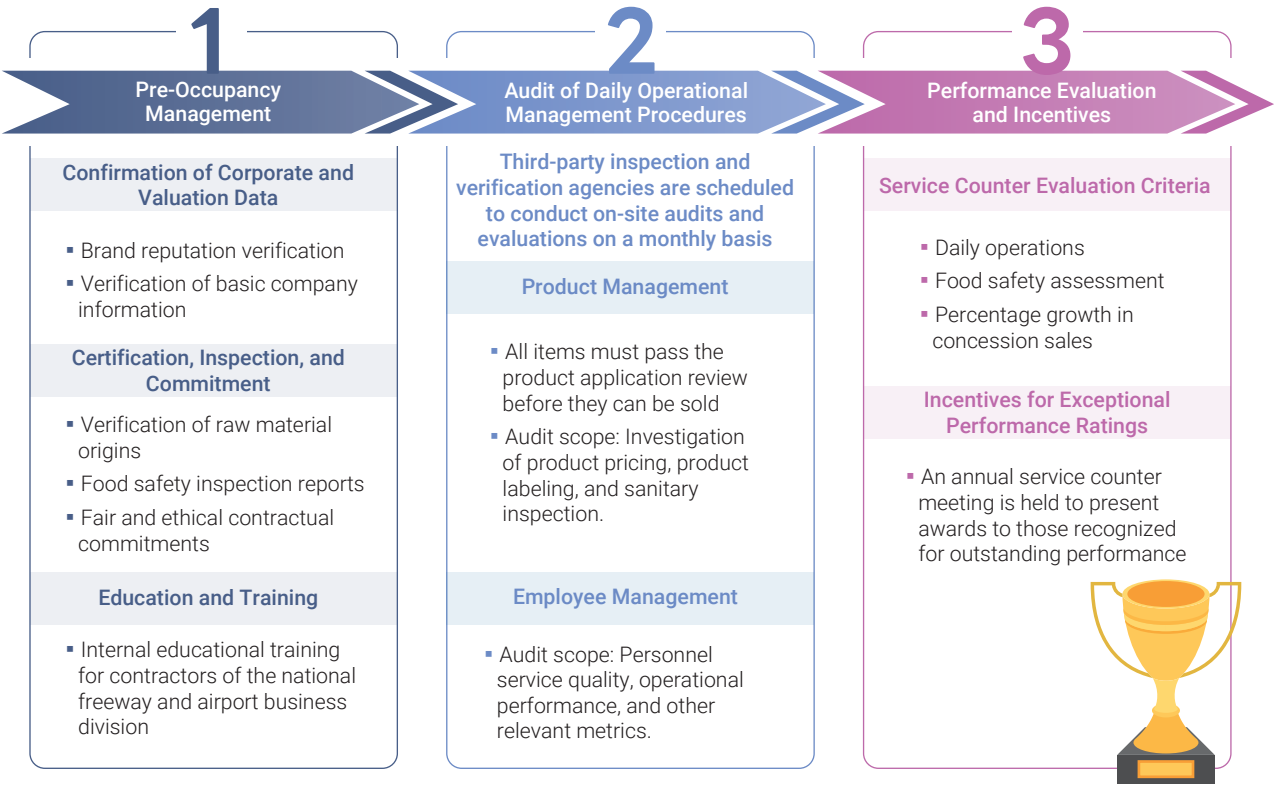
Supplier Evaluation/Procurement Process



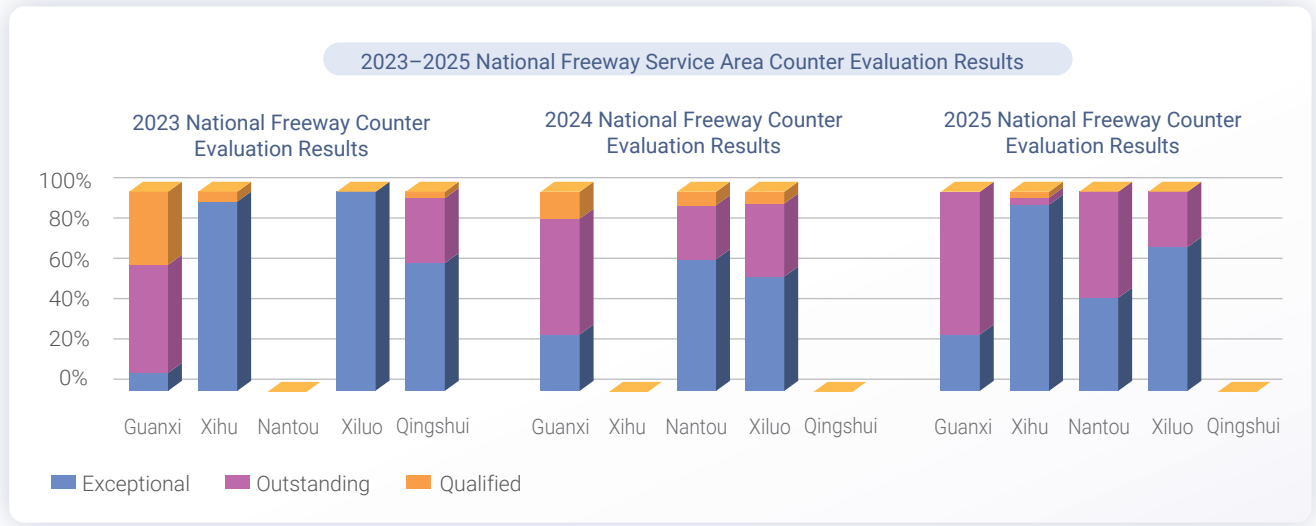
4.1.3 Channel Partner Management

Through systematic guidance, evaluation, and communication mechanisms, Hsin Tung Yang continuously enhances the operational image and service quality of national highway service areas and airport shopping malls. Since 2009, Hsin Tung Yang has implemented a concession subcontractor evaluation system. Each month, SGS inspection and certification units are invited to conduct one on-site audit of concession counters in each service area. In addition, based on the overall performance evaluation of annual daily operation management and business performance, an annual Excellent Concession Counter Awards meeting is held to recognize outstanding concession counters and encourage continuous improvement, working together to enhance service quality and brand reputation.

Channel Partner Management Process



Audit and Evaluation Criteria for Channel Partners				
Evaluation Item	Evaluation Unit	Evaluation Method	Weight	Audit Qualification Standards
Daily operations	Duty Supervisor	Scored according to the concession counter inspection score sheet	20%	Corresponding evaluation score levels: 90 points or above = Exceptional 85 points or above = Outstanding 80 points or above = Qualified
Food Safety Assessment	Third-party assurance entity (Such as SGS Taiwan Ltd.)	Monthly assessments conducted on an irregular basis	30%	
Concession Counter Performance Growth Percentage	Area Station Manager	Compared with the previous year's performance	50%	



Note:

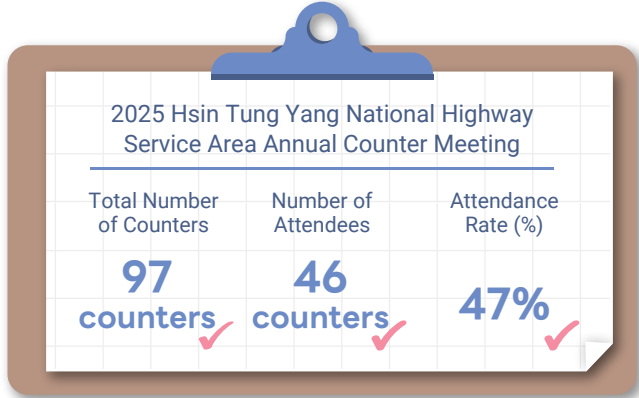
1. The statistical data for the Nantou Service Area includes the Eastern Caotun Service Area. Due to renovations conducted at the Nantou Service Area in 2023 and the Xihu Service Area in 2024, data for those periods are unavailable. Regarding the Qingshui Service Area, the operating rights were transferred in 2024; consequently, only data for 2023 are provided.

2. Evaluation Criteria and Ratings: Exceptional—audit score of 90 or above; Outstanding—audit score of 85 or above; Qualified—audit score of 80 or above. Evaluation Items and Weighting: Daily Operations (20%), Third-party Verification Food Safety Evaluation (30%), and Counter Performance Growth Percentage (50%).

3. The evaluation result represents the average of the monthly evaluation scores recorded from January 2023 through December 2025.

4. Statistical data detailed in Appendix 1, Table 4-1: "2023–2025 Evaluation Results of National Freeway Service Area Concession Counters"

Annual counter conference



Hsin Tung Yang has been deeply engaged in the operation of national freeway service areas for many years and regards concession partners as a key element in shared brand growth. To ensure operational quality and service standards, Hsin Tung Yang holds an annual "Concession Counter Meeting" as a core platform for two-way communication, enabling management standards and operational goals to be effectively aligned.

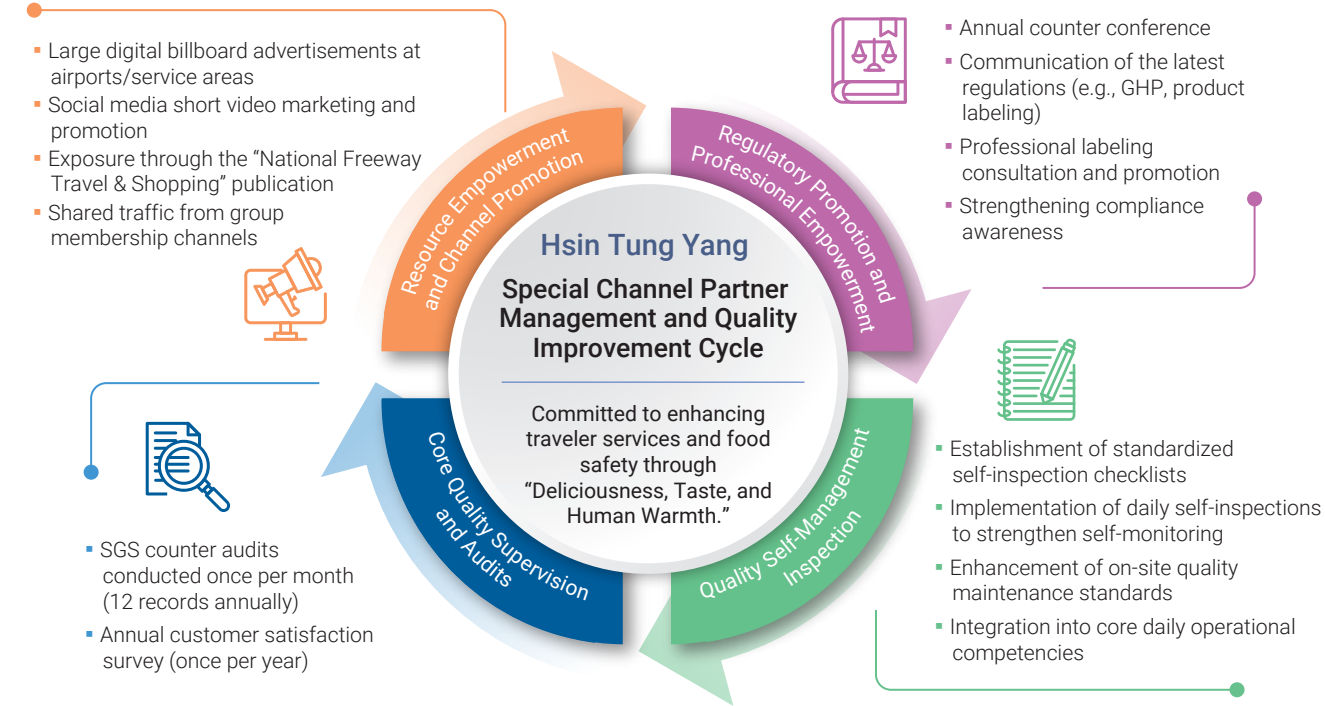
Note: (1) Attendance status explanation: Some partners operate concession counters across multiple channels (such as different service areas). To optimize communication efficiency, brand representatives are generally assigned to attend and participate on behalf of the brand. Due to this attendance arrangement, the attendance rate was approximately 50%.

(2) Please refer to Appendix Table 4-2, Annual National Freeway Service Area Concession Counter Meeting.

2025 Highlights and Achievements in Excellent Concession Counter Management			
Food Safety and Quality Supervision	Completed a total of 60 inspections		Customer satisfaction exceeded 80%
	On-site audits of concession counters at 5 major national freeway service areas		
Regulatory Professional Empowerment	Quality Self-Management Inspection Framework		Implemented Regulatory Communication
	Strengthened on-site concession counter quality control and proactively established (a self-management inspection mechanism)		
Channel Marketing Empowerment	Provided the"National Freeway Travel & Shopping" publication	Introduced digital signage	Leverage Synergies Between Social Media and Membership Programs
	as a marketing medium	at airports and national freeway service areas	Integrated membership and social media resources to assist local brands and concession counters

Management Cycle Framework for High-Performing Concession Counters

Hsin Tung Yang integrates the core values of "deliciousness, taste, and human touch" into specialized channels such as national freeways and airports and works together with concession counter partners to achieve shared growth. These management efforts not only translate into stable operational performance and satisfaction, but also safeguard a reliable food safety environment and high-quality experience for travelers, fulfilling its long-term commitment to growing together with suppliers.



Annual Excellent Concession Counter Recognition Event for National Freeway Service Areas



- Purpose :** To strengthen cooperation with site partners and enhance service quality, Hsin Tung Yang holds the "Annual Excellent Concession Counter Selection and Recognition Event" on a regular basis each year.
- Scope of Application :** Hsin Tung Yang's four major service areas and one rest stop.
- Evaluation Items :** An evaluation team formed by the management unit conducts the selection and performs a comprehensive assessment of service etiquette, food safety and sanitation, environmental maintenance, and operational compliance.
- Core Objective :** To inspire a sense of honor among concession counter partners and encourage suppliers to implement self-management through tangible rewards and public recognition

Optimizing Service Competitiveness

Encourage suppliers to proactively participate in training programs and strengthen the service resilience of frontline employees.

Implementing Quality Control

Incorporate food safety indicators into the evaluation process and ensure that products comply with regulatory standards.

Deepening Partner Relationships

Conduct regular engagement and public recognition to establish long-term cooperation based on mutual trust and mutual benefit.

綠食飯桌
Green Food

Assisted Guidance for Six Food Service Concession Counters at Xiluo Service Area to Obtain the Environmental Protection Administration's "Green Food" Certification

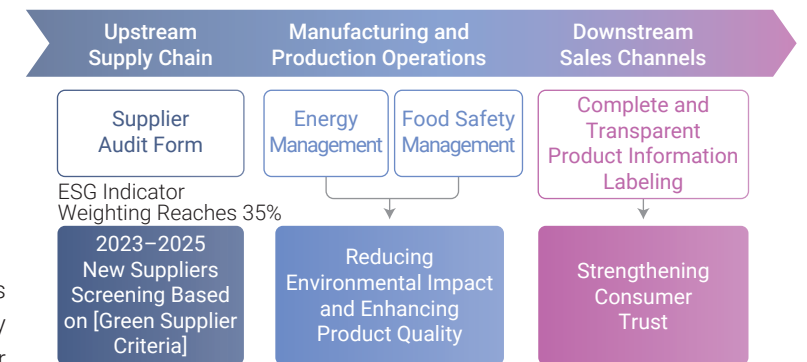
Starting with the Xiluo Service Area, Hsin Tung Yang successfully assisted six concession counters in obtaining the Ministry of Environment's "Green Food Table" certification. In the future, Hsin Tung Yang plans to expand the green food service model to all of its national highway service areas.

4.2 Sustainable Value Chain

4.2.1 Sustainable Value Chain

Hsin Tung Yang integrates sustainability concepts into its business operations and comprehensively develops a sustainable value chain. The "Supplier Evaluation Form" incorporates ESG indicators, accounting for 35% of the weighting. Suppliers that meet three or more criteria are classified as "green suppliers" and are prioritized for procurement.

Hsin Tung Yang is committed to establishing a complete sustainable value chain by integrating sustainability concepts into all aspects of business operations and gradually building a sustainable value chain that balances economic, environmental, and social responsibilities.



Screening Criteria for "Green Suppliers" Among New Raw Material (Including OEM) Suppliers	
Screening Category	Screening Item
Environmental Aspect	✓ Outer packaging is made from recycled materials or is complete, clean, and complies with labeling regulations. ✓ Has relevant treatment measures and monitoring equipment that comply with environmental regulations, such as wastewater treatment and air pollution control.
Societal Aspect	✓ No child labor is employed.
Corporate Governance/Regulatory Aspect	✓ Provide specifications and inspection reports issued by third-party inspection organizations. ✓ Provide third-party food safety audit reports or HACCP plans. ✓ Possess food certification documentation (CAS, GHP, organic TAP, or others). ✓ Provide customs declarations, import animal and plant inspection certificates, import permit notification documents, etc.
Other	✓ Establish a food defense plan and a food fraud mitigation plan.

2023-2025 Screening Ratio for "Green Suppliers" Among New Raw Material (Including OEM) Suppliers			
Year	2023	2024	2025
Number of New Raw Material Suppliers	22	22	17
Number of On-site Factory Visits	11	3	3
Number of Suppliers Meeting Green Supplier Criteria	21	18	16
Percentage (%)	95.45%	81.82%	94.12%

Note 1: According to the evaluation criteria in the "Supplier Evaluation Form," suppliers that meet three or more items among the "2025 ESG Screening Criteria for New Suppliers" are classified as green suppliers.

Note 2: Explanation of suppliers that did not meet the "Green Supplier" criteria in 2024: One supplier was a customer-designated supplier; the remaining three suppliers had annual transaction amounts ranging from NT\$10,000 to NT\$150,000. These suppliers mainly provided consumable materials or were involved in one-time cooperation projects and were not considered material transaction suppliers.

4.2.2 Commitment to Sustainability and Assessment

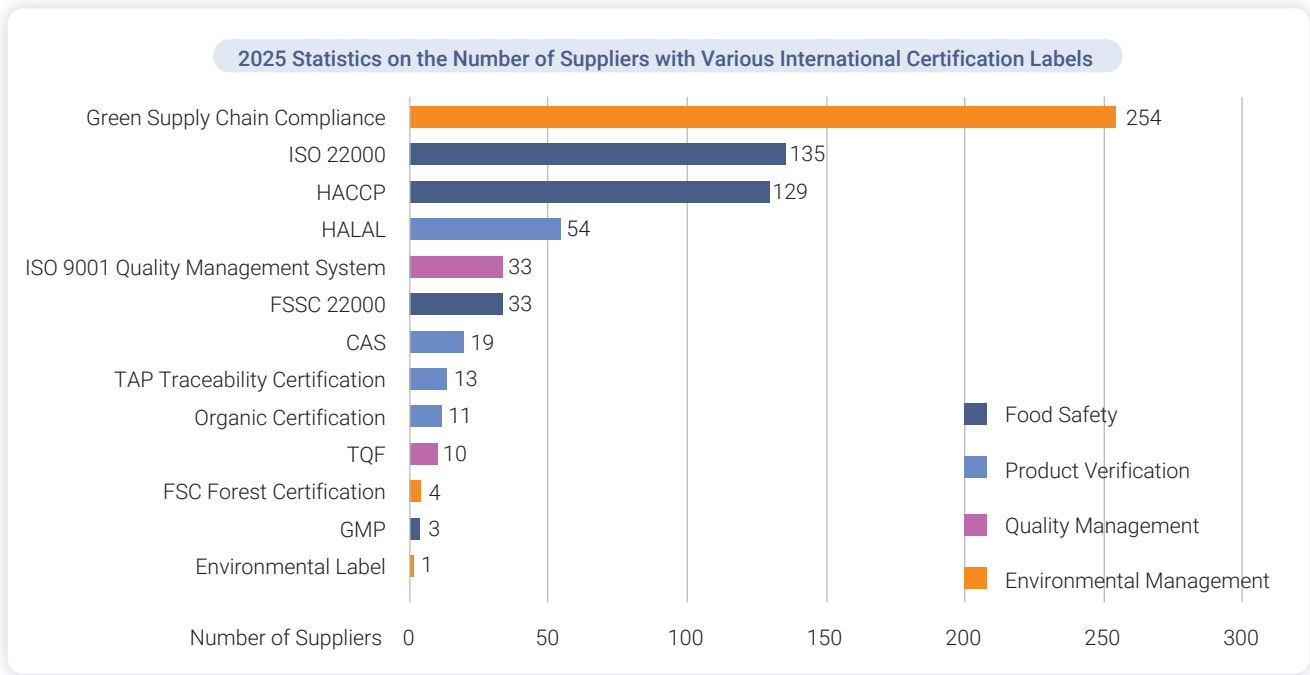


Supplier Environmental Sustainability Declaration Signing

Hsin Tung Yang incorporates sustainable development strategies into procurement management and promotes the signing of the "Supplier Environmental Sustainability Declaration" by existing and new raw material and OEM suppliers. In 2025, in addition to implementing food safety and sanitation regulations, the "Procurement Contract" also specified green clauses requiring compliance with environmental protection regulations, enhancement of environmental awareness, and sustainable resource utilization, working together to reduce environmental impacts. In 2025, suppliers of raw materials (including OEM suppliers) that completed the signing accounted for 83% of the procurement value. In the future, Hsin Tung Yang plans to incorporate an ESG evaluation form and strategic guidelines into the contract signing process and further strengthen communication through supplier meetings, working together with supply chain partners toward sustainability.

Supplier Verification and Sustainability Communication

Hsin Tung Yang actively promotes a sustainable value chain and conducts annual surveys of raw material suppliers. The company encourages cooperative suppliers to actively obtain international standard certifications related to food safety and environmental sustainability, such as ISO, HACCP, traceability systems, organic certifications, and environmental labels, continuously enhancing supply chain management quality.



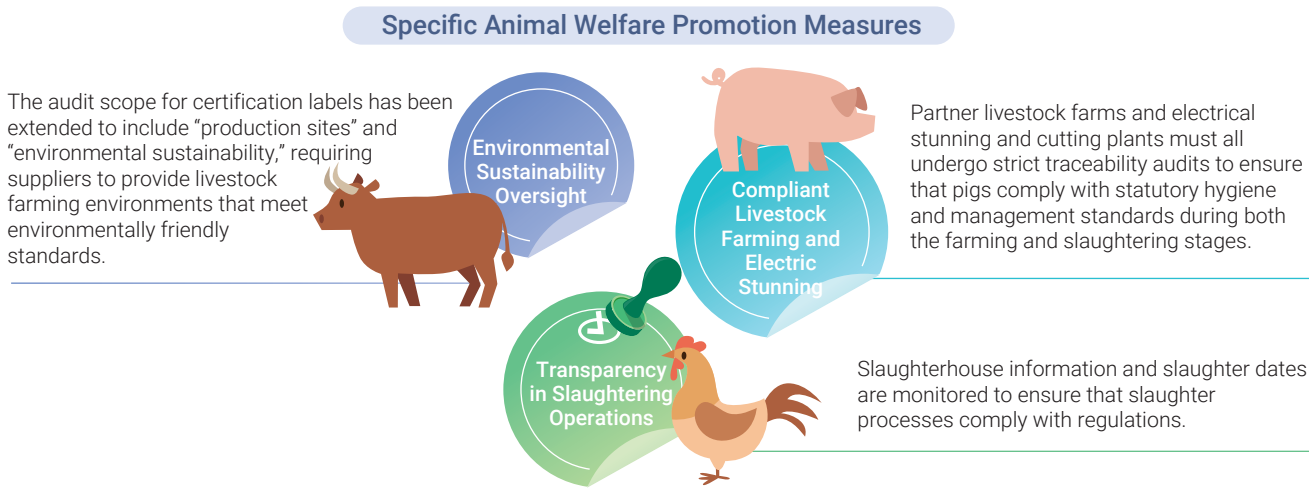
Statistical data detailed in Appendix 1, Table 4-3: "Verification Standards Met by Raw Material Suppliers from 2023–2025")

In 2025, a total of 33 first-tier suppliers obtained GFSI (Global Food Safety Initiative)-recognized certifications (FSSC 22000). The procurement amount of raw materials from these suppliers was approximately NT\$117 million, accounting for 12.6% of the total number of procurement suppliers and 14.94% of the total food raw material procurement amount. The procurement amount has shown year-over-year growth over the past three years. In the future, Hsin Tung Yang will continue to strengthen its procurement capacity related to global food safety initiatives.

2023–2025 Procurement Amount from Suppliers with Food Safety Certifications Recognized by the Global Food Safety Initiative (GFSI)						
Suppliers with GFSI-Recognized Food Safety Certifications	2023		2024		2025	
	Procurement Amount (NT\$ thousand)	Food Raw Material Procurement Percentage (%)	Procurement Amount (NT\$ thousand)	Food Raw Material Procurement Percentage (%)	Procurement Amount (NT\$ thousand)	Food Raw Material Procurement Percentage (%)
FSSC 22000	88,429	12.52%	102,794	14.73%	116,979	14.94%

Animal Welfare

Hsin Tung Yang has long been committed to ensuring food safety and values transparency in raw pork production information. Through the use of production and sales traceability records of pork, Hsin Tung Yang can clearly identify the source of pigs, raising conditions, production and inspection processes, and other information. While implementing food safety traceability management, the Company also ensures that animals are treated with care.



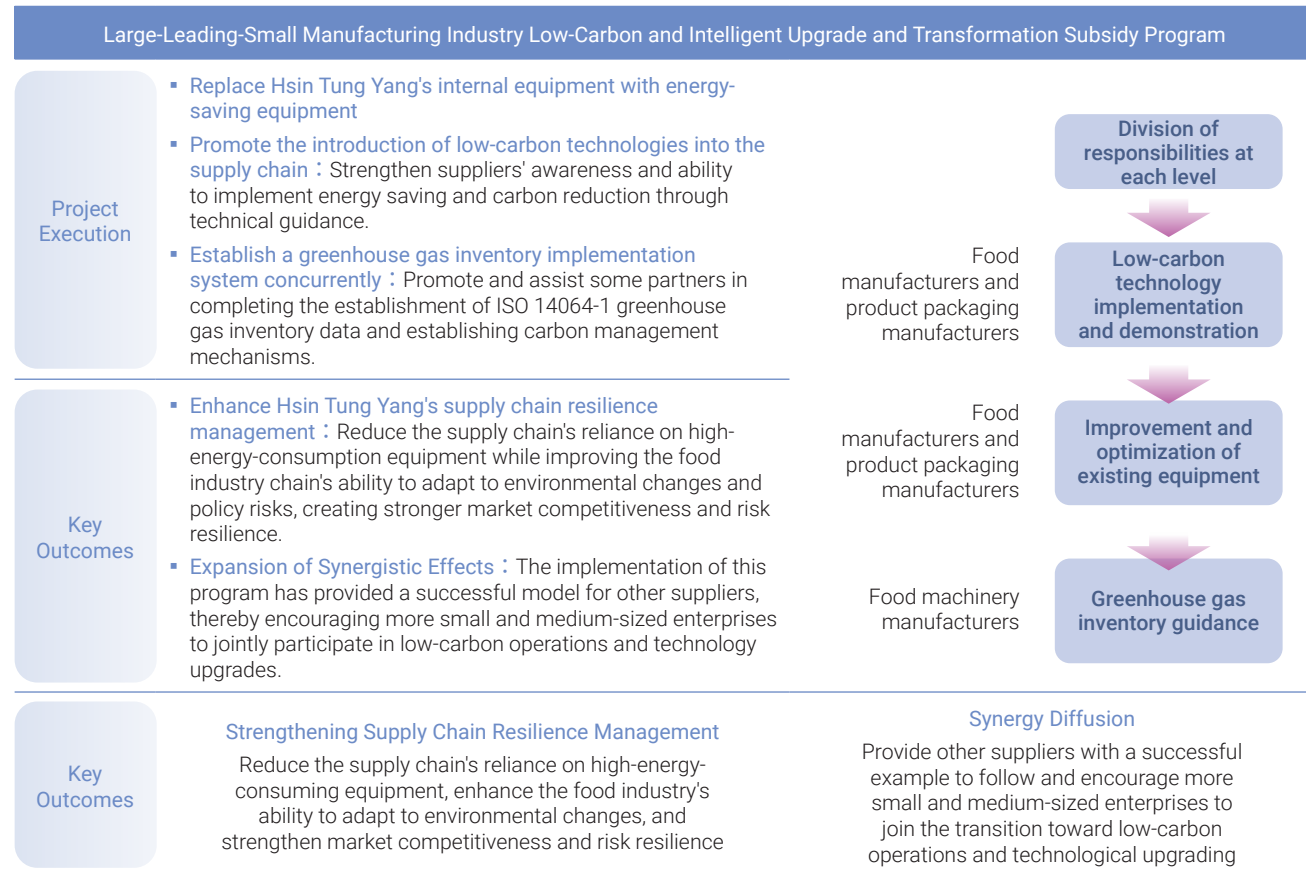
4.2.3 Collaborative Carbon Reduction Actions

2025 Supplier Environmental Sustainability Targets and Achievements		
Action	Implementation Results	Future Targets
Leading Smaller Suppliers by Example: Supplier Carbon Reduction Actions	Completed guidance for 10 suppliers to promote the introduction of low-carbon technologies into the supply chain Provided guidance on the introduction of ISO 14064-1:2018 and assisted suppliers in establishing carbon management mechanisms Reduced emissions by 759.1 metric tons CO ₂ e completed suppliers' Scope 2 emissions in 2024	Respond to relevant policies Promote the implementation of carbon reduction among suppliers
Increase the Signing Rate of the "Environmental Sustainability Declaration"	The 2025 procurement value signing rate reached 83% (including OEM suppliers) A total of 238 raw material suppliers completed signing (including OEM suppliers)	Achieve 60% of suppliers signing the commitment letter Promote the Supplier Sustainability Commitment Letter

Supplier Carbon Reduction Plan and Implementation Results

In 2023, Hsin Tung Yang participated as the lead company in the Ministry of Economic Affairs' Industrial Development Administration's "Assistance Program for Low-Carbon and Smart Upgrading and Transformation of Manufacturing Industries through Leading Smaller Suppliers by Example." Hsin Tung Yang led 10 major collaborating and disseminating suppliers in participating in the low-carbon upgrading and transformation program, which was successfully completed in 2025.





4.3 Sustainable Procurement

4.3.1 Sustainable Procurement Plan

To enhance the sustainability management and procurement quality of raw materials, Hsin Tung Yang has established the "Supplier Management Procedures" and "Raw Material Procurement Management Procedures." These procedures strengthen suppliers' efforts to promote sustainable development and cleaner production and reduce the impacts of operations on the environment and ecosystems. Hsin Tung Yang has also incorporated green supplier criteria into its evaluation process and prioritizes procurement from green suppliers, ensuring the quality of products and services while mitigating environmental impacts and promoting the sustainable transformation of the food industry value chain.

Sustainable Procurement Strategy



Hsin Tung Yang began procuring soy ink as early as 2004. By 2025, its sustainable procurement portfolio had grown to encompass six major product categories. The procurement value of food ingredients certified under third-party environmental or social standards as a percentage of total raw material procurement was as follows: RSPO-certified sustainable palm oil accounted for 0.25%, while pork with a Production and Sales Traceability Record accounted for 0.56%. For carbon footprint labeling, green packaging, and printing, Hsin Tung Yang Co., Ltd. prioritized the procurement of FSC-certified paper and packaging products. Among externally purchased goods, products using FSC-certified packaging accounted for 0.14% of the total procurement value, while products bearing Carbon Footprint Labels accounted for 1.19%; All catalogs were printed on FSC-certified paper, achieving a 100% adoption rate. In 2026, the Company also plans to switch all paper cups and cup sleeves used at its airport and freeway service area locations to FSC-certified paper. Going forward, it will continue to expand the range of sustainable products procured and increase the procurement share of existing sustainable product categories.

The Sustainable Procurement Items



2025 Sustainable Procurement Items Statistics			
Item	Category	Procurement Volume	Amount (NT\$ thousand)
RSPO Sustainable Palm Oil	Raw materials	14,328 kg	1,787
Recycled Cardboard Boxes	Packaging materials	815,377 units	10,090
Soy Ink Color Box Printing	Printing ink	2,756,138 units	30,477
Traceable Pork	Raw meat	19,566 kg	3,976
Carbon Footprint Labeling	Purchased finished products	737,383 bottles	10,174
FSC-Certified Paper Materials	Purchased products	85,403 boxes	1,191
	Printed materials	452,597 copies	2,769

4.3.2 Local Procurement

Local Procurement Strategy

Hsin Tung Yang implements the concept of "consume local products produced locally" and continues to promote local procurement initiatives. The Company prioritizes the introduction of high-quality products produced domestically and featuring local characteristics, while encouraging consumers to choose these products. Through these efforts, Hsin Tung Yang supports the development of local industries in Taiwan and creates shared value with local farmers. By introducing products bearing the MIT (Made in Taiwan) and OTOP (One Town One Product) labels, Hsin Tung Yang expands the value and impact of local agricultural products and specialty products.

At the same time, the Company introduces products made by Indigenous peoples to promote local industrial development and the growth of tribal economies, putting into practice the sustainable value of shared prosperity between businesses and local communities. °

Introduction of MIT and OTOP Products from the Ministry of Economic Affairs

MIT (Made in Taiwan) Label Products

Program Launch : Since 2012, Hsin Tung Yang has collaborated on the display and promotional activities of designated MIT label product areas.

Sales Channels	Food Specialty Stores : Linsen Store, Dihua Store, and Daren Store National Freeway Service Areas : Guanxi Service Area, Xihu Service Area, Nantou Service Area, and Xiluo Service Area Airport Shopping Malls : Taipei Songshan Airport, Taiwan Taoyuan International Airport, and Kaohsiung International Airport
Year-Round Promotional Activities	National Freeway Service Areas : Periodically organize markets and specialty experience activities, inviting the MIT mascot Chaobao and using prize-based quizzes to help the public better understand the purpose of MIT and its products. Airport Shopping Malls : Collaborate with manufacturers to launch customized MIT products, enabling consumers to understand the practicality and design concepts of MIT products.
Label Promotion, Marketing, and Guidance Activities	Use diverse owned-media channels to share the origins and related knowledge of MIT, brand stories, and product design concepts. These efforts communicate to consumers that, in addition to being manufactured in Taiwan, the MIT label also represents energy saving and carbon reduction, the promotion of local employment, quality and safety assurance, and other values.



OTOP Label Products (One Town One Product)

Program Launch : Since 2011, Hsin Tung Yang has collaborated on the display and promotional activities of designated OTOP label product areas.

Sales Channels	National Freeway Service Areas : Guanxi Service Area, Xihu Service Area, Nantou Service Area, and Xiluo Service Area Airport Shopping Malls : Taiwan Taoyuan International Airport, and Kaohsiung International Airport
Product Display Methods	Establish permanent OTOP product display and sales areas in stores and sell products that meet different needs and characteristics based on the customer profiles of different sales channels.



Procurement of Domestically and Internationally Certified Products

Government-Certified "Labeled Products"

Collaborating with local governments to promote certification labels, strengthening local procurement, and displaying and selling local products and specialties at different sales locations.

Collaborative Partner Agencies

- Agricultural Technology Research Institute "Agricultural Processed Products"
- Agriculture and Food Agency of the Ministry of Agriculture "Premium Rice Gift Products"

Collaborative Partners in Various Cities and Counties

Northern Region



Central Taiwan



Southern Region



Procurement of Green Mark Certified Products

Food and Beverage



- Kuang Chuan beverage product line
- Bomy Fruit and Vegetable Juices



- HeySong beverage product line
- AGV Digestive Tea and Barley Tea
- Royal Tea Garden Each Morning Healthy Green Tea
- Taiyen Ocean Alkaline Ionized Water

Lifestyle and Cultural & Creative Products



- Lion alcohol-based markers and other office supplies that comply with environmental standards

Deepening Local Agricultural Engagement and Building a Sustainable Value Chain

Hsin Tung Yang has long viewed national freeway service areas as important hubs connecting urban and rural areas and is committed to promoting local agriculture, culture, and ecology. By prioritizing the employment of local residents to increase employment opportunities and establishing long-term partnerships with farmers, Hsin Tung Yang strives to achieve a vision of shared benefits for businesses, local producers, and consumers.

Local Young Farmer Collaboration Action Plan

Local Procurement and High-Quality Product Development

Use contract farming to directly connect with local small-scale farmers and develop high-quality agricultural products with distinctive local characteristics.

100% Local Ingredients

Launch of Local Agricultural Product (Dried Fruit)

Integration of Production and Sales Traceability Records

Develop "Tu Wang Lai Pastry" (Taiwanese Pineapple Cake) using pineapples from Nantou

Procure locally distinctive ingredients to produce specialty sausages

Creating Professional Sales Platforms—"Small Farmer Map" and "Farmers' Direct Sales Outlets"

Hsin Tung Yang has established dedicated areas within its national freeway service areas to shorten the distance from farm to table and increase the visibility of agricultural products

Developing a Small Farmer Specialty Products Map

Bring high-quality agricultural products from across Taiwan into national freeway service areas, creating a cultural window that showcases the vitality of Taiwan's land

Establishing "Farmers' Direct Sales Outlet" Counters

The "Nong Tian Wei" and "Bi-Lü Farm" counters were established to offer a curated selection of fresh produce and processed goods

Encourage face-to-face interactions between farmers and travelers, creating a more personal connection between producers and consumers

Supporting Young Farmers and Promoting Creative Activities

In response to agricultural transformation and the return of young people to their hometowns, we invest a diverse range of resources to provide long-term support

Local Young Farmer Markets

Promote the markets through freeway service area publications and social media Help young farmers expand their sales channels.

Establish industry-government-academia collaboration mechanisms to promote young farmer empowerment programs



2025 Results of Local Young Farmer Market Events		
Total Number of Events	Total Sales Revenue	Overall Growth Rate
58 events ✓	7,421 million ✓	75% ✓

Hsin Tung Yang has long cultivated relationships with local small-scale farmers and continues to collaborate with the "Top 100 Young Farmers" and local agricultural product artisans. In addition to directly incorporating their products into Hsin Tung Yang's own-manufactured products, the Company also connects them with and provides guidance to processing facilities to develop Hsin Tung Yang-branded products. Through market activities, Hsin Tung Yang effectively drives the value of local agricultural products, fulfilling its corporate commitment to supporting local agriculture.

Statistics on the Number of Market Events and Sales Amounts Over the Past Three Years

Year	Sales Amount (NT\$ Thousand)	Event Sessions (Number of Events)
2023	3,185	9
2024	3,076	9
2025	5,540	25

Statistics on the Number of Pop-up Farmer Counter Events and Sales Amounts Over the Past Three Years

Year	Sales Amount (NT\$ Thousand)	Event Sessions (Number of Events)
2023	59,852	17
2024	54,987	27
2025	68,678	33

Environmental Education Promotion Plan with Local Small-Scale Farmers and Associations

Collaborate with Xihu Service Area and the Leopard Cat Conservation Association to jointly promote products related to "environmental education initiatives."

Work with local small-scale farmers to jointly promote "environmentally friendly agricultural products," conveying the concepts of the "Satoyama Initiative" and "environmental friendliness."



Supporting Indigenous Products

Hsin Tung Yang follows the "Indigenous Products and Services Procurement Incentive Mechanism" established by the Council of Indigenous Peoples to procure Indigenous products and services. In alignment with Hsin Tung Yang's sustainability responsibilities and ESG goals, the Company seeks to create a sustainable collaboration model that generates shared benefits for the Company, Indigenous brands, and society. In 2025, Hsin Tung Yang received the Silver Award at the 1st LiMA Sustainability Awards.

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