Sustainable Raw Materials:
The Starting Point for Low-Carbon Manufacturing

As global supply chains increasingly demand stringent carbon footprint management and resource transparency, the environmental impact at the raw material stage has become a critical factor in driving corporate sustainability transformation. Guided by the core principles of circular economy and resource efficiency, Walsin Lihwa's Wire and Cable Business Group actively incorporates environmentally responsible raw materials, building a more sustainable product structure from the source. We have adopted multiple sustainable raw material strategies as the foundation for product design and development, including:

Recycled Copper
To meet the high safety and conductivity requirements of wire and cable products, Walsin continues to use high-purity copper as the core material. At the same time, we actively respond to international brands and large manufacturers' expectations to increase the proportion of recycled content in products. We have established a high-quality recycling mechanism for processing scrap copper and adopted a professional reprocessing workflow to ensure the stable quality of recycled copper. This recycling process has been certified by a third party under ISO 14021, enhancing the credibility and transparency of Walsin's environmental claims.

PVC Waste Reprocessing
For inner sheath and insulation PVC waste generated during production, Walsin collaborates with third-party manufacturers to employ sorting, crushing, and processing techniques to repurpose the material into filler, significantly improving material utilization and reducing industrial waste generation.

In addition to meeting high-safety and high-performance product requirements, Walsin also applies specialty chemicals to ensure product quality. In parallel, the company actively promotes using renewable materials to enhance overall sustainability in the manufacturing process. For instance, recyclable thermoplastic elastomers (TPE) and polyvinyl chloride (PVC) have been gradually introduced to replace portions of cross-linked polyethylene (XLPE) and non-renewable plastics. This shift helps reduce production waste and aligns with the global trend toward sustainable materials and a circular economy. In 2024, the total usage of plastic raw materials reached 2,301.48 metric tons, with a recyclability rate of 78.85% and a reintegration rate of 2.92%*. To further promote resource circulation, Walsin improves internal reuse efficiency and supplies high-quality raw materials (such as bare bright copper) to third-party manufacturers, fostering cross-industry resource sharing and sustainable use. In 2024, recyclable raw materials accounted for 90.83% of the total material input, demonstrating Walsin's concrete progress in material circularity and resource efficiency, and our long-term commitment to environmental sustainability goals.

Table: Recyclability and Reuse Ratio of Major Raw Materials,
Wire and Cable Business Group, 2024

Raw Material	Recyclability	Reuse Ratio
Aluminum	**100.00%**	**0.00%**
Copper	**100.00%**	**0.06%**
Steel/Iron	**100.00%**	**0.00%**

**Note: In response to market and customer demands for high-quality cable products, all insulation materials are manufactured using high-grade plastic compounds to ensure product stability and reliability. PVC recyclate is used as filler in specific products only after appropriate processing. At the same time, to support sustainable development, Walsin actively increases the recyclability of plastic raw materials and works closely with third-party partners to promote cross-industry resource circulation and diversified applications.*